

Corporate Social Responsibility

Chapter 10

Corporate Intelligence and Workforce Diversity of Commercial Banks in Rivers State

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ABSTRACT

The chapter discussed about corporate intelligence and workforce diversity, and with connection to digital resource. The strategic utilization of intelligence fosters a proactive approach to market dynamics, allowing banks to stay ahead of competitors, enhance customer satisfaction, and drive sustainable growth. The chapter is of the view that that management of Commercial Banks should incorporate ethical hacking as a core component of their cybersecurity strategy as conducting regular penetration testing and vulnerability assessments, banks can identify potential security gaps before malicious hackers exploit them.

INTRODUCTION

Corporate intelligence has become a critical tool for commercial banks in navigating the complexities of the modern financial environment. In a highly competitive and regulated industry, corporate intelligence refers to the systematic collection, analysis, and use of information about competitors, market trends, customer behavior, and regulatory changes (Galuh, *et al.*, 2023). It enables banks to make informed strategic decisions, mitigate risks, and capitalize on new opportunities. By leveraging corporate intelligence, banks can enhance their ability to innovate, improve operational efficiency, and maintain a competitive edge. Corporate intelligence allows banks to stay ahead of these changes, adapting their strategies to meet new challenges and capitalize on emerging trends (Katerina, 2020). For example, intelligence on competitors' product launches or shifts in customer preferences can help banks adjust their own product development and marketing efforts. Additionally, regulatory intelligence ensures that banks remain compliant with evolving financial regulations, minimizing the risk of legal penalties and reputational damage (Yonney, 2020). Among others, ethical hacking, dumpster diving and social engineering are used here as dimensions of corporate intelligence within the context of commercial banks.

As commercial banks continue to embrace digital transformation, their reliance on online platforms, mobile applications, and cloud services has expanded their exposure to potential cyber threats. Ethical hackers simulate real-world attacks to identify weak points in these systems, allowing banks to fix security gaps and improve their overall resilience (Akram, 2011; Hartley, 2015). By proactively testing their defenses, banks can prevent costly breaches, enhance customer trust, and comply with stringent regulatory requirements related to data security. The second dimension used in this study is dumpster diving (Bawack & Ahmad, 2021). Commercial banks, which handle vast amounts of sensitive customer and financial data, must be vigilant not only about protecting their digital assets but also ensuring that physical and outdated information is securely disposed of (Muhammad, *et*

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al., 2022). Poor waste management practices, such as improperly shredding documents or neglecting to securely wipe digital devices, can create critical vulnerabilities. Therefore, commercial banks must implement strict security protocols for both physical and digital information disposal. This includes secure document shredding, proper disposal of electronic equipment, and comprehensive employee training on information security practices. Failure to do so can lead to data breaches, regulatory fines, and loss of customer trust (Chau & Xu, 2021).

Concept of Corporate Intelligence

The concept of Corporate Intelligence (CI) was brought up by Gartner Group since 1996. It is defined as the application of a set of methodologies and technologies, such as J2EE, DOTNET, Web Services, XML, data warehouse, online analytical processing (OLAP), Data Mining, representation technologies, etc. to improve enterprise operation effectiveness, support management/decision to achieve competitive advantages (Ranjan, 2009). Corporate intelligence by today is never a new technology instead of an integrated solution for companies, within which the business requirement is definitely the key factor that drives technology innovation. How to identify and creatively address key business issues is therefore always the major challenge of a business intelligence application to achieve real business impact (Galuh, *et al.*, 2023). Thus, Zeng *et al.* (2007) define corporate intelligence (CI) as the process of collection, treatment and diffusion of information that has an objective, the reduction of uncertainty in the making of all strategic decisions. Experts describe corporate intelligence as a business management term used to describe applications and technologies which are used to gather, provide access to analyze data and information about an enterprise, in order to help them make better informed business decisions. Golfarelli *et al.* (2004) defined corporate intelligence that it includes effective data warehouse and also a reactive component capable of monitoring the time-critical operational processes to allow tactical and operational decision-makers to tune their actions according to the company strategy. Stackowiak *et al.* (2007) define corporate intelligence as the process of taking large amounts of data, analyzing that data, and presenting a high-level set of reports that condense the essence of that data into the basis of business actions, enabling management to make fundamental daily business decisions. Cui *et al.* (2007) viewed corporate intelligence as a way and method of improving business performance by providing powerful assists for executive decision maker to enable them to have actionable information at hand. Business intelligence tools are seen as technology that enables the efficiency of business operation by providing an increased value to the enterprise information and hence the way this information is utilized.

