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TITLE: Managing e-records in a constantly transforming banking sector: A case of First National Bank Botswana



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Introduction



- Technological advancements brought about many changes in the way firms and governments conduct their business in today's market.
- The banking sector is not an exception. As observed by Masocha et al (2011) technology has aided businesses across all industries to successfully reduce costs through substantially improving efficiency.
- Consequently, banks have outstandingly diverted their focus towards extensively computerizing almost each and every aspect of their banking processes.
- Botswana's banking fraternity has highly adopted the use of Information Communication Technologies (ICT's) in an attempt to meeting the ever increasing demands of customers.




Statement of the Problem



- ▶ Records management is a key fundamental aspect in organizations as records offer corporate memory and show amongst other things the financial reports of current and past annual proceeds.
- ▶ Millar (2003) asserts that, Technological advances have also made it possible for records and information to be readily available to the public in digital form, challenging the process of managing those records even more.
- ▶ Therefore, a banking institution that has automated almost all of its services to an online portal is faced with the management of large volumes of records in a digital format.
- ▶ However, FNBB does not have records management systems in place to assist in the safe keeping of its corporate memory especially taking into account the fact that, they produce large volumes of electronic records and electronic records are sophisticated in their management.



Study Objectives

- The first objective of the study was to investigate the impact of the introduction of internet banking on the management of electronic records.
 - To determine the challenges of managing resultant e-records associated with e-banking and suggest better ways of managing e-records for sustained competitive advantage for the bank.
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Literature Review

- ▶ Traditionally, banking has always relied solely on the physical presence of the customers to conduct their transactions.
- ▶ With the advent of technology and the widespread adoption of ICT's by banks, many services are found online as a consequence of business process automation.
- **E-banking, records management and Diffusion of Innovation Theory**
- ▶ This study has been informed by the Diffusion of Innovation Theory (Rogers 2003) in understanding ways of managing e-records within a constantly transforming banking environment.
- ▶ The Diffusion of Innovations Theory therefore looks at the adoption and the diffusion of an innovation.
- ▶ The theory in distinct stages being, relative advantage, which is a degree to which the innovation is perceived to be better than what it supercedes. Followed by, compatibility the degree to which the innovation is consistent with existing values, past experiences and needs. Also, complexity the degree to which the innovation is difficult to understand and use. Additionally, trialability which is the degree to which the innovation can be experimented on a limited basis. Finally, observability, the degree of visibility of the new innovation results.



E-banking, records management and Diffusion of Innovation Theory cont...

- ▶ In moving from a traditional banking concept where one visits a bank physically to accessing a bank's services online, anywhere and anytime may be deemed as an advantage by customers, and the concerns surrounding security issues and the privacy of customer details could also be a factor that influences whether or not to adopt internet banking or otherwise.
- ▶ The trial ability of internet branches, if they have been welcomed by the customers wholly, would be a major contributor to whether or not to accept and adopt a new way of banking which in this case is banking online.
- ▶ As a consequence, employees found within the concerned bank such as those from FNBB are expected to adopt the technologies systems introduced to manage their e-records, as it provides some relative advantage over a systems that is mainly relevant to managing only paper records.



Challenges of e-records management in a constantly transforming banking sector

- A major challenge is a lack of skills to manage records which are in an electronic format.
- Security of e-records is of great concern as there are access points of websites all around which could be viewed by those who may use the information found in a rather more illegitimate manner.
- Technological obsolescence is apparent, consequent to the upgrades of either software or hardware.



Methodology



- The study adopted a case study design, where the research employed both the qualitative and quantitative approaches in collecting data for easy analysis.
- The study population of FNBB consisted of twenty (20) employees found at the different identified departments from FNBB Headquarters in Gaborone.
- Due to its relatively small population size, the study sample consisted of all the twenty (20) employees found within the identified departments of FNBB (human resources, finance, legal, information technology, risk management and electronic banking).
- Data was collected through the use of questionnaires, interviews and personal observations.
- The respondents included six (6) senior management officers, who were interviewed and a questionnaire was administered to fourteen (14) action officers, yielding to 100% response rate.



