Towards Sustainable Human Resource Information Systems (HRIS) in the Nigerian Banking Sector: The Role of New Media

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Abstract

This study borders on Human Resource Information Systems (HRIS) in the Nigerian banking sector. As argued in this study, HRIS drives effective organisational learning, appreciable productivity and above all sustainability in the era of challenging and changing human resource management strategy for organisational growth. The challenges of applying HRIS to sustainability in the new media age are compounded by fierce globalisation pressures that are forcing organisations to be web 2.0 compliant in order to link organisational performance to the demands of contemporary business demands. An essential aspect of this challenge is seen in the global call for more sustainable business practice, which the present study contends can be advanced via HRIS. As shall be demonstrated in this study, a sustainability approach to the Nigerian banking sector debate anchored in HRIS will engender competitive edge, productivity and organisational learning that are central to this. It is on the strength of this, that this study is framed. Also, this study is a conceptual paper based essentially on extant literature on the various themes outlined above. Thus, attempt is made to extend knowledge on the present sustainability debate in the Nigerian banking sector by critiquing approaches including using the framework of HRIS to advance this in the sector.

Keywords: HRIS (Human Resource Information Systems), sustainability, Nigerian banking sector, Nigerian sustainable banking principles (NSBP), new media

JEL Classification: O10

Introduction

Given the ever rising wave of globalisation, technology change and sustainability debate, organisations are increasingly under pressure to tap into the energies of information systems in disparate areas of organisational life. This tendency has precipitated the surge in the number of organisations collecting, storing and analysing information pertaining to their human resources via the use of human resource information systems (HRIS) as well as other kinds of software that include HRIS functionality (Kavanagh, et al, 2012). Effective and efficient management of information systems can generate information resource, which organisations need for operational, tactical and strategic planning and decision-making that can enhance its commitment to sustainability (Achua, 2008). Human resource management is one of the arms of the organisation that uses information systems to operationally position itself as well as to strategically and tactically create an environment that will enhance competitive advantage and
intangible assets such as organisational reputation and sustainability (Laudon & Laudon, 2009). In the present era when organisations are increasingly mired in corporate social responsibility (CSR) commitment issues, reputation risks, corporate-stakeholder dilemma and above all criticisms about how sustainable their activities are, HRIS can be a platform to deepen the debate. This will foreground sustainability particularly in the Nigerian banking sector, which is under review. It is against this background that proper management of information systems is critical for sustainability (Meadows, 1998). To this end, one of the places HRIS can help drive sustainability discourse is in Nigeria, a country that has been in the shadow of sustainability problems (Amaeshi et al, 2006). Nigeria’s reputation as a nation of intractable sustainability dilemma is commonplace; and this is in high gear in the banking industry, which is why efforts are being made to stem the tide in the industry (Achua, 2008), hence the preoccupation of this study.

In light of the diminished sense of trust and confidence in the financial world particularly in the banking industry following the recent global financial meltdown and effects of globalisation, stakeholders and depositors all over the world are increasingly sceptical of the activities in this industry in terms of trust, credibility and sustainability (Connolly & Wall, 2011; Adewopo, 2011). This diminished sense of trust and accountability has undeniably accentuated corporate social responsibility issues and sustainability challenges as stakeholders (including depositors) doubt companies’ (banks’) commitment to sustainable development (Lannuzzi, 2010). So in order to be competitive as well as to avoid criticisms from stakeholders and to enhance sustainable development, the banking industry is under pressure to reinvent itself in the vortex of this backwater. To this end,

“...[t]he Nigerian banking system is now driven by advanced competition brought about by globalisation ... astronomical development in information technology, among others, to render services according to cost-benefit criteria. This has affected banks’ customers habits as well. The increasing demand for clear and hard facts about the social and environmental performance of banks by an increasingly well-informed breeds of stakeholders have made corporate social responsibility (CSR) the vogue” (Achua, 2008, p. 58).

Apart from making CSR – more importantly sustainability – a vogue, globalisation and recent wave of information management have the capacity to increase rapid information dissemination and sharing that is pertinent to advance sustainable development and to deepen trust and accountability in the banking sector. What has largely informed the above scenario is the realisation of the importance of accurate and clear information management in the overall attempt to usher in confidence in the minds of stakeholders in Nigeria’s corporate governance systems – and by extension – sustainable development in the long haul. Arising from the above is the point that banking is too important and sensitive to be left to bankers alone – the business strives only on public trust and confidence, according to (Adeyanju, 2012). This is partly responsible for the recent move by Nigeria’s Central Bank Governor, Mallam Lamido Sanusi, to initiate what he tagged the “Nigerian Sustainable Banking Principles” (NSBP) in 2012. Fundamental to this initiative and its conceptualisation is the issue of sustainability, which rests on the triple bottom line (people, planet and profit) for ethical and sustainable banking systems in Nigeria (Carroll, 1979). Lumped together, the NSBP is in tandem with global call for more credible and sustainable banking practice, which can be furthered by recognising the centrality of HRIS to this issue.