Operationally, corporate intelligence refers to the systematic process of gathering, analyzing, and utilizing information that impacts a business's operations and strategic decisions. Corporate intelligence plays a crucial role in risk management for commercial banks by enabling them to identify, assess, and mitigate various risks associated with their operations. This includes financial risks such as credit risk, market risk, and operational risk. By analyzing data from multiple sources, banks can detect early warning signs of potential fraud or defaults on loans. For instance, corporate intelligence teams can monitor customer behavior patterns and transaction anomalies to identify fraudulent activities before they escalate (Katerina, 2020). Corporate intelligence provides insights into market trends, competitor strategies, and customer preferences, which are essential for developing effective business strategies. With this information at hand, banks can optimize their product offerings and tailor services that meet the evolving needs of their clients. Understanding customer behavior is vital for commercial banks to enhance customer satisfaction and loyalty. Yonney (2020) averred that corporate intelligence helps banks segment their customers based on demographics, spending habits, and preferences. By leveraging this data, banks can create personalized marketing campaigns and improve service delivery. Enhanced customer insights lead to better engagement strategies that ultimately result in higher retention rates.

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Employee Behaviour: Employee behaviour in commercial banks encompasses the actions, attitudes, and performance of individuals working within these financial institutions. This behavior is influenced by various factors including organizational culture, management practices, job satisfaction, emotional intelligence, and the overall work environment. Understanding employee behavior is crucial for enhancing productivity, improving customer service, and fostering a positive workplace atmosphere (Sinha & Sinha, 2012). Employees who are engaged and satisfied are more likely to provide exceptional service to customers, leading to higher customer satisfaction ratings. When employees exhibit positive behaviors due to job satisfaction and supportive management practices, turnover rates decrease significantly, reducing recruitment costs for the bank.

Time-Sensitive Message: In the context of commercial banks, a time-sensitive message refers to any communication or notification that requires immediate attention and action due to its critical nature and specific time constraints. These messages are often related to financial transactions, regulatory compliance, customer service issues, or operational alerts that could significantly impact the bank's operations or customer relationships if not addressed promptly (Noman, *et al.*, 2023). Time-sensitive messages can include notifications about pending transactions, such as wire transfers or loan approvals, which need to be acted upon quickly to ensure funds are available when required. Delays in processing these transactions can lead to financial losses for both the bank and its customers. Banks operate under strict regulatory frameworks that require timely reporting and compliance with various laws. A time-sensitive message may alert bank personnel about upcoming deadlines for submitting reports or fulfilling compliance requirements. Failure to act on these messages can result in penalties or legal repercussions (Turulja & Bajgoric, 2016). Customer inquiries or complaints that require urgent resolution are also categorized as time-sensitive messages. For instance, if a customer reports unauthorized transactions on their account, the bank must respond immediately to mitigate any potential damage and maintain customer trust.

Workforce Diversity

Workforce diversity is generally viewed as acknowledging understanding, accepting, valuing and celebrating differences among people with respect to age, class, ethnicity, gender, physical and mental ability, race, sexual orientation, spiritual practice and public assistance status. However, diversity refers to a mosaic of people who bring a variety of budgets, perspectives, values, and benefits as assets to the groups and organizations with which they interact (Otike, *et al.*, 2010). According to Jones and George (2011), diversity is differences among people in age, gender, race, ethnicity, religion, sexual orientation, socio-economic background, and capabilities/disabilities. Currently in deposit money banks in Rivers State, the case of diversity is enjoying high profile attention in organizational debate partly due to changes in workforce demographic (Armstrong, *et al.*, 2010). Thus, the mix or similarities and differences that exist among employees of an organization is conceptually seen as workforce diversity. It deals with similarities and differences that exist among employees of organizations. It streamlines a workforce composed of people with different human qualities or who belong to various cultural groups (Daft, *et al.*, 2018).

Conceptually, workforce diversity in commercial banks refers to the inclusion and representation of individuals from various backgrounds, including but not limited to race, ethnicity, gender, age, sexual orientation, disability status, and socioeconomic status within the workforce. This concept emphasizes creating an environment where employees from different demographics can work together effectively and contribute equally to the organization's goals. Scott and Sims (2016) defined workforce diversity as a strategy that promotes and supports the integration of human diversity at all levels and uses focused diversity and inclusion policies and practices to guide this approach in work environment. In line with the above assertion, Gupta (2013) argues that overall workforce diversity enhances better decision making, higher creativity, innovation and greater competitive advantage. Workforce diversity has evolved from a focus on legally protected human attributes such as race, gender and age to a much broader definition that includes the entire-spectrum of human

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differences among employees in terms of age, cultural background, physical ability and disabilities, race, religion, sex and sexual orientation (Jayne & Dipboye, 2014).

