



Effect of Information Governance Systems on Firm's Productivity of Hospitality Industries in Nigeria

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Abstract: Due to the inability to provide data and information to users with the appropriate levels of accuracy, timeliness, reliability, security, and confidentiality, has led to the researcher's interest on this study. It is in these regards, that the study is aimed at ascertaining the relationship between to examine the relationship between information governance systems and firm's productivity of hospitality industries in Nigeria. Two (2) hypotheses were formulated in the study. The study covers a period between 2017-2021, and primary data was collected from 27 functional hospitality industries in Port Harcourt, from the Nigerian stock exchange. The study identifies information asset and office automation system as proxies for information governance systems, and turnover for the productivity of hospitality industries. The data was analyzed using Spearman Correlation Coefficient technique. The findings showed that there is a significant relationship between information governance systems and firm's productivity of hospitality industries in Nigeria. The study thus identified that information governance system can be effectively managed through information asset and office automation system, while the productivity of hospitality industries can be enhanced through turnover. The study thus recommends that, management should create an avenue were inexperienced workers are given the room or grace to learn specific skills and knowledge needed to improve in their job, through office automation system, and hotel managements should create easy access in the environment, were customers can have ease to use some facilities, which will help the hotel to grow because, the publicity now, will be made by the customers, which will now cause competition among the big hotels.

Keywords: Information Asset, Information governance system, Office Automation System, Profitability, Turnover.

INTRODUCTION

Information governance is a holistic approach to managing corporate information by implementing processes, roles, controls, metrics that treat information's as a valuable business asset, and the goal of a holistic approach to information governance to make information assets available to those who needs it, in streamlining management, reducing storage costs and ensuring compliance, since it enables the company to reduce the legal risks associated with

unmanaged or inconsistently managed information to be more agile in response to a changing marketplace. Information governance systems is the ability to provide data and information to users with the appropriate levels of accuracy, timeliness, reliability, security, confidentiality, to better information management capabilities, so as to enable firms to capture information's about customers and disseminate information to customers through the Internet, virtual communities, and personalized information channels, Mithas *et al.* (2006).

Ganney, (2020), asserts that, Information Governance (IG) is the function of corporate governance that ensures the confidentiality, integrity and availability of an organization's information assets. An important goal of information governance is to provide employees with data they can trust and easily access while making business decisions. In many organizations, responsibilities for data governance tasks are split among security, storage and database teams, and often, the need for a holistic approach to managing information does not become evident until a major event occurs, such as a lawsuit, compliance audit or corporate merger. Ensuring information integrity is crucial in supporting information governance, since it is important and necessary for there to be availability and access to information when it is needed. If an organizational leader needs information for a shareholders meeting, but cannot access the files, the availability of this information is too low and will undoubtedly have a negative impact on the perception by the shareholders, in that, if the availability of information is so low that the people who needs it cannot access it, then the information cannot properly serve its purpose, and information, no matter how valuable, it is essentially worthless if it cannot be used to carry out tasks for which it is needed.

According to the Gronroos and Ojasalo (2004) productivity is related to how effectively inputs are transformed into outputs for the service provider and for its customers. Productivity is the efficiency of production of goods or services expressed by some measures, and the measurements of productivity are often expressed as a ratio of an aggregate output to a single input or an aggregate input used in a production process, i.e. output per unit of input, typically over a specific period of time. Productivity studies in Hospitality Industry's research have typically involved estimates at the national level and at the level of particular industry sectors, such as hotel accommodation airports, airlines, and travel agencies. Productivity, seek to acknowledge that it is all about doing what weighs on priority and planning to accomplish the goals in less time. Hospitality industry refers to a variety of businesses and services linked to leisure and customer satisfaction, and hospitality industry is also the fact that focuses on ideas of luxury, pleasure, enjoyment and experiences, as opposed to catering for necessities and essentials.

Statement of the Problem

Firms in every industry are confronted with the enormous challenges of managing and controlling the activities of that business or organisational processes. For decades, economists have been interested in identifying and measuring sources of productivity, but being able to measure productivity and understand why it does or does not occur is of great importance to firms, because increasing productivity requires that attention be paid, to using and manipulating numerous factors, which is often a challenging task. This is particularly true for hotels in small islands that face specific difficulties and resource limitations in achieving operational efficiency

and increasing productivity. As most previous research on productivity in the tourism and hospitality field has been undertaken in developed countries, the amount of research on information governance systems on firm's productivity of hospitality industry have been limited.

So, this research seeks to gather relevant research to determine the possible reasons that some firms appear to outperform their peers as defined by exhibiting higher performance in terms of productivity growth. To that end, adequate emphasis has not been laid on proxies such as, information asset, office automation system, for information governance systems, and turnover for firm's productivity, thereby creating a gap in this study.

