
**EFFECT OF INFORMATION TECHNOLOGY ON HUMAN RESOURCE
MANAGEMENT IN THE BANKING INDUSTRY IN KENYA: A CASE OF KCB BANK
KENYA LIMITED**

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Abstract

The purpose of this study was to investigate the effects of Information Technology on Human Resource Management in KCB Bank Kenya Limited, Nairobi County, Kenya. The study objectives were to establish the effect of communication networks on human resource management in KCB Bank Kenya Limited, Nairobi County, Kenya, to examine the effect of management information systems on human resource management in KCB Bank Kenya Limited, Nairobi County, Kenya, to identify the effect of administration automation on human resource management in KCB Bank Kenya Limited, Nairobi County, Kenya and to determine the effect of E-Recruitment and Selection Process on human resource management in KCB Bank Kenya Limited, Nairobi County, Kenya. This study employed a descriptive survey research design. The targeted respondents were 435 respondents comprising of 6 managers and 429 employees from six departments. The sample size was 185 respondents and stratified sampling was used to sample the bank's departments. A census sampling was used to select the managers and simple random sampling was used to select the employees from each stratum. Data was collected through the use of questionnaires for the employees and interviews for the managers. The study established that there was positive correlation between communication networks and human resource management. The study also found that management information systems positively affect human resource management in the banking industry in Kenya. The study revealed that there was a strong positive correlation between administration automation and human resource management. The study also found that e-recruitment and selection process would positively affect human resource management in Kenya Commercial Bank. There is need for the management of commercial banks to embrace the use of internet and tele-working as it will help the bank to have quality and efficient communication network. The improvement of the efficiency of human resources and their ability to communicate in suitable corporate culture should therefore become one of the key priorities of companies through communication networks. This study recommends that management of commercial banks should train its employees on their management information system, this will help employee to complete their duties at speeds and better usage technology so as to improve on efficiency and productivity. There is need for the management of the banking industry to adopt advanced technology which will enable automation of HRM functions ranging from training and development, compensation to performance management so that the banks stay competitive and meet their HRM strategic objectives.

Keyword: Automation, Communication Network, E-recruitment and Selection, Information Technology, Human Resource Management and Management Information System.

Introduction

Technology affects collaborations, data storage and data mining and can improve skills for knowledge organizations and work relations in organizations by enabling access to information and to join people electronically. Information Technology (IT) as a structural factor and instrument according to Hendrickson (2009) transforms architect of organizations, business processes and communication, and is increasingly integrated into human resource management (HRM). IT assists Human Resource (HR) professionals in the delivery of services and affects all HR practices (Hendrickson, 2009). Using of IT tools such as intranet, virtual acquisition and distributions is being adopted by various banking institutions across the world. Knowledge Management tools also facilitate knowledge participation and empower the specific task areas. IT assists HR professionals to access and disseminate information more efficiently (Mehdi, Lammers, Donjacour & Du Pasquier, 2010).

The application of Information Technology (IT) has a great standing among basic industries since it plays an important role in different industries with factors such as productivity, social services and job opportunity improvement. Therefore, technology can be taken as one of the strategic factors which can help improve business productivity (Yang *et al.*, 2007). Information Technology began in 18th century along with Industrial Revolution and continued to the present day and it is still being used in different organizations to improve business operations (Harris & Nelson, 2008). Information Technology as a new form of human resources technology is rapidly affecting business and lifestyles, especially productivity and thus leading to a wide range of changes in all activities (Zafiropoulos, 2006).

