

Practice Of Human Resource Management In A Technology Driven Organization In Nigeria

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Abstract

Human Resource Management practice is very challenging in most organization especially organization that is not ICT driven. It is suggested that Human Resource Management has help to solidify, regulate and make more transparent the practice of human resource management; reducing subjectivity and increasing objectivity in matters that affect the employees working to achieve organizational objectives. Practice such as performance appraisal, recruitment, selection, manpower planning, training and training evaluation are more planned and better practice if well supported by technology. The descriptive research design was adopted for this study using Amo Byng Nigeria Limited, Oyo State Nigeria. One hundred staff was drawn from different department using simple random sampling techniques, questionnaire administered and eighty-five returned. These are regarded as the internal customer of the human resource department, who are affected in one way or the other by the practice of human resource management in the organization. The data were analyzed with descriptive and inferential statistics using the Statistical Package for Social sciences (SPSS) which employed simple percentages, the regression analysis and the F-ratio. The findings revealed that organizations who embrace technology at driving core human resource values and practice ensures job satisfaction and lower attrition. Secondly, practice of human resource management driven by technology is less stressful, very logical and objective, therefore undue contestation, contention and industrial unrest is reduced strengthening healthy relationship between the employee and the employer. Following this, the study recommends that to make human resource management the driver of organization culture, values and policies, management must be willing to spend on information technology. Human resource managers must also embrace necessary changes that ensue by deploying ICT gadgets into the management of humans.

Keywords: Human Resource Management, Information & Communication Technology, Job Satisfaction, Training

INTRODUCTION

The environments in which organizations operate are divergent. The Nigerian economic environment is passing through a lot of metamorphosis and is affecting businesses greatly. There is policy somersault, economic indicators changing so rapidly, inflation, depression, dissatisfaction, retrenchment, salary slash and many others that have affected organizational performance and individual productivity. Human resource management is one of the ways organization may use to increase their competitiveness in the new organizational landscapes. According to Mohammed (2015) there is no underestimation of importance and effect of human resource management in ensuring organizational success. For over half a century, human resource management as a discipline and practice in the management of people in an organization has evolved and developed into different areas. This discipline and practice have gone through a process of trial and error, theory building and testing of various concepts by practicing managers and academics. The underlying forces behind the evolution and development of human resource management have been mainly environmental

and the quest for knowledge of better ways of acquiring and utilizing labour. Infact, Ogundare (2017) opined that the practice of human resource management had grown over time out of curiosity for corporate excellence. This quest for excellence had made human resource managers embrace Information and Communication Technology (ICT) in the discharge of their duties such as performance appraisal, training and many others has also made the use of ICT very inevitable. The changing organizational environment in the marketplace pushed managers to improve efficiency in the production and service delivery processes by increasing their ability to use the best practice of people management at the time. That is, employee management techniques or methods that would improve production, reduce service delivery cost, reduce attrition and job dissatisfaction, and at the same time ensure sustained availability of competent staff in the organization.

Though the effect of technology is obvious on the overall organization but in this research the focus will

be on ICT related changes particularly associated with the human resource management practices. The effect of technology has enhanced the competitiveness of the human resource department. Human resource professionals today do not have as much one-on-one contact with employees as they once did. The organizations and their human resource practices are almost changed and affected by technology ranging from paperless office, time attendance, bio-technology register machine for punctuality, data banks, e-recruitments, using internet for staffing, employee development, human resource survey and research. This list has no end and future is towards expecting more changes making work easier and efficient. This study is seeking to examine the influence of technology on human resource management practice and access whether improved human resource management practice through the use of ICT enhances job satisfaction and reduces attrition.

General Overview of Human Resource Management and Developmental Evolution

Human resource management is the organizational function that deals with issues related to people such as compensation, hiring, performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training (Elhazzam, 2015). Human resource management according to Ogundare (2017) is the rational and effective management of people and work processes in order to achieve a determined corporate end. Human resource management is composed of the policies, practices and systems that influence employees' behaviour, attitude and performance (Noe, Hollenbeck, Gerhart and Wright 2007). Contemporary economy and the world of work is changing rapidly and so the increasing relevance of human resource management personnel (Ogedegbe, 2014).

