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The Consciousness for Survival: Does Credit Risk Management Increases the Sustainable Development of Listed Deposit Money Banks in Nigeria in this Contemporary Time?

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Abstract
The difficulty encountered by some deposit money banks as a result of huge non-performing loans and other related issues has prompted the consciousness for survival by money deposit banks in Nigeria. The need for sustainable development of deposit money banks in Nigeria is very imperative in this contemporary time. Therefore, it becomes germane to investigate how management of credit risk could help to increase the survival and the sustainable development of deposit money banks in Nigeria. Specifically, the study examined the effect of managing non-performing loans as well as loan deposit ratio on the sustainable development of listed deposit money banks in Nigeria. Accordingly, the study adopted an ex-post facto research design method. Secondary data were sourced from the financial statements were utilized which aided the analyses of this study. The study found that credit risk management measured by non-performing loan as well as loan deposit ratio had positive and significant effect on enhancing the sustainable development of listed DMBs in Nigeria. The implication of the findings is that management of credit risk is needed especially in this contemporary time which will go a long way to increase the sustainable development of deposit money banks in Nigeria. Based on the findings, the researchers recommended that managers of deposit money banks should devise risk management mechanisms so as to reduce the level of non-performing loans for increased sustainable development of deposit money banks in Nigeria. The researchers recommended also that all the stakeholders especially the regulators, investors, management and analysts should be more observant on credit risk red flags and also devise means of managing them. They should also ensure that credit exposures are adequately secured through proper scrutiny of loan processing in order to reduce loan defaults and delinquencies by bank money borrowers. The researchers also recommended that deposit money banks in Nigeria should maintain the statutory 50% limit of loan to deposit ratio in order to prevent lending money to borrowers to the detriment of customers' deposit; by so doing, sustainable development of deposit money banks should be sustained in Nigeria and beyond.

Keywords: *Credit risk management; Non-performing loan; Loan deposit ratio; Sustainable development; Deposit money banks in Nigeria.*

1. INTRODUCTION

The financial market is saddled with strife competition which has heighted focus on credit risk management especially in the banking sector because of the risky nature of its businesses.

Deposit money bank in Nigeria are burdened with the risk of losses from loans given to customers which adversely affect the success and survival of deposit money banks in Nigeria. Deposit money banks in Nigeria are faced with various risks which include: credit risk, liquidity risk, operational risk and so on (Obalola, Akpan & Abass, 2014). Credit remains the main source of revenue for any deposit money banks around the world. However, the probability of default borrowers' loan commitments has been an increasing concern for deposit money banks particularly in the area of unsecured loans and advances. The risk emanating from credit default is categorized as credit risk and weaken the intermediation efficiency of the banking industry (CBN, 2016). The risk poses a significant exposure not only to deposit money banks (lenders) but also to the entire economy, which is evident in 2008 financial crises. This is because of the fact that banking is a vital industry of any economy and regulatory authorities has placed emphases on the importance of management of credit risk within the banking sector.

CBN (2016) postulated in the Financial Stability report that deposit money banks in Nigeria experienced deterioration in assets quality at the end of December 2016. The ratio of non-performing loans (NPLs) to gross loans deteriorated in the second half of 2016 by 2.3 and 8.7 percentage points to 14.0 per cent at the end of December 2016 compared with the levels at the end of June 2016 and at the end of December 2015, respectively. The deterioration in asset quality was largely attributed to the rising inflationary trend, dip in global oil prices, negative Gross Domestic Product (GDP) growth, and the depreciation of the naira". As a result of the deterioration in assets quality, thus, the possibilities for default facilities escalated leading to rise in credit risk. Ajakpo (Anetoh) Udeachu & Ezekwonna, (2023) buttressed that deposit money banks in Nigeria experienced high rate of non-performing loans and significant increase in credit risk during COVID 19 pandemic which resulted in the closing down of several deposit money banks in Nigeria. These high-profile failures, in turn, raise questions on the credit risk management practices and sustainability of deposit money banks in Nigeria (Akinselure & Akinola, 2019; Gadzo et al., 2019). Most banks quality of assets have deteriorated as a result of significant dip in equity market indices (BGL, 2010).