**Conceptual Framework**

On the heels of the “Nigerian Sustainable Banking Principles” (NSBP) inaugurated in 2012, which has sustainable development at its core element, the use of human resource information
systems is crucial in bringing the ideals of this framework to fruition. This process will further consolidate Nigeria’s march to sustainable development particularly in the banking sector. This is because, efficient and proper management of information systems within the HR circuit is essential in ensuring that information is properly managed, stored, retrieved and dispersed to stakeholders, whose interests need to be protected for sustainability. Thus, rapid and instantaneous dissemination of information and sharing is a hotbed of greater stakeholder criticism and clamour, which can be accelerated by new media. These concepts are central to sustainable HRIS. Given the recent clamour from stakeholders for greater stakeholder engagement/involvement in sustainability issue, local capacity building, ethical banking and stakeholder accountability by banks, it is significant to explore how HRIS can be used to bring about more harmonious corporate-stakeholder interface. As argued here, this is crucially important to advancing sustainability in Nigeria given the imperative of the Nigerian Sustainable Banking Principle, which was conceptualised to help bring sustainable development in the banking industry in Nigeria. This process will further consolidate Nigeria’s march to sustainable development. Therefore HRIS – mediated by new media – facilitates the management of information systems in order to make more proactive and effective decision regarding sustainability. Thus, accessibility of information including its dissemination and sharing that is highly necessitated by new media will engender democratised and more sustainable system to contend the issue of sustainable development in the banking sector (Achua, 2008). Apart from this, depositors (stakeholders) will immensely benefit from a reworked HRIS that is attentive to the challenges of sustainable development and more open and sustainable banking system.

**HRIS and Sustainable Banking**

Central to sustainable development is HRIS as this study shall argue. In this direction, in view of information gap precipitated and underwritten by traditional media, the new media is more efficient in collecting, aggregating, storing, managing and disseminating of information that is critical to sustainability commitment (Adeyanju, 2012, p. 20). The process of bringing this vision of information management to fruition is domiciled in HRIS, and as such it suffices to say that this process aids to instil a sense of trust and organisational commitment to sustainable development. Again, apart from creating a sense of trust and organisational commitment to sustainability and the pursuit of sustainable development, organisations can reap from this intangible asset: an impalpable organisational asset capable of managing reputation better for profitability and competitive edge (Svelby, 1997).

Accordingly, HRIS has been defined as an

“integrated systems used to gather, store and analyse information regarding an organisation’s human resources comprising of data bases, computer applications, hardware and software necessary to collect, record, store, manage, deliver, present and manipulate data for human resources functions” (Hendrickson, 2003 in Bal et al 2012, p. 55).

As can be gleaned from the above, HRIS is at the heart of efficient and sustainable method of information gathering, storing, management and dissemination/sharing that are important for the banking sector in Nigeria to advance their sustainable development commitment. This is why HRIS has been described as the fulcrum to materialise strategic sustainable development in Nigeria since it utilises an organisation’s human resource (internal capacities) via information technologies and computing systems to bring about competitive advantage and less stakeholder criticism (Achua, 2008).
Achieving Sustainable Banking Principle: What Role for New Media?

In the wake of stakeholder pressure as well as increased premium placed on the imperative of sustainability commitment, Nigeria’s central bank has embarked on as well as enforcing a conceptualised ‘SBP’ framework aimed at increasing the momentum and acceleration of efforts for the banking sector to embrace the sustainability debate. Although the concept of sustainability has been considered by some authors as not really necessary or possibly a fad (Youngs, 2010), it has however been argued strongly that it is the concept of the moment. Information sharing and dissemination is empowering as it affords stakeholders (internal and external) and the public the needed platform to engage. In addition, it increases prompt, instantaneous and direct information dissemination and sharing, which are central to HRIS as well as sustainability (Youngs, 2010). So, sustainability is important for HRIS, which appropriates new media technologies for its advancement. In the same direction, Al-Qatawneh et al (2012) stipulates that the use of information systems in corporate organisation has the capacity to extend knowledge and engender its dissemination and building, specifically in the era of via new media communication systems. This process equally accentuates work quality including organisational decision-making in relation to the energies of information technology – the Internet – or new media.

