



## Human resource management : an effective mechanism for long term sustainability

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### Abstract

“Attraction, Motivation and Retention” define the essence of human resource deliverables. As the economy booms and industry matures, the age old personnel management fundamentals do not remain applicable. The advent of globalization has resulted in rapid industrial growth which has led to an expansion in the levels of production and consumption which has intensified the problem of environmental degradation. However, this growth has often come at the cost of the natural environment. Human resource management is an area which witnesses a constant evolution and change. The rationale behind relating the concept of human resource management with environmental issues is that, it leads to sustainability and has become a new paradigm in this field. Managing environment through human resources has become a popular activity for firms in various industries. Sustainable development is development that meets the needs of the present without compromising the needs of future generations to meet their own needs. It includes three kinds of sustainability i.e. (a) environmental sustainability, which is the ability of the environment to support a defined level of environmental quality, (b) economic sustainability, which is the ability of an economy to support a defined level of economic production and, (c) social sustainability, which is the ability of a social system, such as a country, to function at a defined level of social well being and harmony. Social sustainability depends on economic sustainability and economic sustainability depends upon social sustainability. Social and economic sustainability depend on environmental sustainability. Therefore, environmental sustainability must be on the top priority. Sustainable human resource management helps in achieving organizational sustainability through the development of human resource policies, strategies and practices that support the economic, social and environmental perspective. This research work examines the role played by the human resources in contributing towards environment management by acting as a link between environmental sustainability and corporate strategies. Some corporate cases and models for environmental management have also been discussed.

**Keywords :** Human resource management, Sustainability, Sustainable development, Environment, Environmental management.

### 1. Introduction

Human Resource Management (HRM) is a planned approach for effective management of human resources to achieve desired productivity. It is the function which assists organisations to obtain and maintain effective employees. Human resource management has always been a part of

various discussions to achieve strategic goals and organisational competencies (Arthur, 1994; Huselid, 1995; Becker & Gerhart, 1996; Rasmussen, 2010). A new paradigm which has emerged in this field is “Sustainability” (Jabbour & Santos, 2008). The concern for sustainability has been a subject of thought and reflection for a

long time. This term was evolved during the initial years of 21st century. Sustainability means different things to different people. In essence, it conveys to meet the needs of the people today without compromising the ability of future generations to meet their own needs (World Business Council for Sustainable Development, 2005). It implies to maintain a balance between social, environment and economic factors for short as well as long-term performances. Sustainability has become the biggest challenge for the world in general and for the different businesses in particular (Anderson, 1998; Hawken, 1999; Prahalad & Hammond, 2002; UN Global Compact, 2004; Scientific American, 2005).

The importance of sustainability can be realised from the fact that it has now become a part of human resource management. Traditionally, the terms sustainability and sustainable development were used as synonyms for long-term, durable, sound and systematic (Leal Filho, 2000). Though, it is an essential concept to be focused, but in practice it has received less attention from HR researchers (Thom & Zaugg, 2004; Boudreau & Ramstad, 2005).

## 2. Evolution of sustainable human resource management

The term human resource management has been into existence long ago. Earlier, it was known as personnel management. Dessler (1991) said that there is no difference between the two i.e. personnel management and human resource management. According to him, human resource management is the expended version of traditional personnel management. It might be due to dramatic changes in the work culture, technological advancements and societal values. Torrington & Hall (1998) explained the differences between personnel management and human resource management by mentioning that personnel management is workforce centered while human resource management is resource centered. Jabbour & Santos (2008) studied a multi-dimensional model, which seeks to achieve superior performance of human assets by addressing economic, social and environment approach. Vickers (2005) is of the view that sustainability is an organisational function. It helps to achieve an environment friendly organisation. The combination of human resource management with sustainability is concisely known as sustainable human resource management (Figure-1).