Importantly, the Central Bank of Nigeria (CBN) in effort to address the menace of high incidents of credit risk on July 6, 2004 introduced measures to make the entire banking system a safe, sound and stable environment that could sustain public confidence and also promote sustainable development of quoted deposit money banks in Nigeria. Nevertheless, this development prompted the Federal Government of Nigeria through the instrumentality of an Act of the National Assembly to establish the Asset Management Corporation of Nigeria (AMCON) in July, 2010 to provide a lasting solution to the recurring problems of non-performing loans that bedeviled Nigerian deposit money banks. Sustainable development has become a topical issue in the 21st century due to climate change and environmental degradation, which has spurred the implementation of sustainable development by deposit money banks in Nigeria. Sustainable development has become a global issue raising awareness towards environmental, social and financial aspects (Riegler, 2023). Importantly, the banking sector, as a financial institution, is consistently required to develop standards and practices by integrating sustainability criteria into their business strategies under the comprehensive global development framework (Kashi & Shah, 2023). Currently, the demand for sustainable business practices is rapidly increasing, and implementing sustainable banking strategies has become competitive geared towards enhancing the sustenance of deposit money banks in Nigeria (Mishra and Sant, 2023). Therefore, this study is an attempt to investigate the effect of credit risk management on sustainable development of listed deposit money banks in Nigeria so as to close the knowledge gap, contribute by proffering path-breaking policy recommendations.

Furthermore, over the years, deposit money banks in Nigeria have experienced problems which has resulted in the collapse of several banks such as Intercontinental Bank, Oceanic Bank, Equatorial Trust Bank, Bond Bank and recently Skye Bank. The failure of these deposit money banks can be attributed to loan defaults and toxic lending practices (CBN, 2016). For deposit money banks to survive and remain sustainable in a dynamic banking environment, credit risk management should be prioritized. The failure of deposit money banks to manage credit risks embedded in their activities had led to huge non-performing loans leading to traction of banks in Nigeria. Credit risk is expected to trend higher into the second half of 2016 owing to increased loan impairments resulting from depreciation of the Naira and inability of obligors to service foreign loans. Contributing, Owojori, Akintoye and Adidu (2011) postulated that available statistics from liquidated banks clearly showed that inability to collect loans and advances extended to customers and creditors or companies related to directors or managers was a major contributor to the distress of liquidated banks in Nigeria. With the collapse of deposit money banks in Nigeria, one would wonder just what the best strategy is or strategies for a deposit money bank to adopt in order to completely eliminate credit risk or loan defaults. Credit risk management strategies is an issue of concern in deposit money banks today and there is need to come up with improved strategies to deliver better results for the sustainability of deposit money banks in Nigeria (Nwanna & Ogueze, 2017).

Effective credit risk management strategies appear to minimize the credit risk leading to reduction in the level of loan losses. Although that preceding studies as reported in the extant literature (Anetoh, Nwadialor, Anetoh & Okeke, 2021; Ike & Anuolam, 2023; Ajakpo et al., 2023; Adegbie & Adebanjo, 2020; Siyanbola &Adebayo, 2021) have also investigated on the effect of credit risk management but the special emphasis now is on the sustainable development of deposit money banks in a developing economy like Nigeria. Therefore, managers need to reduce the risk of loan default because the banks sustainability is weakened by the loss of principal and interest that is not repaid within the repayment period. Based on the available literature reviewed, it becomes pertinent that more empirical research like this one be conducted so as to close the knowledge gap. Therefore, this study sought to address and solve the contending question 'does management of credit risk increase the sustainable development of listed deposit money banks in Nigeria in this contemporary time? This study has managerial, practical and theoretical implications for path-breaking policy formulation, implementation and for decision-making.

Objectives of the Study

The main objective of the study is to investigate the effect of credit risk management on sustainable development of deposit money banks in Nigeria. The specific objectives are to;

1. Ascertain the effect of managing nonperforming loan ratio on sustainable development of listed deposit money banks in Nigeria.
2. Determine the effect of managing loan to deposit ratio on sustainable development of listed deposit money banks in Nigeria.

Research Questions

Based on the objectives of this study, the following research questions were formulated;

1. How does the management of non-performing loan increase the sustainable development of listed deposit banks in Nigeria.
2. To what extent does the management of loan to deposit ratio enhance the sustainable development of listed deposit banks in Nigeria.

Statement of Hypotheses

The following hypotheses are formulated in their null structures to guide the study;

HO_1: The management of non-performing loan does not significantly increase the sustainable development of deposit money banks in Nigeria.

HO_2: Managing loan to deposit ratio has no significant effect on sustainable development of deposit money banks in Nigeria.

