

Green HRM for Organizational Sustainability - A Conceptual Framework

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ABSTRACT

Over the decades, the degradation of the environment had been hitting the headlines all around the globe. Environmental concerns and the development of international environmental standards are creating the need for businesses to adapt to formal environmental programs and practices (Daily and Huang, 2001). A majority of companies around the world had been using the compliance approach in their environmental or green management initiatives driven by laws and regulations. However, in the past several years, environmental forces such as customer boycotts, dynamic preferences, and new customer requirements have affected basic business (Brockhoff et al., 1999). Literature pertaining to the subject suggests various definitions for green management and sustainable development; all of which seek to explain the need for balancing between industrial growth for wealth creation and safeguarding the natural environment so that the future generations may thrive (Daily and Huang, 2001). Nonetheless, the issue of how individual organizations or entire society achieves sustainability from the green management movement is still unclear. This study exclusively utilizes the opportunity to discuss about the Green HRM and its need for 21st century. Further, this study exclusively focuses on theoretical framework for gaining a fundamental understanding of Green HRM as a scope for future research endeavors.

Keywords: *Green HRM, Environmental concerns, Sustainable Development, green management.*

INTRODUCTION

Implementation of strategic green management initiatives requires a deep level of technical and management skills among the employees because the organizations will have to develop

innovative environmental initiatives and programs (Callenbach et. al., 1993). In this respect, the implementation of thorough recruitment and selection of employees, performance-based appraisal system, introduction of training programs aimed at increasing the employees' environmental awareness and courses which are addressed to the develop technical and management competencies for fostering environmental innovations are in vogue (Renwick et al., 2008). Researchers in this area argue that environmental management system (EMS) can only be implemented effectively if the companies have the right people with the right skills and competencies (Daily and Huang, 2001). Previous literature on HRM has paid attention to the relationship between HR practices and organizational outcomes such as productivity and financial performance, but there is a need to extend this research to encompass innovation performance (Laursen and Foss, 2003) and environmental management initiatives as well (Renwick et al., 2008). Accordingly, strategic HR practices can be conducive to environmental management initiatives because the practices may allow firms to find out and exploit knowledge and expertise in the organizations (Scarborough, 2003). Assessment based HR interventions will contribute to the effective implementation of EMS and the development of green Intellectual capital (GIC) and in-turn contribute to the achievement of corporate environmental citizenship (CEC).

OBJECTIVES

The major objectives of this study include:

- To provide basic understanding and objectives of Green HRM.
- To analyze various review of literature related to Green HRM and its strategies.

REVIEW OF LITERATURE

Green Management

Historically, superior economic performance of the firm was expected to guarantee corporate success by organizations and its stakeholders, but now it is no longer acceptable. Economic and financial outcomes need to be accompanied by minimization of ecological footprints and increased attention to social and environmental aspects. Therefore, this new strategic issue, corporate environmentalism or green management emerged in 1990s and became a popular slogan internationally in 2000s (Lee, 2009).

Green management is defined as the process whereby organizations manage the environment by developing environmental management strategies (Lee, 2009) in which they have to balance between

industrial growth and safeguarding the natural environment so that future generation may thrive (Daily and Huang, 2001).

This concept of green management becomes a strategically dominant subject for businesses, especially for the multinational enterprises operating their business globally (Banerjee, 2001). Green management refers to the management of corporate interaction with the environment and its impact on the environment (Lee and Ball, 2003). This concept goes beyond regulatory compliance and needs to include conceptual tools such as pollution prevention, product stewardship and corporate social responsibility (Pullman et al., 2009; Siegel, 2009).

Business firms play a key role in the issues of environmental management as they are part of the society and cannot be excluded from the environment, and in fact, they contributed most of the carbon footprints in the past (Liu, 2010). Application of innovative technology could lessen the environmental deterioration by exploring and developing alternative energy sources to reduce the use of depleting natural resources. Thus, business should put more effort into the research on innovative technology to minimize the impact of environmental destruction by creating products that are non toxic and the products that cause less pollution to environment (Liu, 2010; Ozen and Kusku, 2008).