The Banking industry in Kenya is governed by the Companies Act, the Banking Act, the Central Bank of Kenya Act and the various prudential guidelines issued by the Central Bank of Kenya (CBK). The banking sector was liberalized in 1995 and exchange controls lifted. The CBK, which falls under the Minister for Finance docket, is responsible for formulating and implementing monetary policy and fostering the liquidity, solvency and proper functioning of the financial system (PWC, 2012). The banks in Kenya have come together under the Kenya Bankers Association (KBA), which serves as a lobby for the banking sector's interests. The KBA serves a forum to address issues affecting members. Over the last few years, the Banking sector in Kenya has continued to grow in assets, deposits, profitability and products offering. The growth has been mainly underpinned by an industry wide branch network expansion strategy both in Kenya and in the East African community region. Automation of a large number of services and a move towards emphasis on the complex customer needs rather than traditional 'off-the-shelf' banking products (PWC, 2012).

KCB Bank Kenya Ltd is a Kenya-based bank that provides corporate and retail banking services. It offers various personal banking products and services, such as savings and current accounts, personal loans, mobile loans, salary advances, and other credit facilities; Visa and MasterCard credit and prepaid cards; advantage banking services, and Biashara banking products. The Company also operates Biashara Club that offers workshops on entrepreneurship and capacity building, networking, business advisory services, and business trips to tap into new markets. In addition, it provides corporate banking products, such as custody services, safe keeping services, transaction settlement, corporate actions administration, activity reporting, trustee, and capital and income services; asset finance and insurance premium finance services; corporate finance

services, and trade finance products and services. Further, the Company offers foreign exchange products.

The Bank's vision is to be the preferred financial solutions provider in Africa with global reach by 2013. Its mission is to grow its existing business whilst building the platform to be the preferred financial solutions provider in Africa with global reach by 2013. The KCB Bank Kenya Limited group is the largest financial services group in East Africa, with an asset base estimated at over US\$2.5 billion. As of March 2016, KCB Bank Kenya Limited group had the widest network of banking outlets comprising of over 170 branches in Kenya, Rwanda, Southern Sudan and Tanzania backed by over 276 automated teller machine outlets. The bank has a wide network of correspondent relationships totaling to over 200 banks across the globe for a seamless facilitation of their international trade requirements.

Statement of the Problem

HRM is one of the most important strategic areas for the development of banks if a bank is to have a cut above the rest. The increasing importance of Information Technology in promoting human resources productivity in the banks is inevitable. Kenyan banks are faced with numerous challenges including intense competition, satisfying the needs of customers, and development of new products and services not to mention selection and maintenance of good employees. Today, a number of banks in Kenya offer quite a number of similar products and services and the difference will only be determined by the excellence in customer experience which is a factor of how Human Resources are handled in their desire to gain competitive advantage.

Despite the fact that KCB Bank Kenya Limited has adopted the use of HRIS to automate their human resource functions from the manual system, the bank is still faced with a number of challenges including but not limited to lack of updated bio-data system, which affects decisions on HR functions (Ambira & Kemoni, 2011). With the continuing progression of awareness in information technology, it is clear that the bank has not comprehensively utilized IT in their human resource management. This is evidenced by non-automation of important HR functions such as performance appraisals, biasness of the reward system which is a result of manual non-objective performance appraisal systems, wastage of time and labour due to non-automation of data storage and retrieval system as well as lack of fairness and equity in training and development where some staff members never get a chance to attend trainings at their leadership center.

A recent study conducted by Nchengu and Karimi (2013), declared that the factor of human resources management practices has been the greatest source of ineffectiveness in the banks. Majority of the banks have continued to use the traditional managerial practices, with all round and general lack of the adoption of the HRIS processes while trying to automate everything for the customers but forgetting their most valuable resource which is the Human Resource. Although a lot of work has been done by different scholars including Lepak and Bartol (2013); Wachira (2010); Gordon (2010); (Pollitt, 2009); Kinyua (2010); Fatuma (2013); Atsanga (2013) Moussaoui and Nowruzi (2009) on how much technology the banks have utilized in the past to automate their processes, there is scanty literature on the how Information Technology influences Human Resource Management of commercial banks in Kenya. Thus this study sought

to investigate effects of information technology on human resource management in the banking industry in Kenya, most specifically the KCB Bank Kenya Limited.