Scope of the Study

The scope of the study covered 13 listed money deposit banks namely**:** Access Bank Nigeria, Fidelity Bank Nigeria, First Bank Nigeria, Zenith Bank, Sterling Bank, First City Monumental Bank, Guaranty Trust Bank, Stanbic IBTC Holding, Union Bank of Nig, UBA, Unity Bank, Wema Bank and Ecobank. The data generated covered the period from 2015 to 2024 which is 10 years' period.

2. REVIEW OF RELATED LITERATURE

2.1.1 Credit Risk

Credit risk management has been an integral part of the loan process in the banking business. Credit risk is the current and prospective risk to earnings or capital arising from an obligor's failure to meet the terms of a contract with the bank or otherwise to perform as agreed (Nwude & Okeke, 2018; Kargi, 2011). When banks grant loans to customers, they expect the customers to repay the principal and interest on an agreed date. A credit facility is said to be performing if payment of both principal and interest are up to date in accordance with agreed repayment terms. Non- performing loans (NPL) represent credits which the banks perceive as possible loss of funds due to loan defaults. Due to increasing rise in non-performing loans (NPL) and its consequences, the Central Bank authorities entered into agreement in December 1987 known as Basel I and II accord in which both accords emphasized on the importance of capital adequacy for mitigating against credit risk (Kolapo, 2012). Ideally, banks are exposed to risks that are particular to its lending and trading businesses and the environment within which it operates. The goal of credit risk management is to maximize a bank's risk-adjusted rate of return by maintaining credit risk exposure within acceptable parameters (Ramazan & Gulden, 2019; Ogboi, 2013). Banks need to manage the credit risk inherent in the entire portfolio as well as the risk in individual credits or transactions. Banks should also consider the relationships between credit risk and other risks. The effective management of credit risk is a critical component of a comprehensive approach to risk management which is crucial to the sustainability of the banking industry (Wachira, 2017; Fredrick, 2012).

2.1.2. Non-Performing Loan

This refers to loans that are in default or close to being in default. Many loans become non-performing after being in default for three months, but this can depend on the contract terms. A loan is said to be nonperforming when payments of interest and principal are past due by 90 days or more, or at least 90 days of interest payments have been capitalized, refinanced or delayed by agreement, or payments are less than 90 days overdue (Bhattarai, 2016). Non-performing loans are loans that give no return to the bank but also attract additional cost of recovery, apart from the provision requirement which tends to affect the bank liquidity adversely (Abiola, 2014). Non-performing loan is a sign of bank poor performance, an asset become non-performing when the customer cannot meet the repayment agreement as at when due. Non-performing loan can be attributed to both controllable and non-controllable factors (Olawale, 2014). Financial institutions are expected to take pre-caution both before and after granting a credit facility, the higher the level of non-performing loan cases of a bank, the lower the capital adequacy and liquidity of the bank (Ramazan, 2019). One of the key risks that faces banks is the risk of uncertainty about the full repayment of a loan as at when due, nonperforming loan is an unavoidable risk to money deposit banks (Singh, 2015; Ogboi, 2013). Poor credit management will not only result to loss of profit for a bank but also affect the operation of a bank, in terms of customer loyalty, goodwill, service delivery, efficiency and low return on shareholders’ fund (Ramazan, 2019). Non-performing loan should be tackled by a financial institution with the highest level of seriousness in order to ensure the smooth running of bank. In addition, non-performing loans usually have adverse effect on sustainable development of deposit money banks as reported by (Kajola, 2015).

2.1.3. Loan to Deposit Ratio (LDR)

The LDR refers to the interaction between total loans and total deposits, expressed as a percentage. The LDR gives an insight into the proportion of assets a bank can create from its liabilities. It also indicates the amount of income/profit a bank can generate (Rengasamy, 2014). It is expected that the larger the deposits (liabilities), the larger the amount of assets (loans) it creates. This is, however, dependent on a few key financial variables and the economy. The LDR is a useful tool for assessing the funding profile of banks. It is used mainly to determine the level of liquidity of a bank and provides insight on banks' risk level, fund utilization, and intermediation activities, (Rengasamy, 2014). The LDR is the total value of loan facilities issued divided by the aggregate value of deposits or money duly mobilized. (Kurotamunobaraomi et. al., 2017).