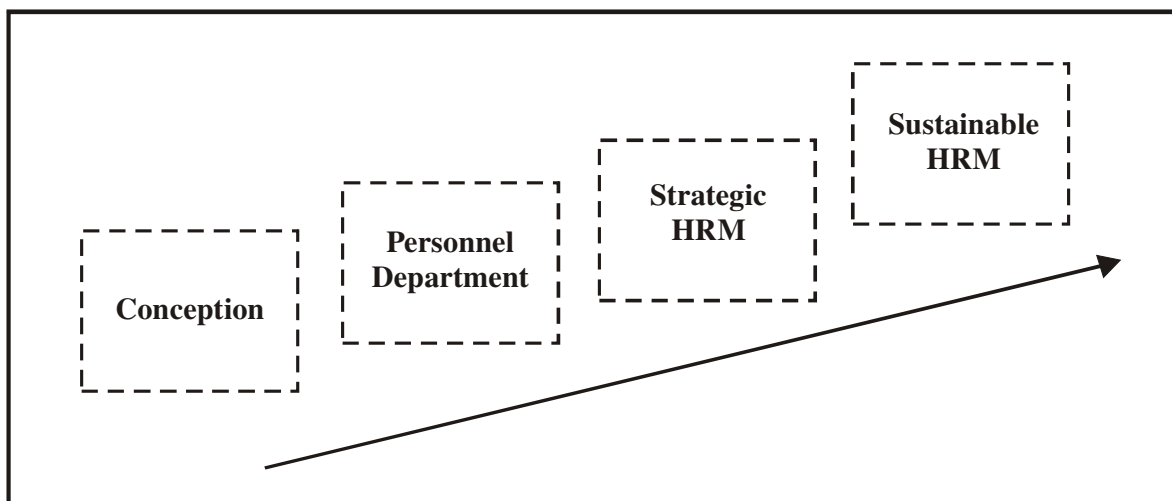


Figure 1 : Evolution of Sustainable HRM

### **3. Steps in the evolution of sustainable human resource management are :**

**3.1 Conception :** It is the stage of inception in an organisation. There are no structured and formalised manpower management practices due to restricted financial resources.

**3.2 Personnel department :** This stage consists of all operational activities. It includes routine management activities, enforcement of labour laws, recruitment and selection practices, training and development, remuneration and performance evaluation.

**3.3 Strategic human resource management :** This stage integrates the different practices with each other as well as with the organisational objectives. It works like a support area to fulfill the needs of the company and its employees.

**3.4 Sustainable human resource management :** The function of sustainable human resource management is aligned with the goals of an organisation. It seeks to improve through innovation, diversity management and environment management.

### **4. Sustainable HRM : A changing face of new corporates**

Over the past two decades, a tremendous change has been witnessed in the organisations to adjust with the growing competition. Human resources, human resource management practices and strategies have been identified as essential elements for organisational success (Wright, Gardner, Moynihan & Allen, 2005). Environment has a direct impact on different organisations because it represents the physical space within which they and their customers exist. The effective environment management practices results in increased profit, better operations, regulatory compliance and social satisfaction (Halaung, 2007). Sustainability has become important for various businesses due to rapid depletion of natural resources. The fast changing business environment requires firms to be more flexible, so that, they can quickly adapt and

respond to physical environment changes around them. The introduction of globalisation and expansion in the levels of production and consumption has further intensified the problem of environment degradation across the globe.

### **5. Environment sustainability and business profitability : a linkage**

Sustainability is not only to minimize the adverse impacts of environment but also to take a long-term view which is the key characteristic of a sustainable organisation i.e. concern for the future survival of business along with the present profitability. Environment issues are moving up and need to be addressed for the best survival. Apart from the above reason, environment management is required to fulfill social responsibility towards society, to reduce environment degradation and to understand its futile consequences in case if not taken seriously. The concern for better employee productivity and rigorous government policies has forced the corporate players to pay attention towards conservation of natural environment. A good business strategy is an amalgamation of political, economic, social, technological and environment factors. Environment issues should be integrated into day to day activities of the business. Environment management is no longer a departmental function rather, it has become a corporate function (Laurila, 2009). If the environment management activities are fully incorporated into the business, it can concentrate to become sustainable. Innovative thinking is one of the ways to develop ideas which are necessary to create a sustainable future (Halme, 2005).