Objective of the study

The general objective of this study was to investigate the effects of Information Technology on Human Resource Management in Kenya Commercial Banks, Nairobi County, Kenya. This study was guided by the following specific objectives:

- i. To establish the effect of communication networks on human resource management in KCB Bank Kenya Limited.
- ii. To examine the effect of management information systems on human resource management in KCB Bank Kenya Limited.
- iii. To identify the effect of administration automation on human resource management in KCB Bank Kenya Limited.
- iv. To determine the effect of E-Recruitment and Selection Process on human resource management in KCB Bank Kenya Limited.

Theoretical Review

According to encyclopedia a theory is a set statements or principals devised to explain a group of facts or phenomena, especially one that has been repeatedly tested or is widely accepted and can be used. Theories might not be proven to be true but can be used to explain facts that relate to them. They can also mean a body of concepts based on quantifiable features of an observable phenomenon, empirical data and existing scientific laws or rules to explain the existence of that phenomenon or related phenomena.

Social Construction Theory

According to encyclopedia, social construction theory is a theory of knowledge in sociology and communication and examines the development of jointly constructed understandings of the world that form the basis for shared assumptions about reality. This theory argues that people can generally agree on how they want to view a given issue and their view becomes a reality. In this context, therefore, it can be generally viewed that technology does not determine how people receive and use information technology but that people determine how and in what ways technology is used. Social constructionism will argue that the use of technology cannot be understood without understanding how it is socially integrated within society. Within different social contexts, technology can take different meanings and adoption depends on how society views the technology (Schneider & Sidney, 2010).

Under this theory, the adoption of a technology is not only due to its technical superiority but due to social factors as well. In the context of this study, information technology and specifically its application to human resource management can be driven by both business factors and social networks related to business. For example, on the use of Communication networks, the human resources in an organization can decide that antique is the way to go. This can explain the reason a number of people in organizations do not get information cascaded to them because of resistance to simple practice of reading emails in the name of being very busy. This theory will

be used in this study to explain how communication network is adopted and how it influences human resource management in the banking industry.

Social Systems Theory

The social systems theory posits that open systems like organizations are multicephalous: many heads are present to receive information, make decisions and direct action. Individual and subgroups form and leave coalitions. Boundaries are amorphous, permeable, and ever changing. But the system must exchange resources with the environment to survive (Hendry & Seidl, 2013). Social systems theory as developed by Ludwig is an option for the theoretical foundation of Human Resource Management (HRM). After clarifying the advantages of using a grand (social) theory as the basic theoretical perspective, the roots of this social systems theory is the deterministic view of systems as machines.

According to Hendry and Seidl (2013), the current generation of HRIS automates and devolves routine administrative and compliance functions traditionally performed by corporate HR departments and can facilitate the outsourcing of HR. In doing so, HRIS not only make it possible for organizations to significantly reduce the costs associated with HR delivery, but also to reassess the need for retaining internal HR capabilities. However, HRIS also provide HR professionals with opportunities to enhance their contribution to the strategic direction of the firm.

First, by automating and devolving many routine administrative HR tasks to line management, HRIS provide HR professionals with the time needed to direct their attention towards more business critical and strategic level tasks, such as leadership development and talent management. Second, HRIS provides an opportunity for HR to play more strategic role, through their ability to generate metrics which can be used to support strategic decision making hence an enhancer to organization performance. This theory therefore supports the fact that automation of administration of human resources in an organization is the only best way to manage many members of the organization who have divergent views but all look for the attention of the HR department.

Innovation Adoption Theory

Diffusion of innovation theory predicts that media as well as interpersonal contacts provide information and influence opinion and judgment. Studying how innovation occurs, Rogers (2011) argued that it consists of four stages: invention, diffusion (or communication) through the social system, time and consequences. The information flows through networks. The nature of networks and the roles opinion leaders play in them determine the likelihood that the innovation will be adopted.