2.1.4. Sustainable Development

The notion of sustainability implie the ability to continue over a period of time (Orjinta & Anetoh, 2025). Sustainable development is an approach to development which uses resources in a way that allows them (the resources) to continue to exist for others (Mohieldin, 2017). Contributing, Evers (2017) further relates the concept of sustainable development as the act of organizing principle for meeting human development goals while at the same time sustaining the ability of natural systems to provide the natural resources and ecosystem services upon which the economy and society depend. Sustainable development focuses on social, economic and environmental development by using resources in a way that both present and future generation would be sustained (Anetoh, Anetoh Ajakpo, Nwatu & Eboh, 2025). Contributing, Nwankwo and Chendo (2024) reported that the four pillars of sustainable development focus on economic, environmental, social and human sustainability. This work focused on economic sustainability because it is interested on how credit risk would be managed so as to enhance the sustainable development of deposit money banks in Nigeria. The sustainability of deposit money banks should be stimulated because they were licensed by the regulatory authority to mobilize deposits from the surplus unit and channel the funds through loans to the deficit unit and performs other financial services activities. Therefore, the financial services provided by quoted deposit money banks are essential to economic and financial development especially for sustainable development of Nigeria (Anetoh et al., 2023). Consequently, the importance and the role of deposit money banks as financial intermediaries stimulates rapid economic growth and financial stability of Nigeria (CBN, 2018, Ajakpo et al., 2023).

2.2. THEORETICAL UNDERPININGS

A. **Credit Risk is anchored on the Anticipated Income Theory by Prochanow (1944)**

The Anticipated Income theory posited that notwithstanding the nature and character of the business the borrower does, banks had always planned the liquidation of the term loan from the anticipated earnings of the borrower. The theory postulates that the cash flow of the borrower is enough to hedge against risks from a default. A banks' loan portfolio is thus considered as a source of liquidity. The loan is repaid in installments out of the anticipated earnings of the borrower instead of a lump sum at maturity. Ideally, poor credit management leads to high non-performing loans which greatly impair bank sustainable development (Annor & Obeng, 2017). Poor assessment of the creditworthiness of the borrower affects servicing of loans. This means that a weak and poorly administered credit policy would lead to bad debt in the loan portfolio of banks. This will, in turn, affect the bank's entire asset strength leading to a liquidity threat to the bank. If credit risks increase with the growing volume of credit transactions in banks, bad and doubtful debts will claim a bulk of the estimated profit expected to be earned by banks. As these risks remain unchecked, the sustainability of banks will deteriorate (Ejoh, Okpa, & Egbe, 2014).

2.3 REVIEW OF RELATED EMPIRICAL STUDIES.

Adegbie and Adebanjo (2020) conducted a research on the effect of credit risk management on financial stability of deposit money banks in Nigeria. The study adopted ex-post facto research design and data was sourced from 10 deposit money banks purposively selected from 22 deposit money banks in Nigeria. Descriptive and inferential statistics (multiple regression) were used to analyze the result. The findings revealed that asset quality represented by non-performing loan to gross loan ratio (NLPR), Total risk Asset to total asset ratio (TRAR), Loan Loss Provision to total loan ratio (LLPR) and Total Loan to total deposit ratio (TLDR), all had a significant effect on the variables of Financial Stability. The study concluded that credit risk management influenced financial stability of quoted deposit money banks in Nigeria. The study recommended that operators of banks, should pay more attention to those variables of credit risk management in order to improve financial stability by managing credit risk that deposit money banks are facing with in order to improve financial stability of deposit money banks in Nigeria.

Ike and Anuolam (2023) investigated the relationship between risk management and the sustainability of banks in Nigeria by means of expost-facto research design. Risk management measures of non-performing loan-to-total loans, loan-loss provision-to-total loans and bad debt-to-total loans and sustainability measure of equity-to-asset ratio of banks were obtained from the annual reports and accounts of banks and Central Bank of Nigerian statistical bulletin during the period 2007-2017. Based on the analysis, a nexus between risk management measures (non-performing loan-to-total loans loan-loss provision-to-total loans and equity-to-asset ratio of banks) and sustainability measure (equity to asset ratio of banks) in Nigeria was found. On the basis of the findings, it was recommended among others that bank management as well as the regulatory framework of the banking subsector should devise risk management strategies or measures aimed at curbing or reducing the level of non-performing loans so as to further sustain banks and make them going concern. The study also recommends that the loan loss provision of banks should be further reviewed such that banks are made to reduce their loan losses in every financial period.