### **6. Model for environment management**

Environment Management System-Human Resources Model (EMS-HR) represents a significant interaction of human resource management factors such as top management support, training, employee empowerment, teamwork and rewards within the five basic elements of an EMS i.e. planning, implementation, operation, checking corrective action,

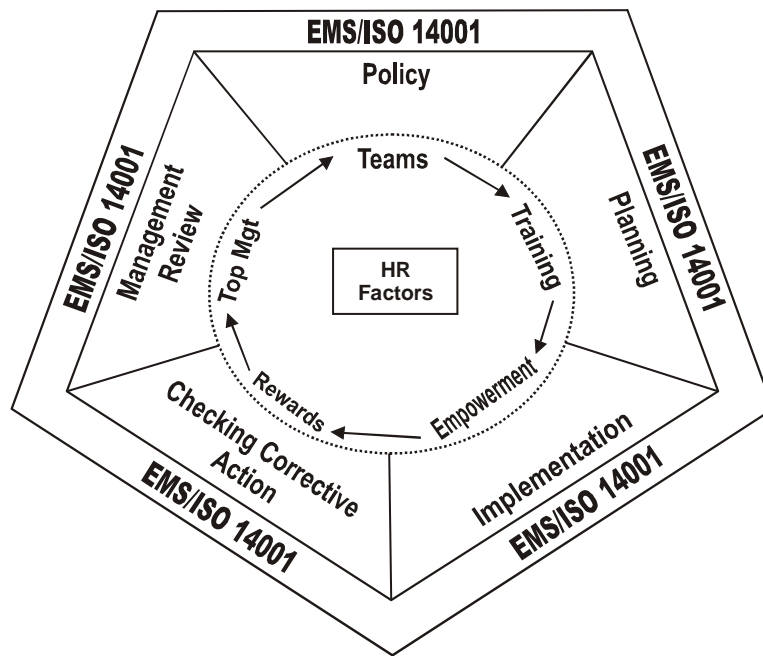


Figure 2 : EMS-ISO 14001 Model

management review and policy. Human resource management factors can fall within more than one of the five basic elements of an EMS. The implementation of sustainable corporate strategies requires strong leadership along with concrete processes (Glavas, Senge & Cooperrider, 2010). It has been observed that an EMS can help to reduce quantities of materials and energy used for manufacturing of products only when management systems includes the analyses of raw materials, by products and waste. Reduction in the quantity of material inputs, by products and wastes is possible with the modification and improvement in product design, formulation, manufacturing processes and packaging. Many companies believe that pollution is a cost because some of its constituents are purchased as raw materials by other organisations or else it has to be disposed off incurring some expenditure (Zurich, 2006).

## 7. Essential categories of EMS-ISO 14001 Model are

**7.1 Policy :** This category includes guidelines viz; commitment for continual improvement and prevention from pollution, obligation to

comply with environment legislation and regulations, framework for setting and reviewing environment goals, commitment for documentation and implementation of environment norms by top management of the organisation.

**7.2 Planning :** The planning elements revolve around various issues like legal requirements, objectives and targets. In totality it implies to plan for an overall structure of environment management program.

**7.3 Implementation and operation :** The organisation must design a structure which provides effective resources for environment management. Training should be provided to employees at every level to meet the targets of an EMS. Communication should flow from top to bottom and vice-versa to facilitate employees with up to date information regarding environment matters. Operational control procedures must be followed to control and prevent hazardous impacts of environment degradation.

**7.4 Checking and corrective action :** This category covers the checking and corrective

actions like monitoring and measurement, maintaining records, EMS audit etc. Monitoring and measurement determines the achievement of EMS objectives with respect to various performance indicators. The records section explains the environment records in a comprehensive manner, so that, they are easily traceable and retrievable. The different organisations need to establish and maintain programs to carry out periodical audits to determine the performance of an EMS as compared to the set standards.

**7.5 Management review :** The progress of an EMS must be regularly reviewed by the senior management. The purpose is to ascertain its effectiveness and adequacy. While reviewing the audit reports, managers may change objectives and targets of an EMS to further improve its performance on a continuous basis. This systematic process is essential for the success of an EMS.

**7.6 Top management support :** The support received from top management includes promoting employee empowerment, change in organisational culture, altering systems to promote desired behaviors, rewards, incentive programs etc. Top management needs to understand its own organisational culture in order to implement an EMS effectively. The officials should understand their organisational culture in order to implement an EMS effectively. It must communicate the policy, plan and other pertinent information to workers, support cultural change for implementation and operations, reward and empower workers for corrective action and review the progress of an EMS.

**7.7 Environment training :** EMS requires effective training for its successful implementation. Education and training allows employees to become aware and understand the need for environment control measures. This can be done by conducting environment training programs under the corporate environment philosophy, heightened responsibility concerns and

complex regulatory climate. It may lead to benefits like compliance with regulatory and legal requirements, a positive public image, employee encouragement to become environment stewards for proactive environment management.