Armstrong (2009) posits that human resource management is a strategic, integrated and coherent approach to employment, development and well-being of people working in organizations, while Elegbeleye (2016) believed that human resource management is all about managing people. Storey (2006) posit that human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic development of a highly committed and capable workforce using an integrated array of cultural, structural and personal techniques (Schuler and Jackson, 2006). Beer et al (1984) defined human resource management as a strategic approach to the management of human resources that involves all management decisions and actions that affect the relationship between the organization and the employees. Price (2000) posit that human resource management is a philosophy of people management

based on the belief that human resources are uniquely important to ensure and sustain business successes; and an organization's competitive advantage by using its people effectively, drawing on the expertise to meet clearly defined objectives.

While the management of people is mostly associated with human resource management, the definition, parameter and context are contested by different authors. Some authors such as Kane (1996) argued that human resource management is in its infancy, while some authors such as Welbourne and Andrew (1996) disputed it. However, other writers have attempted to differentiate between personnel management and human resource management by emphasizing on the strategic approach to managing people (Sisson, 1990). Other writers such as Legge (1995) have focused on the soft and hard approach to managing human resources. All these distinctions have contributed to the fundamental differences in understanding and defining human resource management practices, and therefore, human resource management should not be incorporated within a single model, but rather adequate emphasis should be on understanding human resource management issues, which will assist practitioners, authors, managers and organizations in developing and implementing human resource management policies and practices that will be productive and that can make business to gain and sustain a competitive advantage.

Human Resource Management in Nigeria

Human resource management policies and practices are carried out within an economic, social, political legal and technological environment. Thus, there is a need for considerable historical and cultural insight into local conditions to understand the processes, philosophies and problems of national models of human resource management (Hofstede, 1993). Nigeria is the most populous country in Africa with an estimated population of 190 million people. The Nigeria's population and human resource base makes it one of the most attractive countries for foreign investment in Africa. As foreign and local firms increase their involvement and participation in the Nigeria project, they will need to build capabilities and utilize local competencies. The knowledge of human resource management and more importantly perhaps, knowledge of the factors that impact on human resource management in Nigeria will become increasingly critical to the way we do businesses in Nigeria and ultimately their success. Hence, the way to get things done cannot be divorced from local values, customs, and the overall external cultural environment. Human resource management (HRM) as a concept was introduced into the Nigerian literature in the 1940s during the colonial era; with industrialization and commercialization, this later became wage employment.

Ever since then there has been tremendous growth of human resources in Nigeria, which in recent years has been characterised by a lack of professionalism and specialisation. Different reasons have been deduced for the challenges facing HRM practices in Nigeria. Major among them is technology, which is a consideration in this paper (Fajana et al., 2011).

The socio-cultural diversity of Nigeria has influenced HRM practices. Nigeria is characterised by reliance on culture, language, religion, gender, technology, and educational qualifications as bases for determining who gets employed. This means that the opportunity for an average Nigerian to get employed is affected by the aforementioned variables. According to Fajana (2009), Nigeria is one of the African countries troubled by abundant labour and scarce talents. Attracting, developing, deploying, and retaining the best talents has become a challenge. That is why Fajana and Ige (2007) argued that the desire for top performance has driven the need for effective management. HRM in Nigeria can be said to be “still in infancy,” and a lot of academic research is still required in this area.

Lack of indigenous and comprehensive HRM models is one of the challenges facing HRM practice in Nigeria because technology is not adequate, let alone effectively deployed. Consequently, the majority of principles and practices evident in Nigerian workplaces are adopted from other countries. HRM practices in Nigeria are a convergence of western-inspired approaches with local cultural and institutional influences — a blend of transplanted and indigenous practices. Sensitivity to individuals’ socialization as well as economic, historical, political, and social contexts, according to Azolukwam and Perkins (2009), may enable organisations to capitalise on the potential to transplant forms of HRM from parent-country cultures to developing countries such as Nigeria.

Nevertheless, most organisations are characterised by lack of funding for HRM research and development. Nigeria’s democracy has influenced HRM by determining the quota of expatriates permitted. The economy allows the importation of new technologies to enhance HRM, but training is still slow; thus employment of expatriates to handle such functions is still encouraged (Ogedegbe, 2014). There is application of new management techniques and skills in the running of organisations aimed at creating cost-effective systems. HRM practices in Nigeria cannot be totally divorced from what is evidenced in other countries. However, due to the peculiarity of Nigeria’s socio-cultural characteristics and the deployment of low-level technology, HRM in Nigeria remains an area open for further research.