Within this frame, as argued by Schivinski and Dabrowski (2013) new media is a networkable emerging technological process that facilitates web-based access to information at any given time from any geographical location; it also galvanises interactive feedback and creative participation from users. This is good for the generation of new, prompt and unrestricted information in real-time. Some of the popular new or social media technologies like facebook, LinkedIn, twitter and blogs allow users to participate in the sustainability debate. As proposed by Croteau and Hoynnes (2003, p.322) “the emergence of new media technologies signals a potentially radical shift of who is in control of information, experience and resources”. In corroborating this statement, Youngs (2010) articulated the magnitude of information personalisation, which new media affords. It is a kind of technology that puts engagement and sustainable debate in the hands of everybody, since it de-centralises the origin and control of information, part of which is sustainability discourse.

Accordingly, the 21st century is witnessing the advancement of global interconnection of networks in video, audio and electronic text communications, which Aton (2003) indicated is rapidly advancing social media, a facet of new media. This process is increasingly blurring the distinctions between interpersonal and mass communication. Therefore, it can be gleaned that ‘new media’ technologies enable a platform where geographical distance makes no difference (death of distance); they have equally increased communication speed thereby crumbling the barriers that hitherto existed. Moreover, scholars have argued that new media technologies has the potential to propel a democratic postmodern environment that allows people’s (stakeholder’s) participation in a well-informed and non-hierarchical discourses regarding social, democratic, economic and above all sustainability matters (Bouwman, 2008). This resonates with the direction of this study which is premised on the submission that the adoption of HRIS, which is premised on the concept of new media technology, can advance sustainability and stakeholder accountability in the Nigerian banking sector. Hence the ideals of Sustainable Banking Principle (SBP) can be extended in this direction through the robust and democratised engagement/discourses that new media makes possible. So, to this end, the reinvention of new media – social media by organisations as this study proposes can enhance the establishment of corporate community and stakeholder’s engagement that finds expression in the clarion call for sustainable development. Further to this, given the speed of information retrieval, dissemination, trust and legitimacy that is engendered via HRIS supported new media, it becomes imperative to examine how this approach can be deployed to effect informed
corporate-stakeholder’s relations and improved public interactivity. This is parallel to the concept that frames sustainability and sustainable development in the 21st century competitive business environment,

**New Media and Globalisation**

According to Manovich (2001) the new media technologies are continuing to play significant roles in globalisation by enhancing the furtherance of communication amongst people across the globe. New media technology has blurred the distinction between physical and social environment thereby making physical boundaries far less important in broad areas of communications, not the least corporate engagement. Accordingly, Manovich has argued that this process enables the development of web-based virtual communities and networks (also known as globalised societies), where people can freely exchange ideas and engage in diverse discourse, commerce, planning, brainstorming amongst other social activities, all of which in effect diminish geographical impediments to communication. This sort of globalised environment mediated by the energies of new media has expanded not only the nature of relationship between nations, but has also facilitated automatic interactivity between stakeholders (Volkmer, 1999). The above demonstrates the extent to which HRIS can be deployed to impact sustainable development and sustainability in the Nigerian banking system (Achua, 2010). Manovich (2001, p.41) postulates that the new media technology is parallel to reasoning along the axis of globalisation, in which individuals are able to customise their lifestyle and choose from a range of ideological options that contrast from random approach to mass audience even mass indoctrination. This approach has been adopted in current marketing environment as well as in related phenomena to treat individual as separate target. In the same vein, the reinvention of HRIS as expressed in the new media has the potential to impact positively on the conducts, operations and practices as well as other human resource activities - which are central to enhancing sustainable banking in Nigerian as argued in this study.

There are however other commentators who argue that the adoption of HRIS couched in new media rhetoric is a tool for sustainable development is a mere whim; while others contend that the emergence of new media as a HRIS enhancement platform would only give certain proponents of this new technology the privilege to develop anti-neoliberal globalization that undermines the flow of capital as it focuses mainly on people. Moreover, questions are also being raised concerning the role of new media (information systems) as a driving factor for the process of the democratization as well as social change, giving the rate of inequality in users’ accessibility to the new media systems – which is widely believed may further hinder the wider spread of the movement as underpins by the concept of new media information technology (Marmura, 2008). Conversely, Youngs (2010) contended that sustainability finds detonation in the 21st business concept, which can be aligned to the concept of new media technology to enhance organisational openness and stakeholder’s engagement, to enable organisational sincere commitment to sustainability and sustainable development which is central to Nigeria banking sector.