According to Rogers (2011) all exposed individuals must make a decision about whether to accept or reject the innovation. For some, the decision is instantaneous, but for others, the process is long, requiring deeper investigation of the innovation and its predicted outcomes. Human resource Information System (HRIS) has been subject to many studies examining different aspects of it but innovation adoption. Management of human resource in an organization cannot work smoothly if the HRIS is not adopted properly. The HRIS has to be well adopted by the organization in order to boost its performance. Human resource Information

System (HRIS) has been subject to many studies examining different aspects of it including innovation adoption. Management of human resource in an organization cannot work smoothly if the HRIS is not adopted properly. Diffusion goes beyond the two-step flow theory, centering on the conditions that increase or decrease the likelihood that an innovation, a new idea, product or practice, will be adopted by members of a given culture. Adoption of a new idea is caused by human interaction through interpersonal networks.

This theory emphasizes innovation that people contribute to an organization. It regards people as assets and stresses that investments by organizations in people will generate worthwhile returns. The theory supports the fact that sustainable competitive advantage is attained when the firm has a human resource pool that cannot be imitated by its rival. For the employer, therefore, investment in the management of information system of the generated information through the innovation of its members is critical. This theory therefore supports the variable of management of information systems and organizations can adopt it to ensure that the organization stays top of the notch among the competitors.

Resource Based View (RBV)

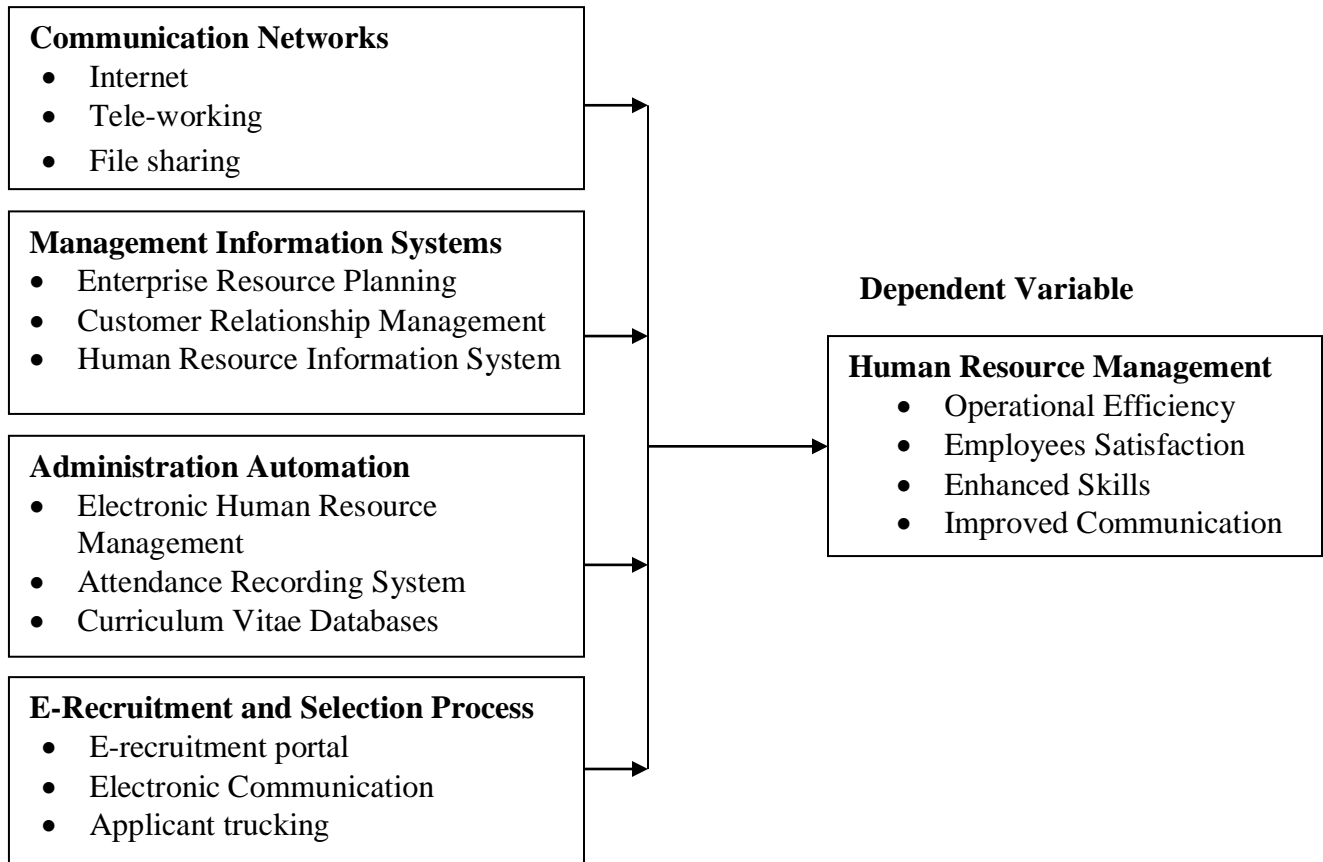
Resource Based View (RBV) of Barney (2011) suggests that sustainable competitive advantage is attainable when firms have a human resource pool which cannot be imitated or substituted by rivals. According to the Resource-Based view, firms should constantly evaluate their workforce to ensure that they have the right people with the right skills in the right places to ensure sustained competitive advantage (Barney, 2011) and when this is not the case, firms should make-up for the shortfall by employing appropriate recruitment and selection criteria. The theory maintained that the major part of any firm's strength or weakness stem from the caliber of the people employed and the quality of their working relationships. To this end, Boxall and Purcell (2012) revealed that firms which recruit and retain exceptional individuals have the capability of generating human capital advantage.