Good employer–employee relations are therefore critical to the stable and sustainable development of the Nigerian economy as well as the world economy as a whole. Several other factors have affected HRM practices in Nigeria. First is the lack of internal manpower to complete all necessary tasks. Second, the complexity of today’s business climate as a result of deregulation, globalisation, and technological advancements has outpaced many companies’ capacities to undertake special projects without adding employees to the payroll (Olofin & Folawewo, 2006).

Most organisations in Nigeria now offer continued education and training to help employees cultivate the right skills—especially in technology—and expand their careers within a truly global/collaborative workplace. However, in recent times Nigerian workplaces are introducing different HR ideologies adopted from foreign organisations. For instance, there has been a tremendous increase in contract or temporary employment, and many activities are contracted out to consultants via outsourcing, thereby reducing the number of personnel on payroll. The implication is that organisations are paying less for more work, and at the same time losing employees’ psychological attachment, commitment, and loyalty.

In Nigeria, organisational control is firmly in the hands of management, whose role is to effectively manage employees and match them closely with desired goals and objectives. Both management and the government strive to make coherent HR policies that fit closely with overall business strategy. For example, in the oil industry (the most organised and highly paid employment sector) the Government of Nigeria has made concerted efforts over the last fifty years to promote the participation of indigenous workers. Regulation 26 of the 1969 Petroleum and Drilling Act represents one of the government’s early efforts to increase Nigerian nationals’ participation in the industry. Recruitment is selective and employees are trained to perform required skills. However, due to the complexity of oil-industry activities, many skilled expatriate services are still required, leading to a high level of expatriate employment to date. Most oil companies are multinationals with parent companies in well-developed countries.

For most organisations in Nigeria, performance appraisal is a dialogic process and serves as a form of mentorship to mould individuals to perform optimally. Employees are allowed to carry out self-evaluation based on engagements and projects undertaken during the assessment period. Performance appraisal systems should be fair, involving assessments of skills, technical knowledge, and service delivery. However, the lack of skill and know-how of appraisers and the

inability to deploy appropriate technology have made some appraisal tools and parameters faulty. Such appraisal systems may lack objectivity. Consequently, indigenous companies sometimes employ expatriate trainers and supervisors for positions requiring specialised skills and expertise; these supervisors assess performance and recommend promotions where appropriate.

Wages and other fringe benefits in Nigerian organisations are determined by collective bargaining between unions and employers or employees' associations. In some private organisations, basic wages are generally higher than in the public sector. Wages in Nigeria are typically based on job analysis and evaluation to ensure equity, and increases are merit- or performance-based. Higher risk, greater time allocation, higher skill requirements, and more experience attract higher wages. Jobs with high occupational hazards therefore command higher pay. In public-sector organisations owned by government, salary adjustments may result from annual merit reviews, promotions, special individual adjustments, or general adjustments decreed by government. There have been outcries about wage fairness — for example, the recent strike embarked upon by the Joint Health Sector Union (JOHESU). Deployment of appropriate technology for salary determination could help address wage disparity (Ogundare, 2017).

In recent years most organisations in Nigeria have re-emphasised the need to train their employees. Training is expected to generate enthusiasm for creating new ideas and is mutually beneficial to employers and employees. Managers, supervisors, and HR departments are responsible for ensuring workers are effectively trained. Some organisations provide education subsidies for job-related training, while others have adjusted wage structures to include training allowances. The challenge is to ensure training is job-related and mutually beneficial; otherwise it may limit employees from acquiring skills outside the job description. Nevertheless, most organisations are aware of training needs and design appropriate programmes to meet identified gaps. The gap identified over the years is the infiltration of information and communication technology (ICT) into HR practices, which has now taken centre stage in most HR training in Nigeria.

Another area of HRM that needs further development is occupational health and safety. There are no reliable official statistics on fatalities and non-fatalities in Nigerian organisations because many organisations are unwilling to share their experiences for fear of being accused of poor handling of health and safety issues and inadequate compensation (Elegbeleye, 2016). There is also the challenge of employees not knowing

their right to a safe work environment and appropriate compensation in the event of accidents or hazards that affect them psychologically and physically. Deployment of ICT tools could improve reporting and reduce under-reporting of fatalities.