LITERATURE REVIEW

Theoretical Framework

This study is anchored on the reinforcement theory of motivation

The Reinforcement Theory of Motivation

The reinforcement theory of motivation was first introduced by B.F. Skinner and Ivan Pavlov. Its main idea is that positive consequences dictate productive behaviour. According to this team productivity theory, employees who get a reward after doing something positive would have enough encouragement to push themselves more, and this is why they keep receiving positive feedback, while on the other hand, if you do not positively react to an employee's good performance, it is unlikely for them to have the drive to do well again.

Businesses typically reach their greatest output potential when productivity is maximized among employees. Productivity stagnates for reasons frequently connected to motivational issues and communication problems. When management takes no action to increase business productivity, it can foster a work environment that accepts average work output. For there to be a reinforcement, employee needs must be put in place or adhered to because, the people must have certain needs fulfilled to operate at their full potential. This means that to maximize business productivity, management must ensure that the needs of employees are satisfied, specifically their need for stability and high self-esteem, and negative work environments may lower employees productivity, and if employees are consistently threatened with job loss, they might feel bad, since there is lack of stability in their jobs.

For there to be reinforcement, there must be communication, because clear and constant communication theoretically maximizes productivity because employees know what is expected of them by management. If there are changes to a project, communication ensures that employees devote their time and resources to the correct task. For example, if a manager instructs his advertising department to create a commercial script by the end of the week, then fails to later convey to the

creative team that a decision has been made to scratch the project, productivity may be lost.

Another aspect is the business goals, because setting attainable goals for employees can potentially maximize work productivity, when a manager creates goals in increments, he will eventually establish a goal recognizable as representative of the maximum productivity his employees can sustain, which is then set as a standard for the business. Also, employee's recognition may also maximize productivity due to increased motivation in the workplace. Employees who are verbally thanked or rewarded for hard work typically maintain high levels of productivity. For example, if an employee consistently performs well for a business and receives a higher wage, promotion, or even small gestures of recognition, the employee is encouraged to maximize productivity. Therefore, the theory is of the view that employees should be treated properly so that the firm's productivity can be achieved.

The Concept of Information Governance Systems

Information governance can be seen as a strategic framework for managing information at an organizational level. The fact is that most people will either embrace or decline information governance depending on their individual situation at a certain point in time, but information governance is closely allied with privacy and security. Information governance is an impediment to productivity, in that, it is actually a productivity enhancer, and risk management in the form of information governance, data security processes, and legal compliance stands centre stage for organizations of all sizes and types. Data without information governance practices in place can create operational, privacy, and security gaps that put company assets at risk.

An important aspect of information governance is that, it will increase the availability of accurate, timely, reliable, secured and confidential information facilitates accountability and timely intervention by senior managers without the risk of embarrassing the inappropriate disclosures Marchand *et al.* (2002). Having Information Governance policies ensures information accuracy and integrity, it enhances security, it ensures that information is available, it improves decision making, it helps you control risks, it improves efficiency, it increases customer's satisfaction, it increases shareholders value, and above all, it increases profitability.

Information asset

An information asset is a collection of knowledge or data that is organized, managed, and valuable, that an organization need to classify, manage the lifecycle of and control access to information assets. Francis Bacon asserts that, 'Knowledge is power', in that, if an organization's knowledge has power, it also has value, since by classifying and managing valuable knowledge and data, it becomes an information asset. An information asset needs to be organized into a distinct unit, because this enables it to be classified, tracked, and information that exists only in someone's head cannot be considered as an asset. An information asset is a body of information, defined and managed as a single unit so that it can be understood, shared, protected and

exploited efficiently, and information assets have recognisable and manageable value, risk, content and lifecycles.

An information asset can have many different forms which includes that; it can be a paper document, a digital document, a database, a password or encryption key or any other digital file, each asset is stored on some carrier like paper, a USB stick, hard drive, laptop, server, cloud or backup tape, and it is not necessary to also identify all carriers. However, if you believe that you might have specific risks that depend on the type of carrier (e.g. for data on USB stick or paper documents) you can add 'other information on USB sticks' as an asset to make sure your inventory is complete, and the risk inventory is a tool that should help you understand and improve security. Therefore, Information assets can, be classified by their sensitivity and how critical their loss would be, so some information assets may be confidential and requires access control to limit access, and information assets critical to organization functioning may need to be backed up and be part of a business continuity plan. Hence, an information asset is not just "one specific thing"; rather, it is a tool for communicating how certain categories or groups of information or processes together have value to the organization.