According to Sparrow et al (2012), technology and capital can be acquired by most firms any time, for a price, but it is not easy to acquire a ready pool of highly qualified and motivated employees. Thus, in order to be differentiated, the companies need to be very careful with the recruitment and selection process. The resource-based view (RBV) as a basis for the competitive advantage of a firm lies primarily in the application of a bundle of valuable tangible or intangible resources at the firm's disposal. It therefore views firms as a combination of skills, resource and capabilities. Therefore, Resource Based View theory supports the fact that e-recruitment and selection as a means of attracting and retaining talent in an organization is a very important facet of HRM and is an investment that sooner than later would yield better returns in improved performance, productivity, flexibility and the capacity to innovate that should result from enlarging the skills base and increasing levels of knowledge and competence.

Conceptual Framework

Mugenda and Mugenda (2003) observed that a conceptual framework is a hypothesized model identifying the model under study and the relationship between the dependent and independent variables. The following conceptual framework depicts the relationship between the independent

variable and the dependent variable; it will be based on four independent variables and one dependent variable.



Independent Variable

Figure 1: Conceptual Framework

Figure 1 shows the relationship between independent variables and dependent variable. The independent variables are communication networks, management information systems, administration automation and e-recruitment and selection process and the dependent variable is human resource management.

Research Gaps

Yusoff et al (2011) examined the influence of HR roles on E-HRM in Malaysia. Interestingly, their study analyzed the relationship between E-HR and HR role in a converse way that HR roles caused some certain effects on the use of E-HRM. Gardner, Lepak and Bartol (2013) investigated how HR professionals are influenced by extensive use of IT within the HR department. Specifically, they examined how HR professionals handle HR information as well as the expectations placed on them resulting from an increased reliance on IT. Acharya et al (2008) examined the impact of web design features of a community bank's performance using a sample

of 55 community banks with online services in the five Midwestern states of the USA. The author utilized both primary and secondary data by applying multiple regression models. The results show that banks with higher usability of ICT perform significantly better than those with low ICT usability.