Most organisations in Nigeria are highly unionised, especially in the public sector. Employees unite to protect and promote their interests, as do employers. Until March 2005 the Government of Nigeria promoted compulsory union membership, resulting in almost a 60% unionisation rate. For example, oil workers are unionised by occupational category: white-collar workers belong to the Petroleum and Natural Gas Senior Staff Association (PENGASSAN) and production workers to the National Union of Petroleum and Natural Gas Workers (NUPENG). Some industry-wide trade unions affiliate with national unions such as the Trade Union Congress of Nigeria (TUC) and the Nigeria Labour Congress (NLC). Private organisations show lower union participation; instead, employers and employees sometimes form common forums to discuss issues, identify problems, and map out strategies for better working relationships (Fajana & Ige, 2007).

Lessons from the Experience of other Countries

Human resource managers and practitioners in Nigeria can learn and adopt the following best practices from other developed countries in view of the influence of technology on HRM practice

- ❖ Openness and objectivity in the recruitment and selection process.
- ❖ Strategic development of staff for optimal utilisation.
- ❖ Flexibility in pay systems.
- ❖ Balance of power in the application of equal employment opportunity.
- ❖ Efficient use of affirmative action to ensure employment opportunity.
- ❖ Promotion of group harmony to enhance cooperation and decision-making

Necessary Human Resource Management Practice and the Significant Effect of Technology

Human resource management practices are very strategic to organizational effectiveness as well as the human resource itself. Human resource management practices include acquiring training and development, appraising and compensating employees, health and safety, labour relations and fairness concerns (Rashid, Lodhi and Sana Yaseen, 2013). Human resource management practices according to Fajana (2008) will always affect employee turnover rate, levels of job satisfaction and their commitment to their organization.

• Recruitment and Selection

Recruitment is the process to fully fill the offered work positions in sufficient number and qualities of the applicants, as well as to meet the expectations and

requirements of the organization. Recruitment is using the analysis of the job in order to select and identify the needs of the organization. Technology has eased the rate and methodology of recruitment, reducing recruitment error. Most applicant apply for jobs on-line, sorting is made easy and interview do not have to be conducted with physical presence but at times through Skype, conference call, video call and many others.

- **Human Resource Planning**

Human resource planning is the process whereby organizations determine the staffing support they will need to meet business needs and customer demands. There are a variety of considerations that impact this planning, including impending retirements and transitions, the availability of employees with certain skill sets and changes in the environment that may require training for existing employees. Deployment of technology in human resource planning has also enhanced the integrity and genuineness of the human resource planning report.

- **Training and Development**

Organizations can develop and enhance the quality of the current employees by providing comprehensive training and development. Indeed, research indicates that investments in training employees in problem-solving, teamwork and interpersonal relations result in beneficial firm level outcomes. Increasingly organizations are leveraging technology enabled instructional methods that utilize technology such as electronic learning via web based training, mobile technology such as I-pads, and simulations in the delivery of instruction (Beach, 2017). A primary benefit of technology based training is leveraging the scale and scope of employee training programs. If an organization is required to train multiple employees technology offers unlimited options based on relatively low-cost and employee accessibility. Emerging educational training technologies such as iPads Kindles, Nooks, and laptops can deliver a hybrid technology based employee learning environment. Employees can interact in the workplace environment while using online and computer-based tools and learning activities in the virtual work center environment. Employees may participate in work center simulations and then engage in follow-on work center based role-playing or an employee centered virtual discussion (Beach, 2017)

- **Compensation**

Compensation is the bonus submitted to an employee due to their services. Compensation process can be divided to direct financial compensation and indirect compensation whether it is financial or non-financial. Compensation is a strategic policy in the organization, where it can affect on the employer's possibility to attract new applicants, gain employee's loyalty and ensure the maximum level of performance to meet the organization goal and objective from the employee. Compensation systems in the organization offer to the employees so as to increase employee motivation,

performance and productivity. For many compensation professionals, yearly pay planning has always been a manual – and time-intensive – process that involves elaborate spreadsheets and countless administrative hours. But it doesn't have to be. Just as technology has transformed the way HR professionals and management view the workforce, it has also changed the way they compensate them. In a traditional compensation planning process, an organisation's historical pay data figures are scattered among a series of spreadsheets that have to be manually updated, consolidated and managed. But in an automated process, the administrative work associated with pay planning – data collection, storage and management – is handled by a smart, secure and easy-to-use compensation software tool connected to a company's payroll system.