**New Media and Social Change**

According to Volkmer (1999), human resource information systems (HRIS) is increasingly playing significant role in the advancement of communication processes. This submission is parallel to the evolution of new media technology that has precipitated a surge in social movement which is a significant tool for educating, organizing and disseminating information about inclusive social movements and the discourse of collaboration built on participation, as well as democratisation of information. The 1999 ministerial protest of WTO is a typical example of the impact of new media technology as an instrument for social change. The well
publicised issues around the Arab Spring bring to mind the capacity of new media (social media) to propel discourse that can frame social alchemy and re-building. Some examples of the effects of new media technology on social change could be likened to the continuing mantra: ‘Free Tibet’ campaign as well as similar discourse that pander to the attractions of social transformation and sustainable development. In extending these confines, scholars have contended that new media technologies have the potential to propel democratic postmodern environment that allows citizens to participate in a well-informed and horizontal discourses regarding social, democratic and economic matters. An essential part of such interrogation that is nuanced with social transformation and re-engineering finds amplification in sustainable banking system in Nigeria. It is against this backdrop that Obeidat (2012) submitted that the relationship between information systems and sustainable human resource management has come to the point of inseparability. With this in mind, this paper posits that years of neglect, marginalisation, poor stakeholder’s engagement and unethical practices that have riddled Nigerian banking sector can be positively reversed via the new media technology, and mostly help in defusing future conflicts as well as effecting positive social change, given the democra tised process of engagement that it facilitates.

New Media and Interactivity

The emergence of new media technology has given meaning to the word interactivity, this stems from the combination of factors such as the rapid spread of internet access point, media digitalization and convergence. This technological approach enables user-to-user and user-to-information interactivity, thereby replacing the traditional approach to ‘one-to-many’ to possibly ‘many-to-many’ model of web-based mass communication (Bouwman, 2008). To this end, interactivity can be aligned to one of the concept that underpins new media technology, which can be beneficial to everyone in terms of information dissemination through technological devices. This demonstrates the essence of communication – new media system – which can be advanced to keep humanity alert on the threats of unsustainable business culture that gives rise to conflict. Thus, the democratization of communication processes and strategies as a result of the advancement of new media technology can accelerate the processes involved in the management of conflict, in that it facilitates enabling platform where stakeholders’ are carried along and as well as their views given audience. This is the kind of inclusive approach to communication that can help transcend mistrust, but mostly drive credibility as well as legitimacy of organisations’ dedication to sustainability and sustainable development focus, which is the basis of this study. Given this backdrop, HRIS can be gleaned as the hinge on which collaborative work/tasks can be improved, hence the ultimate sharing of essential knowledge, that is requisite for organisational success – according to Youngs (2010), and this is central to sustainability factors in the Nigerian banking sector.

New Media and the Industry

Although some commentators have evaluated the current characteristics of human resource information designs and have continued to debate their capabilities to effect HRIS success. However, Al-Qatawneh et al (2012) have reiterated in the strongest term that HRIS couched in the new media has the potential to accelerate new operational dynamic premised on sharing and associating with different business segments such as in advertising, marketing and above all HRIS, wherein organisations are positioned to benefit from the practice of ‘two way’ on-line dialogue with stakeholders (especially customers). This is considered a positive communication approach in the management of conflict/crisis resolution in order to transcend industrial disruption and worker’s strikes. Similarly, public relation organisations are capitalizing on the prospect of interactive PR practices facilitated by the emergence of the new media technology.
According to Youngs (2010), new media technologies have been reputed for accelerating organisations’ operational efficiency, adaptation to change, and competitive advantage as well as facilitating essential production apparatuses, which include employees’ motivation drive, training, learning and development and performance appraisal approaches, in the era described by the ace management guru, Drucker as knowledge economy. These competitive advantages can be surmised in the following statements: HRIS brings about reduced running cost, profit accrual from investing in new media technology and accelerated work processing as a result of improved communication dynamics - all of which are part of organisational competitive advantage. Given these imperatives of HRIS, businesses are increasingly investing profoundly in their effort to coagulate their information technology base, in order to improve significantly their managerial leadership, marketing technique, operational proficiency, human resource management (including selection, recruitment and retention), and stakeholders’ intimacy as well as to keep up clarity of the roles of their HRIS. These factors are significantly central to sustainability and sustainable development in Nigerian banking sector.

Conclusion

In concluding, this paper posits that the application and management of effective HRIS can enhance sustainable development in Nigerian banking sector, and this include sustainability drive, organisational strategic planning, effective decision-making, competitive edge and image management, a harbinger of intangible assets. The preceding section of this article has demonstrated the capacity of new media to not only engender sustainability – particularly in the Nigerian banking sector – but that it is implicated in the overall ensemble for advancing and fostering sustainable development. However the acceleration and resounding possibility of this logic is inextricably linked to HRIS, which this article argues is at the heart of this debate. The HRIS utilises the new media systems towards the management of stakeholder deadlock and disagreements on what constitutes sustainable banking practice in Nigeria. Thus, by tapping into the energies of positive feedback from stakeholders, accelerating the sharing and dissemination of sustainability discourse and other related phenomena, it can be understood a priori the centrality of new media in the fostering and developing of sustainable development in the Nigerian banking sector, which is the focal point of this exploration.

References