Malhotra and Singh (2009) examined the implications of internet banking on the Indian banking industry using information drawn from a survey of 85 scheduled commercial banks' websites, during the period June 2007, by applying multiple linear regression models. Results revealed however, that profitability in the banking industry while offering internet banking does not have any significant association with their overall performance. Zafar (2009) studied the E-HRM practices in State Bank of Pakistan. The purpose of his study was to determine at which level IT related changes are being adopted in the HR department and how they are contributing to the professional competence of HR department in Pakistan with focus on State Bank of Pakistan. The study identified that E-HRM practices are not yet fully visible in Pakistan; things will take time to improve. It was also found that employees are happy with technological changes in HRM as it is making their work easier.

Research Methodology

This study employed a descriptive survey research design. It sought to determine the influence of Information Technology on Human Resource Management in the banking industry and make a prediction. Orodho (2005) defines target population as a large population from whom a sample population is selected. The targeted respondents were 435 respondents comprising of 6 managers and 429 employees from six departments. In a descriptive research, a sample size of 10-50% is accepted (Mugenda & Mugenda, 2003). The study therefore adopted the use of a sample size of 30% to select the employees. The following formula was used to determine the sample size as recommended by Cooper and Schindler (2004). The sample size was 185 respondents, which represents 42.5% of the target population.

Table 1: Sample size

Department	Population	Proportion	Sample
HRM	16	42.5%	7
IT	106	42.5%	45
Audit and archive	49	42.5%	21
Clearing	71	42.5%	30
Customer Service	85	42.5%	36
Credit	58	42.5%	25
Total	435	42.5%	185

Data was collected through the use of questionnaires for the employees and interviews for the managers. The researcher administered the questionnaires to the respondents through the drop and pick later method. The researcher also interviewed the managers and took down notes. Before collecting the actual data, the researcher carried out a pilot study in Chase Bank involving 10 respondents comprising of 2 managers and 8 employees to assess the clarity of the questionnaire items to help in discarding or modifying the items that were found out to be vague or inadequate thus improving the quality of the research instruments. Data from the questionnaires was edited and coded and then keyed into Statistical Package for Social Sciences (SPSS) Version 20.0.

Response on each item for the open ended questions was also put into specific main theme for ease of analysis. Inferential statistics was utilized to generate meaning and relationships between information technology and human resource management. Presentation of the analyzed data was then presented using charts, tables and graphs.

Results and Discussion

Descriptive and inferential statistics have been used to discuss the findings of the study. The study targeted a sample size of 185 respondents from which 171 employees filled in and returned the questionnaires giving a response rate of 92.4%. Mugenda and Mugenda, (2003) notes that a response rate of 50% is adequate for analysis and reporting, a response rate of 60% is good and that of 70% and above is very good. This therefore meant that the response rate of 92.4% was quite appropriate for the study. The questionnaire return rate was high because the researcher ensured that the respondents had been sensitized prior to administration of the questionnaires.

Table 2: Response Rate

Response	Frequency	Percent
Returned	171	92.4%
Unreturned	14	7.6%
Total	185	100.00%

A pilot study was carried out to determine reliability of the questionnaires. The pilot study involved a sample of respondents from the target population, who were not included in the actual study. Reliability analysis was subsequently done using Cronbach's Alpha which measured the internal consistency by establishing if certain item within a scale measures the same construct. Gliem and Gliem (2003) established the Alpha value threshold at 0.7, thus forming the study's benchmark. Cronbach Alpha was established for every objective which formed a scale. The table 4.4 shows that communication networks had a reliability of ($\alpha= 0.798$), management information systems had a reliability of ($\alpha=0.799$), administration automation had a reliability of ($\alpha=0.765$) and E-Recruitment and Selection had a reliability of ($\alpha=0. 801$). This illustrates that all the four variables were reliable as their reliability values exceeded the prescribed threshold of 0.7.