Office Automation System

Office automation is general terms that describes the different types of computer systems and software that are used to collect digitally, store, transfer, alter and utilise office information to execute tasks, and it helps to manage data. Office automation allows data to move without human intervention. Since humans are left out of the equation, there is no risk of manual error. What once began with a typewriter has evolved into a myriad of automation and electronic tools that have changed how people work. An office automation system is a tool that enables data to move from one system to another on its own without human intervention and inaccuracies. These tools help organizations collect, manage, and analyse securely to accomplish everyday tasks and processes, and it optimizes and automates existing business processes and procedures.

Office automation systems offer an array of benefits for organizations of every size. Powerful office automation systems reduce manual effort and store a large amount of data in little space, and they not only streamline day-to-day tasks but also speed up information retrieval, because those tools improve process visibility and help businesses spot bottlenecks easily. Office automation systems (OAS) are systems that are designed to increase the productivity of clerical workers and knowledge workers and enhance communication in the workplace. Office automation systems (OAS), is also referred to as office information systems, the computer-based information systems whose primary purpose is to facilitate oral and written communication, which such a system is a set of tool that gather, process, store, retrieve, and disseminate information between individual workers, team of workers, and business entities, both inside and outside the organization.

Concept of Firms Productivity

The Bureau of labour Statistics defines productivity as "a measure of economic performance that compares the amount of goods and services produced (output) with the amount of inputs used to produce those goods and services."When people think of "being productive, they often think about what they are personally getting

done, while for many people, it means checking things off the "to-do" list, but that type of personal productivity reflects on how efficient you are at completing tasks, and not all tasks are created equal.

Whether we are considering personal productivity or business productivity, it always comes down to getting the most output (or benefit) from the input. For businesses, input can mean capital, materials, or labour cost, while for people, input usually represents time, effort, and dedication, and the motivation of employees is a key part of labour productivity, and being motivated and inspired contributes to your personal productivity. Productivity signifies the health and growth of the company, and productive business can expand, offering new services and potentially lowering prices. Also, productivity is important because it keeps individuals progressing toward their full potential, and being productive allows us to manage our work, home lives, hobbies, and family commitments with ease and peace of mind

Turnover

Turnover is also known as income or gross revenue, turnover is the total amount of sales you make over a set period. This could be weekly, monthly, quarterly or annual turnover or whatever time period you choose to measure. Turnover is an accounting concept that calculates how quickly a business conducts its operations. Turnover is used to understand how quickly a company collects cash from accounts receivable or how fast the company sells its inventory. Turnover shows the efficiency of a business, most of the time, turnover is used to determine how quickly a business gets cash from accounts receivable or sells its inventory, and this ratio is known as the inventory turnover ratio.

When it comes to investing, a portfolio's turnover is how much of it is sold in a given month or year, and the turnover is referred to as the revenue of the company in many parts of the world. Inventory and accounts receivable are two of the most important things a business owns, and these accounts requires a lot of money, so it's important to look at how quickly a company gets the money. Accounts receivable shows the total amount of unpaid invoices from clients at any time. The average accounts receivable is just the average of the amounts at the beginning and end of a certain time period, like a month or year, and credit sales divided by the average number of accounts receivable is the formula for accounts receivable turnover, assuming that credit sales are sales that aren't paid for right away in cash.

Cost of goods sold (COGS) divided by average inventory is the formula for inventory turnover, similar to the formula for accounts receivable, and when inventory is sold, any money left is moved to an account called "cost of sales expense."The goal of a business owner is to sell as much inventory as possible while keeping as little as possible in stock. People often think that investment funds with a high turnover rate are not very good, but portfolios managed actively should have a higher

turnover rate, while portfolios managed passively may make fewer trades each year, and the portfolio that is actively managed should have more trading costs, affecting its return rate.

Empirical Review

Hasan and Fevzi (2021). examined actors influencing productivity in small island hotels: Evidence from Northern Cyprus. The purpose of this paper is to report on an empirical research study which investigated the factors influencing productivity in hotels in Northern Cyprus. Empirical data was collected via a structured questionnaire from middle and senior managers of four and five-star hotels in Northern Cyprus. According to the research findings staff recruitment, staff training, meeting guest expectations, and service quality are the main productivity factors in hotels; while crises, technology, marketing, and forecasting are ranked relatively low. It emerged from the findings that hotel managers in Northern Cyprus have a narrow view of productivity and follow a more input-oriented approach to managing productivity. Based on the research findings and their discussions, this study provides several recommendations for future research in this area. The research results highlight the importance of training middle and senior managers about the importance of productivity and how they can follow output-oriented productivity management strategies.