- **Performance Appraisal**

Organizations can monitor the development of desired employee attitudes and behaviours through the use of appraisal mechanisms. This appraisal-based information according to Kalejaiye (2016) could be used for changing the selection and training practices to select and develop employees with the desired behaviours and attitudes. However, the effectiveness of skilled employees will be limited unless they are motivated to perform their jobs. Formal performance management programs have been around since the Industrial Revolution. In those days, the manager of a manufacturing plant would set a quota and give his subordinates annual goals. Those subordinates will give goals to their subordinates and those goals will trickle down as annual quotas for frontline employees. Work has changed substantially since that era, but annual performance reviews are largely the same. The digitization of performance management not only provides more precise data but also positively influences management processes and strategic development (Wattanasupachoke, 2009). Technology-enabled performance management tools simplify the manager's evaluation process and turn employees into active participants in their review sessions. Furthermore, with increased transparency and automated human resources functions, these tools can give employees a sense of alignment with organization objectives and provide managers with the information they need for compliance and regulatory purposes

STUDY HYPOTHESES

Hypothesis 1

Technology does not have significant effect on human resource management practice.

Hypothesis 2

As a result of technology, human resource management (HRM) does not enhance job satisfaction.

RESULTS OF FINDINGS**Hypothesis One**

H₀: Technology does not have significant effect in Human Resource Management Practice.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.743 ^a	.563	.516	2.88115	1.635

a. Predictors: (Constant), Technology

b. Dependent Variable: Human Resource Management Practice

ANOVA(Regression)^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	246.102	1	246.102	29.647	.000 ^b
Residual	1029.327	124	8.301		
Total	1275.429	125			

a. Dependent Variable: Human Resource Management Practice

b. Predictors: (Constant), Technology

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	25.274	2.195		11.515	.000
	Technology	1.057	.194	.439	5.445	.000

a. Dependent Variable: Human Resource Management Practice

The table above shows the result of regression analysis done for the effect of Technology on the Human Resource Management Practice. The estimation of coefficient of the linear equation, involving one independent variables that best predict the value of the dependent variable. The table showed that R² (regression value) is 0.563 meaning that the “technology” can explain about 56% of the variation in “human resource management practice”. F-value of 29.647, meaning that the overall equation is significant at {sig. level= P<0.05} i.e is significant at 95% confidence level while Durbin Watson (DW) of 1.635

shows the present of auto-correlation. Based on this result of analysis we could conclude that there is significant effect of technology on the human resource management practice at 56%. Therefore, the tested hypothesis that says “*Technology does not have significant effect in Human Resource Management Practice.*” is thus rejected.

Hypothesis Two

H₀: As a result of Technology, Human Resource Management does not enhance Job Satisfaction.

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.479 ^a	.343	.336	2.96850	2.024

a. Predictors: (Constant), Human Resource Management

b. Dependent Variable: Job Satisfaction

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	182.739	1	182.739	10.738	.043 ^b
Residual	1092.689	124	8.812		
Total	1275.429	125			

a. Dependent Variable: Job Satisfaction

b. Predictors: (Constant), Human Resource Management

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	28.386	1.941		14.623	.000
	Human Resource Management	.145	.032	.379	4.554	.043

a. Dependent Variable: Job Satisfaction

The table above shows the result of regression analysis done for the effect technology driven Human Resource Management Practice has Job Satisfaction. The estimation of coefficient of the linear equation, also involving one independent variables that best predict the value of the dependent variable. The table showed that R² (regression value) is 0.343 meaning that the “deploying technology for human resources management practice” can explain about 34% of the variation in “job satisfaction”. F-value of 10.738,

meaning that the overall equation is significant at {sig. level= P<0.05} i.e is significant at 95% confidence level while Durbin Watson (DW) of 2.024 shows the absence of auto-correlation in the residual. Based on this result we could conclude see significant effect of technology driven human resource management practice on job satisfaction at 34%. Therefore, the tested hypothesis that says “As a result of Technology, Human Resource Management does not enhance Job Satisfaction.” is thus rejected.

Summary of Pearson correlation showing the relationship between Human Resources Management, Technology and Job Satisfaction.

Variables	Mean	Std. Dev.	N	R	P	Remark
Human Resources Management	10.3143	2.11648	85	(HRM/T)	.000	Sig.
Technology	7.7429	1.63907	85	0.743**		
Job Satisfaction	11.3000	1.35508	85	(HRM/JS)	.043	Sig.
				0.479*		

**/*Correlation is significant at the 0.01 and 0.05 level

It is shown in the above table that there was significant relationship between Human Resources Management, Technology and Job Satisfaction at (r = 0.743**; 0.479*, N=85, P< 0.01 and 0.05) respectively.

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