Table 3: Reliability Analysis

Scale	Cronbach's Alpha	Number of Items
Communication networks	0.798	6
Management information systems	0.799	6
Administration automation	0.765	10
E-Recruitment and Selection	0.801	8

Descriptive Statistics

Correlation analysis and multiple regression analysis were conducted to test the influence among the variables. The results of correlation analysis in table 4 shows that there was a strong positive correlation between communication networks and human resource management as shown by $r=0.862$. The study findings are in agreement with the finding of Turk and Jaklic (2008) who

argues that communication network undoubtedly has affected organizations' employees and their workplaces in job design, conditions of work and other ways. The results of correlation analysis in table 4 shows that there was a strong positive correlation between management information systems and human resource management as shown by $r=0.684$. The study findings concur with the finding of Wachira (2010) who stated that 79% of thirty three firms recognized cost savings as the main driving force for MIS. The results of correlation analysis in table 4 shows that there was a positive correlation between administration automation and human resource management as shown by $r=0.678$. The study findings concur with findings of Guetal and Stone (2010) argue that advanced technology has enabled sub-functions of HR to be automated ranging from, training and development, compensation to performance management. The results of correlation analysis in table 4 shows that there was a positive correlation between e-recruitment and selection and human resource management as shown by $r=0.618$. This concur with the finding of Lee (2012) who showed that e-recruitment and selection are practices and activities carried electronically by the organization that utilizes a variety of electronic means to fill open positions effectively and efficiently.

Table 4: Correlation Analysis

		Human Resource Management	Communicat ion Networks	Managemen t Information	Administrati on Automation	E- Recruitmen t And
Communicati on Networks	Pearson	.862(*)	1			
	Correlation					
	Sig. (2-tailed)	0.001	.063			
	N	171	171			
Management Information Systems	Pearson	.684(*)	.694(*)	1		
	Correlation					
	Sig. (2-tailed)	.04	.04	0.04		
	N	171	171	171		
Administrati on Automation	Pearson	.678(*)	.414(*)	.445(*)	1	
	Correlation					
	Sig. (2-tailed)	.001	.001	.004		
	N	171	171	171	171	
E- Recruitment & Selection	Pearson	.618(*)	.45	.563	.446	1
	Correlation					
	Sig. (2-tailed)	.002	.052	.067	.060	.02
	N	171	171	171	171	171

Model Summary

The R-Squared is the proportion of variance in the dependent variable which can be explained by the independent variables. From the findings, the R-squared in this study was 0.621, which implies that the four independent variables (communication network, management information systems, administration automation and e-recruitment and selection) can explain 62.1% of the variation in the dependent variable. This clearly shows that other factors not considered in this study explain 38.5% of the variation in the dependent variable, changes on human resource management.

Table 5: Model Summary

Model	R	R Square	Adjusted R Squared	Std. Error of the Estimate
1	.788	.621	.615	.01543

Analysis of Variance

From the ANOVA statistics, the processed data, which is the population parameters, had a significance level of 0.002 which shows that the data is ideal for making a conclusions on the population's parameter as the value of significance (p-value) is less than 5%. The F calculated value was greater than the F critical value ($17.455 < 2.426$) an indication that communication network, management information systems, administration automation and e-recruitment and selection significantly influence human resource management. The significance value was less than 0.05, an indication that the model was statistically significant. This shows that model had goodness of fit.

Table 6: Analysis of variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.072	4	0.768	17.455	.002 ^a
	Residual	7.304	166	0.044		
	Total	10.376	170			

Beta Coefficients

Regression analysis was used to model, examine, and explore the relationships between human resource management in the banking industry in Kenya against the four independent variables (communication networks, management information systems, administration automation and e-recruitment and selection process) used for the study, this was important in measuring the extent to which changes in one or more variables jointly affected changes in another variable. Based on the analysis, the regression equation for the independent variable on the dependent variable resulted to the following;

$$Y = 0.531 + 0.656X_1 + 0.761X_2 + 0.540X_3 + 0.751X_4$$

From the above regression equation, it was revealed that holding communication networks, management information systems, administration automation and e-recruitment and selection process to a constant zero, human resource management in the banking industry in Kenya would stand at 0.531.