Basak and Mattila (2010). explored the nature and extent of corporate governance practices in the U.S. hospitality industry. The data were derived from three sources: Standard and Poor's Computer database, the Centre for Research in Security Prices, and Risk Metrics. The results indicate that hospitality firms with weaker shareholder rights tend to be relatively larger in size, have relatively higher earnings per share, closing stock prices, return on equity, lower capital expenditure per assets and higher leverage ratios. Moreover, there were significant differences in several firm performance measures between high and low corporate governance firms across the three industry segments, namely hotels, restaurants and casinos.

The literature on productivity management in small island hotels is limited. As being one of the first studies on this area, the research findings of this study are particularly valuable for practice and future studies.

METHODOLOGY

The research is on information governance systems and firm's productivity of hospitality industries in Nigeria. A survey and descriptive design was adopted during the study, and the population of the study consists of twenty-seven (27) hotels in Port Harcourt assessed from the Nigerian Stock Exchange (NSE) as at 2017 to 2021. These hotels have consistently submitted their annual reports to the NSE from 2012 to 2021. The primary and secondary data was used. Information's were obtained from primary sources using questionnaires. Structured questionnaire were used to collect primary data, and the questionnaires were self-administered to the

respondents. The self-designed questionnaires were designed based on the objectives of the study to collect primary data on information governance system and productivity of hospitality industries. Similarly, secondary data for 10-years period was obtained from hospitality industries in Nigeria, using turnover, specifically in Port Harcourt. The data is then tested for its validity and reliability so that the data is valid to be processed. Then the data is analysed descriptively in order to describe the characteristics of each variable. The data were analysed using regression analysis.

RESULTS AND DISCUSSIONS

H0₁: There is no significant relationship between information asset and turnover in the hospitality industries in Port Harcourt, Rivers State.

Relationship between Information Asset and Turnover

Table 2: Bivariate Analysis on the Relationship between Information Asset and Turnover

		Correlations		
		Information Asset	Turnover	
Spearman's rho	Information Asset	Correlation Coefficient	1.000	.608**
		Sig. (2-tailed)	.000	.000
		N	287	287
	Turnover	Correlation Coefficient	.608**	1.000
		Sig. (2-tailed)	.000	.000
		N	287	287

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2023

Table 1 shows the relationship between information asset and turnover using Spearman's Rank Order correlation coefficients techniques. From the analysis the result showed that information asset has a positive and significant relationship with turnover at ($r = 0.608$, and $p-v = 0.000 < 0.5\%$).

Relationship between Office Automation System and Turnover

H0₂: There is no significant relationship between office automation system and turnover in the hospitality industries in Port Harcourt, Rivers State.

Table 2: Bivariate Analysis on the Relationship between Office Automation System and Turnover

Office Automation System		Correlations		Turnover
Spearman’s rho	Office Automation System	Correlation Coefficient	1.000	.628**
		Sig. (2-tailed)	.000	.000
		N	287	287
	Turnover	Correlation Coefficient	.628**	1.000
		Sig. (2-tailed)	.000	.000
		N	287	287

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2023

Table 2 shows the relationship between office automation system and turnover, using Spearman’s Rank Order correlation coefficients techniques. From the analysis the result showed that office automation system has a positive and significant relationship with turnover at (r = 0.628, and p-v = 0.000<0.5%).

Summary of Findings

Table 3 shows the summary of the tested hypothesis which provides better understanding of the hypotheses tested.

Summary of Findings and Interpretation of the Tested Hypotheses.

Statement of Hypotheses	Correlations	P-value Results	Interpretation	Decision
H0 ₁	.608**	P-value 0.000 > 0.01	Strong Relationship	Rejected Ho
H0 ₂	.628**	P-value 0.000 > 0.01	Strong Relationship	Rejected Ho

Source: Research data, (2023).

The correlation result shows the relationship between information governance system and productivity of hospitality industries in Nigeria. The 0.608 coefficient of determination indicates

a strong impact of information governance system and productivity of hospitality industries in Nigeria. The P-value is 0.000 indicates significant relationship between the study variables. Also, 0.628 coefficient of determination is an indication of a strong impact of information governance system and productivity of hospitality industries in Nigeria, and the P-value is 0.000 indicates significant relationship between the study variable.

CONCLUSION AND RECOMMENDATION

The findings of the study show that information governance system and information asset had significant effect on hospitality industries when it comes to their turnover. Sequel to the findings, the study concluded that there is a significant relationship between information governance system and productivity of hospitality industries in Nigeria, and recommends that, the management of hospitality industries in Port Harcourt should provide the employees the needed knowledge work system that can enable them perform the job required of them according to the hotel rules and procedures, the management should create an avenue were inexperienced workers are given the room or grace to learn specific skills and knowledge needed to improve in their job, through office automation system, and hotel managements should create easy access in the environment, were customers can have ease to use some facilities, which will help the hotel to grow because, the publicity now, will be made by the customers, which will now cause competition among the big hotels, by making their productivity level to increase.

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