Akpakip (2017) stated that workforce diversity in commercial banks fosters an environment where varied perspectives and ideas can flourish. When employees come from different backgrounds, including ethnicity, gender, age, and cultural experiences, they contribute unique viewpoints that can lead to innovative solutions and creative problem-solving. This diversity of thought is crucial in the banking sector, where adapting to market changes and customer needs is essential for success. A diverse workforce allows banks to better understand and serve a wide range of customers. Employees who reflect the demographics of their client base can provide insights into the preferences and needs of different groups. This understanding enables banks to tailor their products and services effectively, enhancing customer satisfaction and loyalty. For instance, having bilingual staff can improve communication with non-English speaking clients, thereby expanding the bank's reach (Sayers, 2012). Diversity in the workplace contributes to a more inclusive culture where all employees feel valued and respected. When individuals see themselves represented within the organization, it boosts morale and job satisfaction. A positive work environment leads to higher employee retention rates as staff are more likely to remain with an organization that embraces diversity. This stability is particularly important in commercial banks, where experienced employees contribute significantly to operational efficiency. It is indicated through diverse hiring practice and inclusive leadership.

Diffusion of Innovation Theory

This work was anchored on Diffusion of Innovation Theory. Diffusion of Innovation Theory was propounded by Enrique Roger in 1962. The theory explains the processes involved in the adoption of innovations such as new technologies, techniques, and procedures and well as the resultant effects of such steps on organizational processes. The diffusion of innovation theory assumes that:

- i) In a social system, there will always be a disparity in the level and time at which individuals within a given social system adopt new ideas, techniques, and technology.
- ii) Individuals and arms of institutions that adopt innovations early will naturally outperform late adopters and the laggards.

The implication of this theory is that as individuals advance in the use of sophisticated devices, there will naturally be a disparity on how productivity is enhanced by both category of people in the society. While some individual are digitally compliant and digitally literate enough to carry out online operations, there are still those who still find it difficult to operate simple smart phones. The fact is that while those with digital skills interface with better productivity, others are bedeviled with low productivity while those who embrace and adopt emerging digital work environment enjoy speed, efficiency and high level effectiveness in coping with socio-personal functions others are battling with job stress.

Person-Environment Fit Theory

Lewin and Edwards' Person-Environment Fit Theory was popularized in 1962. This theory of psychological stress describes the interaction between the person and environment ($P \times E$) as the key to comprehending people's cognitive, emotional and behavioural reactions such as stress as well as operational productivity level. The relevant assumptions of this theory as deemed fit for this work are as follows:

- i. A mismatch between a person and his work environment will lead to tension and uneasiness capable of hampering his level of productivity;
- ii. Worker's capabilities (skill sets) will determine the level of work pressure and how environmental press affects their output. This is the phase of the theory that strengthens the fact that the innovative ability of a manager in a Commercial Bank will influence how stressful the work will be, as well as determine their ability to raise the competitive bar of the bank.

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Coming up with and implementing innovative ideas through ethical hacking, dumpster diving, or social engineering requires high level of skills to handle and where managers lack the required skill sets to innovate great ideas that are capable of driving high level of competitiveness, the competitive level of the organization tend to be low. Also, for managers to skillfully and effectively innovate in their market, product and process line, tasks given to them should be properly designed as individuals. The workplace performs better towards improving the organization's productivity when clear instructions to perform a task are given to them. The proponents of person-environment fit theory also argued that when there is a match or equilibrium between a management's (in this case, a manager) personality, skills and the innovative materials used for ethical hacking, dumpster diving, or social engineering requires, it leads to optimal competitiveness. This aspect of the theory amplifies the fact that the individual innovative ability of a manager can moderate the level of collaboration between him and the materials and techniques available for use in his job post which can lead to his effectiveness in the discharge of his diverse functions and overall competitiveness of the organization.

CONCLUSION

Based on the results of the analysis, the study concluded that corporate intelligence correlate with workforce diversity of Commercial Banks in Rivers State. Also, there is a moderating effect of digital resource on the relationship between corporate intelligence and organizational competitiveness of Commercial Banks in Rivers State. The strategic utilization of intelligence fosters a proactive approach to market dynamics, allowing banks to stay ahead of competitors, enhance customer satisfaction, and drive sustainable growth.

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