Findings of the study



- ▶ The study revealed that a lot of services are being offered online consequent to the adoption of ICT by FNBB therefore, all departments found at FNBB receive correspondences online from internal employees to external clients.
- ▶ From the research undertaken, the study showed that, there was no records management unit designated to manage records in general let alone electronic records.
- ▶ Moreover, there are no trained records personnel to execute and uphold good records management in line with international records management standards to assist in sound e-records management.
- ▶ The bank relied solely on individuals from all departments to manage their e-records from creation, accession to even appraisals of which records to keep and which ones to discard.
- ▶ The study revealed that, there is no records management policy within the bank which could be used to align good records management practices with what is expected from good records management for FNBB's e-records.

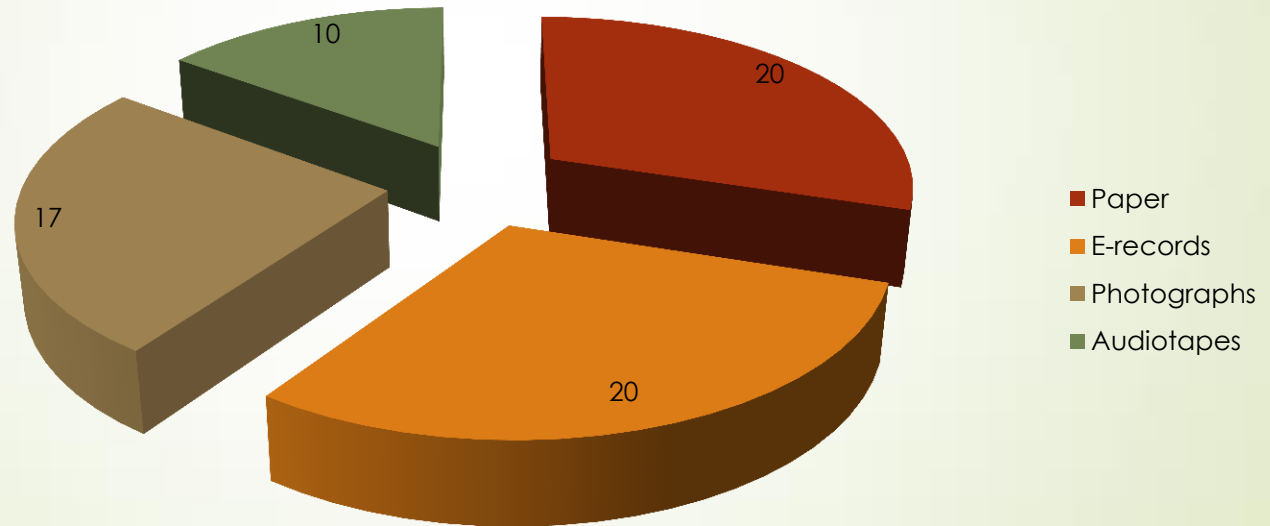


Findings of the study Continued...

- From the twenty (20) respondents, all of them have identified that paper and e-records are produced at a large scale.
- However, audiotapes were identified by ten (10) respondents as being complimentary to the large quantities produced of both paper and electronic records.
- While seventeen (17) identified photographic records as some of those which the bank produces.
- These e-records are either found within the internal networked system or that which is accessed from outside the bank from the World Wide Web platform.

Findings of the study Continued...

Types of records produced





Findings of the study Continued...

- ▶ Also, the study found out that all the respondents (20) were mainly concerned about the security of e-records as opposed to any other issues related to e-records such as, unskilled staff, irrelevant software and technological obsolescence as no respondent identified them as challenges but only highlighted the issues of security of e-records.



Findings of the Study Continued...Impact of e-banking on e-records management

- Twenty (20) respondents are of the view that, e-records provide convenient access.
- The twenty (20) respondents argued that, due to many access points and a lot of traffic online, there are major security concerns;
 - Fraud
 - Identity theft



Conclusion and recommendations

- FNBB has almost entirely automated its services, therefore;
- Should have in place trained personnel in the area of records management specifically with regards to e-records.
- There has to be a policy that could be used to guide in the management of e-records found within the organization which would address adequately but not limited to the issues of security, access, disaster preparedness and migration.



THE END

THANK YOU

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