Mwaura and Wanyoike (2012) conducted a study on credit risk management practices and their effects on financial sustainability of micro credit schemes in Nakuru using descriptive survey research design. The target population comprised all the treasurers of the 127 micro credit schemes in Nakuru County. The sampling frame was drawn from the registrar of societies in Nakuru County. The sample size included in the study was 95 treasurers of Micro Credit Schemes in Nakuru County. Simple random sampling technique was used in respondents. Primary data was obtained from micro credit treasurers using structured questionnaire designed by the researcher. Data was analyzed using descriptive statistics and inferential statistics. In addition, credit risk management was established to significantly, positively and strongly affect sustainability of micro-credit schemes. The study recommended that a standardized credit management practice should be developed from the best practices observed from micro credit schemes in Nakuru for adoption by startup micro credit schemes to minimize the chance of mistakes at start-up.

Egberi (2020) assessed the relationship between risk management and corporate sustainability of deposit money banks in Nigeria. Ex-post facto design was adopted and data of risk management measures (non-performing loan and loan loss provision), corporate sustainability measure (equity-to-asset ratio) and control variable (Tobin's Q) were obtained from the annual reports and accounts of fourteen (14) selected DMBs during the period 2008-2019. Both descriptive and inferential statistical techniques were applied and results indicated that while risk management measure of non-performing loans negatively affects corporate sustainability, loan loss provision positively do. Overall, the study found that risk management significantly affects corporate sustainability of DMBs in Nigeria. Based on the findings, bank management and regulatory framework of the banking industry should devise risk management tactics aimed at curbing or cushioning the levels of non-performing loans so as to sustain DMBs and make them going concern. More so, loan loss provision should be further re-evaluated by the regulatory framework of banks such that DMBs are to reduce loan losses in every given financial year.

3. METHODOLOGY

This study adopted an *ex-post facto* research design method which focuses mostly on secondary data. Secondary source of data was used while the area of the study is concentrated on all Deposit Money Banks listed in the Nigerian Stock Exchange (NSE). The target population for the study consists of listed deposit money banks in Nigeria. The study adopted a purposive sampling technique and selected only all the deposit money banks listed in Nigeria Stock Exchange (13) namely; First City Monument Bank, Fidelity Bank, Guaranty Trust Bank, Stanbic IBTC, Sterling Bank, Union Bank, Access Bank, First Bank, Zenith Bank, Unity Bank, Wema Bank, Ecobank and United Bank of Africa (Source: Nigerian Stock Exchange Facts Book, 2025). The researcher utilized secondary data in which data were collected from the annual reports and financial statement of accounts of all the deposit money banks listed in Nigerian Stock Exchange for the period from 2015 to 2024. The measurement model for the study is presented as follows: SD= $\beta 0 + \beta_1 NPL + \beta_2 LDR + \mu$; *where SD=Sustainable development*, *NPL = nonperforming loan*, *LDR=Loan deposit ratio*. Decision Rule: Accept null hypothesis if the P-value is greater than the stipulated level of significance of 5% (0.05). Also, reject null hypothesis and accept the alternative hypothesis if the P-value is less than or equal to the stipulated significant level 5% (0.05).

4. RESULTS AND DISCUSSION OF FINDINGS

4.1.1 Descriptive Statistics

The study consists of yearly data for the period 2015-2024 for thirteen money deposit banks listed in Nigeria. The descriptive statistics presented on table 1 are as follows; the mean, median, maximum, minimum and standard deviations and the numbers of observations for each of the dependent and independent variables. The dependent variable of this study is sustainable development which was proxied by equity to asset ratio. The independent variable of this study; credit risk management was measured by managing non-performing loan ratio (MNPL) and managing total loan to deposit ratio (MLDR). Table 1 presented the descriptive statistics which shows the characteristics of the data concerning the study independent variable measured by managing non-performing loan to total loan=MNPLR, as well as managing total loan to deposit ratio=MLDR. The dependent variable (sustainable development) was surrogated using equity to asset ratio. The mean value of equity to asset ratio (EAR), managing nonperforming loan to total loan(MNPTL) and management of total loan to deposit ratio which was demonstrated by these values:10.53, 14.3401, 5.8258 respectively. However, managing non-performing loan to total loan recorded the highest value of 14.3401. The minimum values were: -0.6339, 25.5601, -14.1856 while the maximum values were: 0.4555, 7.2477, 41.255.