**7.8 Employee empowerment :** The introduction of an EMS will yield optimal results when employees are treated as major stakeholders in an organisation. Empowered employees are motivated and committed to engage in good environment practices. Employees who are not empowered may have less participation spirit as compared to the empowered employees. Empowered employees who have autonomy and decision-making abilities would be more active in the environment management program.

**7.9 Teamwork :** Teamwork is highly important for the successful implementation of an EMS. Cross-functional teams might prove helpful to achieve goals across departments. Although cross-functional teams may have certain challenges like these are temporary task teams which experiences enormous pressure and conflict, but use of such teams can have many benefits in an EMS. The conservation of environment requires contribution from different areas viz; manufacturing, planning, purchasing etc. Thus, teamwork constitutes an essential part in the implementation of an EMS.

**7.10 Rewards :** A well-designed reward system may act as a motivational factor for employees to indulge in sound environment conservation practices. It can be a reinforcement to increase commitment levels among workers with respect to their responsibility towards environment. Reward and incentives reflect corporate commitment for better environment performance (Lent and Wells, 1994). Rewards can be given in different forms like financial as well as non-financial i.e. recognition awards, profit-sharing programs, increase in pay, benefits and incentives etc.

## 8. Corporate strategies—the road ahead

- Green Building, which is also known as sustainable or high performance building, is one of the methods to spread awareness regarding environment conservation. It takes into account to minimize use of energy, water and materials. Green buildings use sustainable materials in their construction like recycled-content made from renewable resources. HR leaders must take some interest in this area and try to meet representatives for the implementation of the same.
- Recruiting, one of the most important functions of human resource management is now changing its color with coming up of a new concept called green recruitment. Although the concept is not so popular but it is slowly catching up with the organisations. It is an innovative idea through which companies leverage their environment stance, using it as one of the important strategies of recruitment. HR leaders must use environment friendly practices to maximize their recruitment leverage like corporate websites, online job portals, word of mouth etc.
- An initiative to have special environment team different from the teams of other departments of HR or admin, like the Environment Management Team can create wonders. Its main job in itself should be to create awareness about greenery, both within and outside the organisation. Also, the team should feel free to use new technology which helps in attaining sustainable environment like inculcating use of disposable paper cups in place of thermocol or plastic cups in canteen, initiating campaigns like planting one tree a year etc.
- Internally, HR leaders must conduct a research on consumption of resources like papers, pen, newspapers, magazines etc. The Pareto Law should be applied to identify those 20 percent items/areas which might bring 80 percent of reduction in the negative effects on environment.
- Implementation of KRA's strategy for environment protection at higher level in the organisations can develop a feeling of duty and responsibility among employees. It can further induce self awareness or self education on greening and its benefits for the both i.e. employer as well as employees.
- Drafting a questionnaire on 'How Green is our Organisation' and getting it filled by employees constituting top management might lead to another addition with respect to environment conservation efforts taken by HR leaders in respective organisations. It is very important to knock the right door and create awareness amongst right people resulting in a change for taking further action.
- Initiation of the concept of recycled products by HR leaders can bring a great amount change within an organisation. They might target to recycle paper into notepads to minimize the wastage of paper as it is a non-renewable source of energy. The use of notice boards, intranet sites, blow ups etc. can help to communicate the message of going green.
- Creating awareness to save electricity can be another contribution towards this noble cause. HR leaders should take a lead and spread this message by putting some light on environment conservation activities viz; to minimize water wastage, to stop wasteful printing, to reduce the use of elevators in the office etc.

## 9. Conclusion

The presence of effective environment principles is emerging as a critical element for business sustainability. The world has reached a stage where every single individual must shoulder some responsibility to conserve natural environment by taking a move towards environment greening, for a very simple fact that, human beings survival is at stake. On the whole, society should play an important role, however big or small it may be, so

as to create conducive environment conditions to survive. HR leaders can contribute immensely by being the catalyst for the movement which is to accelerate greening initiatives. Despite of models available for sustainable human resource management, companies are yet to realise their importance. HR specialist can do their part by adopting and establishing green policies which might have positive effects on the perceptions of people.

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