Green HRM

Human Resource Management is defined as “a set of distinctive but interconnected activities, functions, and processes that are directed at finding, attracting , maintaining, enriching and retaining (or disposing of) a firm’s human resources” (Lado and Wilson, 1994). Companies generally organize HR practices into systems that are consistent with their strategy and culture (Boselie et al., 2001)

Several research studies agreed that HRM is the most effective tool which contributes to the creation of human capital, and in turn, contributes to organizational performance and competitive advantage (Boselie et al., 2001; Paauwe and Boselie, 2003). Currently, many companies are implementing a proactive and a strategic tool known as an EMS (environmental Management System) to gain competitive advantage (Daily and Huang, 2001). This system provides a framework that allows managements of the firms the ability to better control the firm’s environmental impacts (Florida and Davison, 2001). Integration of human resource management system and environmental management system can be termed as green HRM.

Callenbach et al. (1993) stated that in order to carry out green management, employees of the organization must be inspired, empowered and should be aware of impact of businesses on environment in order to make greening a success. Further, to effectively implement green management initiatives and fostering environmental innovations, companies require a high level of technical and management skills.

Thus the objectives of Green HRM are derived by integrating the Environmental Management (EM) and Human Resource Management. Green HRM is concerned with ‘Green Dimensions’ in human resource management practices with an art of creating and

developing green culture within the organizations. The objectives of Green HRM comprise of personal, functional, organizational and societal phases. At personal level these objectives help to safeguard the human resources and construct a win-win scenario benefitting the environment, organization and the economy as well. Functional objective equips environment friendly HR initiatives in HR processes of recruitment & selection, learning & development, performance management, compensation & reward management. At organizational level these objectives help to establish a green team engaged in advancing sustainability within the organization. The fourth societal objective focuses on creating social awareness among the people through value education and conducting awareness programs.

Green HRM practices and their potential benefits

HR Function	Possible Green Initiatives and Policies	Potential Benefits
Recruitment and Staffing	Use of Recruiting software	<ul style="list-style-type: none"> • Zero duplication • Easy retrieval of information • No paper shuffling • Online interaction • Reduces advertising expenditure
Learning and Development	Use of Online Personalized training (or) computer based training (CBT) Training employees to increase awareness on environmental issues.	<ul style="list-style-type: none"> • Reduced costs • Personalization of training • Lessened paper work • Easy access to all employees
Compensation and Benefits	Use of Electronic pay stubs and Direct deposits. Linking benefits to green targets met by the employees.	<ul style="list-style-type: none"> • Less paper work • Easily acceptable • Speedy deposits
Performance Management	Setting Green performance targets. Appraisals based on targets met.	<ul style="list-style-type: none"> • Enhanced employee motivation towards going green

Source: adapted from Douglas Renwick, et al, 2020.

CONCLUSION

Green Human Resource Management is thriving around the world. It is going to make a big transformation and a huge impact on the individuals, businesses and the world around. It not only teaches a valuable lesson to business organizations today but also for the future generations. Incorporating a well-structured Green HRM policy with an advancement of green technology both in manufacturing and service organizations in time will have a strong payback. Green HRM not only yields strong results in business performance, employee productivity and morale but also create a brand image and better reputation in the eyes of society. Further, implementing 'Green' in an academic institutions play a significant role in creating the environmental and sustainability awareness through teaching value education to students and scholars so that its importance and benefits can be transferred to the generations.

By greening the people through green policies and practices the organizations achieve the organizational, environmental and sustainability goals and also increase the business process efficiency and reduce waste by optimum utilization of the resources. Thus, Green HRM aims at creating a green path towards HRM policies through environmental management which bridges the gap between the grey and green and encourages the sustainable use of available resources within business enterprises to promote the origin of conservationism and in the process generate improved employee morale and satisfaction.

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