Table 1: Descriptive Statistics

	EAR	MNPLR	MLDR
Mean	10.53	14.3401	5.8258
Median	0.0175	1.5394	5.8389
Max	0.4555	7.2477	41.2553
Min	-0.6339	25.5601	-14.1856
Jarque-Bera	10.48259	82.57532	1.552386
JB-State Prob	0.005754	0.000000	0.597553
Observation	130	130	130

EAR= Equity to asset ratio; NPLR=Non performing loan ratio; LDR=Loan deposit ratio

Table 2: Multiple Regression Result

Model 1	Unstandardized Coefficients		Standardized Coefficients			
	B	Std. Error	(β)	t-value	p-value	Decision
Constant	8.503	.034		5.217	.000	
MNPLR	0.558	.117	.547	3.943	.004	significant
MTLDR	0.654	.067	.691	5.114	.001	significant
R = 0.745	R^2 = 0.721	Adj. R^2 =.0.0324	F =221.80	F(p-value) = 0.002	DW = 2.001	

Dependent variable: Sustainable development of listed bdeposit money banks
Note: MNPLR: Managing non-performing loan to total loan, MTLDR: Managing total loans to total deposits ratio
Source: SPSS Output, 2025.

A cursory look on table 2 shows that non-performing loan to total loan management has a positive and a significant effect on sustainable development of listed deposit money banks in Nigeria (β = 0.547, p = 0.004 < 0.05). Therefore, the null hypothesis is rejected and alternative hypothesis accepted. This implies that non-performing loan to total loan (TPLR) management has a positive and significant effect on sustainable development of listed deposit money banks in Nigeria. This result indicates that when loan collected by customers are repaid within the expected period and properly managed, it will lead to sustainable development of deposit

money banks in Nigeria. The finding is in line with the findings of (Adegbie & Adebanjo, 2020; Siyanbola & Adebayo, 2021)
Furthermore, a cursory look on table 2 shows that total loan to deposit ratio management has a significant and positive effect on sustainable development of listed deposit money banks in Nigeria ($\beta = 0.691$, $p = 0.001 < 0.05$). Therefore, the null hypothesis is rejected and alternative hypothesis accepted. This implies that total loan to deposit ratio management has a positive as well as a significant effect on sustainable development of listed deposit money banks in Nigeria. This result demonstrates that when loan to deposit ratio are properly managed and also keep within regulatory parameters it will improve sustainable development of deposit money banks in Nigeria. This result is in agreement with the findings of the following researchers (Adegbie & Adebanjo, 2020; Siyanbola & Adebayo, 2021).

Furthermore, the R-squared of 0.721 shows that the risk management measures of MNPLR and MLDR explains about 72.1% variation in sustainability measured by equity to asset ratio of the sampled deposit money banks. The F-statistic value of 221.80 at 0.002 (significant at 5%) level of significance and this indicates the overall significance of the model. This confirms that there is high predictability and usefulness of the model. In addition, based on the result of the regression analysis on table 2, credit risk management (CRM) measurements represented by non-performing loan to gross loan ratio management (MNPLR) and Total loans to total deposits ratio management have a joint significant effect on equity to asset ratio (EAR) of Nigeria listed deposit money banks, Therefore, the null hypothesis (H01) which says credit risk management do not have significant effect on equity to asset ratio(EAR) of Nigeria quoted deposit money banks Nigeria is hereby rejected and alternative hypotheses accepted which portrayed that credit risk management has significant effect on sustainable development of listed deposit money banks in Nigeria.

5. CONCLUSION AND RECOMMENDATIONS.

This study has provided comprehensive and in-depth knowledge that management credit risk increases the sustainable development of deposit money banks in Nigeria especially in this contemporary era. The study therefore concludes that managing non-performing loans could lead to sustainable development of deposit money banks in Nigeria. The study also concludes that managing deposit to loan ratio significant increases the sustainability of deposit money banks in Nigeria. In conclusion, the a priori expectations were confirmed with the actual findings that credit risk management would have a significant effect on the sustainability of deposit money banks in Nigeria. Based on the findings, the researchers recommended that managers of deposit money banks should devise risk management mechanisms so as to reduce the level of non-performing loans for increased sustainable development of deposit money banks in Nigeria. The researchers recommended also that all the stakeholders especially the regulators, investors, management and analysts should be more observant on credit risk red flags and also devise means of managing them. They should also ensure that credit exposures are adequately secured through proper scrutiny of loan processing in order to reduce loan defaults and delinquencies by bank money borrowers. The researchers also recommended that deposit money banks in Nigeria should maintain the statutory 50% limit of loan to deposit ratio in order to prevent lending money to borrowers to the detriment of customers' deposit; by so doing, sustainable development of deposit money banks should be sustained in Nigeria.

6. CONFLICT OF INTEREST

The researchers declare no conflict of interest.

7. ACKNOWLEDGEMENTS

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