Communication Networks and Human Resource Management

A unit increase in communication networks would lead to increase in human resource management in the banking industry in Kenya by a factor of 0.656. From the regression equation the results reveal that communication networks significantly explains human resource management in the banking industry in Kenya. This implies that communication networks had positive significant effect on human resource management in the banking industry in Kenya

Management Information Systems and Human Resource Management

A unit increase in management information systems would lead to increase in human resource management in the banking industry in Kenya by a factor of 0.761. From the regression equation the results reveal that management information systems significantly explain human resource management in the banking industry in Kenya. This is an indication that management information systems had positive significant effect on human resource management in the banking industry in Kenya.

Administration Automation and Human Resource Management

A unit increase in administration automation would lead to increase in human resource management in the banking industry in Kenya by a factor of 0.540. The regression results reveal that administration automation significantly explains human resource management in the banking industry in Kenya. This is an indication that administration automation had positive significant effect on human resource management in the banking industry in Kenya.

E-recruitment and Selection Process and Human Resource Management

A unit increase in e-recruitment and selection process would lead to increase in human resource management in the banking industry in Kenya by a factor of 0.751. The regression results reveal that e-recruitment and selection process significantly explains the human resource management in the banking industry in Kenya. This is an indication that e-recruitment and selection process had positive significant effect on human resource management in the banking industry in Kenya.

Table 7: Beta Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	0.531	0.109		4.872	0.005
Communication Networks	0.656	0.138	0.449	4.754	0.002
Management Information Systems	0.761	0.114	0.513	6.675	0.000
Administration Automation	0.540	0.154	0.442	3.506	0.006
E-recruitment and Selection Process	0.751	0.138	0.524	5.442	0.001

Conclusion

The study established that there was positive correlation between communication networks and human resource management. The study also found that communication networks would positively affect human resource management in Kenya Commercial Bank. From the findings the study concludes that communication networks positively affects human resource management in Kenya Commercial Bank.

The study established that there was a strong positive correlation between management information systems and human resource management in the banking industry in Kenya. The study also found that management information systems positively affect human resource management in the banking industry in Kenya. From the findings the study concludes that there

is a positive relationship between management information systems and human resource management in Kenya Commercial Bank.

The study established that administration automation positively affect human resource management in the banking industry in Kenya. The study revealed that there was a strong positive correlation between administration automation and human resource management. From the findings the study concludes that administration automation positively affects human resource management in Kenya Commercial Bank.

The study found that there was positive correlation between e-recruitment and selection process and human resource management. The study also found that e-recruitment and selection process would positively affect human resource management in Kenya Commercial Bank. From the findings the study concludes that e-recruitment and selection process positively affects human resource management in Kenya Commercial Bank.

Recommendations

There is need for the management of commercial banks to embrace the use of internet and tele-working as it will help the bank to have quality and efficient communication network. The improvement of the efficiency of human resources and their ability to communicate in suitable corporate culture should therefore become one of the key priorities of companies through communication networks. This study recommends that management of commercial banks should train it employees on their management information system, this will help employee to complete their duties at speeds and better usage technology so as to improve on efficiency and productivity.

There is need for the management of the banking industry to adopt advanced technology which will enable automation of HRM functions ranging from training and development, compensation to performance management so that the banks stay competitive and meet their HRM strategic objectives. There is need for the management of the banking industry to fully adopt online recruitment and selection process, this will enable the bank to promote themselves cheaply and effectively and gain new talented employees.

Suggestion for Further Studies

This study sought to investigate the effects of Information Technology on Human Resource Management in Kenya Commercial Banks, Nairobi County, Kenya. This study recommends that a study should be done on effects of Information Technology on employee performance in Kenya Commercial Banks, Nairobi County, Kenya

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