

Green HR for Businesses

Fawad Ashraf

Assistant Professor, Department of Management Sciences, The Islamia University of
Bahawalpur

Email: fawad.ashraf@iub.edu.pk

Ibbad Ashraf

Visiting Faculty, The Islamia University of Bahawalpur

Email: ibbad_ashraf_Sheikh@yahoo.com

Waqasia Anam

Department Of Management Sciences, The Islamia University of Bahawalpur

DOI: 10.6007/IJARBSS/v5-i8/1771 URL: <http://dx.doi.org/10.6007/IJARBSS/v5-i8/1771>

Abstract:

Orientation:

This probing study conducted to explain various advantages of Green HRM in all types of businesses such as having green products, environmental safety products, efficient use of natural resources etc.

Purpose:

The main purpose this study is to identify the advantages and importance of GHRM adopted by the business organizations. Through this research it is also investigated that how the firm can improve its HR practices by emerging the policies with GHRM and what methods can be adopt to increase the efficiency of workforce.

Design/Approach/Methodology:

It is qualitative type of research in which a conceptual framework has been developed through the thorough study of previous work on GHRM.

Practical implications:

This research provides the recommendations for HR managers to improve HR system in their organizations and also this research can be used as literature review in future researches.

Contribution:

In this study literature review presented firstly which comprehensively describe that what the GHRM is and what is the importance of the implementation of GHRM in various organizations.

Keywords:

Green HRM, Employee retention, Environmental management system, green work life balance

Introduction

Green is the most beautiful color in the world and is the color of nature. A walk down green meadows and jungles makes you feel happy, relaxed and free from stress and strains of life. Being with nature and environment can ultimately bring us happiness and prosperity- be it our personal lives or business endeavors and in business world Green HRM can become an active partner in achieving objectives by creating HR platform where the workforce experience high job satisfaction and being better engaged. In this growing era the nature is being destroyed by the companies in order to fulfill the human needs so it is indispensable for all the businesses to have a proactive approach towards the management of environmental activities all around the globe (Daily et al., 2012; Jabbar et al., 2010; González-Benito & González-Benito, 2006). Before the revolution in business world the victory of business was mainly depend on economic value but nowadays all the business firms have to take into consideration the diverse effects of ecological footprints of their businesses and should try their best to reduce these effects and to give importance to environmental and social factors as well so that they can gain success and generate value for shareholders and as well as for stakeholders (Govindarajulu and Daily 2004; Daily et al., 2012; Sroufe et al., 1998). According to Martinez Fernandez, & Hinojosa (2010) in this industrialization era environment is being polluted tremendously by the waste of industries especially which is not renewable, it is of much importance for the government of every country as well as the organizations to make policies to reduce the effects this waste on the environment. The increasing impact of polluted environment on our daily lives is a force for individuals and firms to adopt green policies so that we can save our nature (natural resources) for us as well as for coming generation. We are considering that desire to go green all over the world is increasing and in the near future it will become the norm for all the businesses due to its tremendous effects on business goodwill such as green technology, green products etc. there is a growing need for the incorporation of the management of environmental activities into HRM and this concept is called Green HRM (GHRM). So this is the factor forcing the corporate sector to adopt GHRM (Boiral 2006. González-Benito and González-Benito, 2006). Daily and Haung (2010) argued that the effective implementation of the environmental management system can only be done if the right person hire for the right job with the right skills and competencies for that particular job therefore, the functions of HRM has become the driver of the sustainability of atmosphere by aligning the organizations policies and practices (the HRM strategy) with the company's overall strategy. This approach of going green is considered pretty profitable and effective since early 2000 (Lee; 2009). GHRM is a strategy used by the business firms to reduce the carbon footprints of each employee and talent retention and this term can be mixed with the concept of corporate social responsibility. According to Lee (2009) in order to measure and protect the environmental factors the strategy adopts by the firms is called GHRM. It is of the crucial importance for the organizations to insure that the environment where individuals lives is surely promoted and preserved (Daily and Haung; 2001). He further says that the organizations with the adoption of GHRM practices and policies are enjoying more benefits as compare to the companies having no such policies. Various distinctive advantages which are related with the implementation of these practices are culture improvement of the organization and teamwork promotion (Jabbar et al., 2012), operational

performance boosts (Jackson et al., 2012) and the reduction of overall cost (Hart 1997). It is concluded from the above discussion that the implementation of these policies is necessary for all the businesses in order to safe nature and employees rights so that they can gain competitive advantage. So the main aim of this study is to find the link between GHRM policies and the benefits by adoption of these practices by all the businesses.

Literature review

Green Human Resource Management (GHRM):

GHRM is an area of the study where HRM policies and practices are used to ensure the efficient use of natural resources in any business and more specifically it encourage the cause of ecology. It lessen the carbon footprints through the efficient and effective use of available resources such as telecommunication, less printing of papers, job sharing, video conferencing and interviews through Skype (reduce traveling expense) etc. (Shakti; Gill Mandip, 2012). So according to this view there are two main essentials of GHRM i.e. environmental friendly practices and employee retention. The practices of GHRM include R&S, PMS, T&D and employee participation and engagement (Meily Margaretha and Susanti Saragih, 2013). The organizations using GHRM policies are enjoying many benefits such as reduction in carbon footprints, cost cut, preservation of environment, preservation of natural resource, employee retention and work life balance. GHRM play a very significant role in the business in order to solve environment related issues (Shaikh, 2010).

Green work life balance (WLB):

Work life balance is a state where an individual tries to manage work activities with one's personal life so that there can be benefits for both organization as well as employees (Andrew Iserson et al 2000; Guna Seelan Rethinam and Maimunah, 2007). WLB is difficult to manage due to many constraints in workplace such as stress due to work overload, work environment and long working hours etc. (Devadoss, J. Befija Minnie 2013, Stephen Theiler 2012). So in order to control these factors organization should develop such policies which can help employees to manage their personal lives with their work and it is possible through green practices such as provide better environment, cut working hours, reduce work overload and counseling can be provided in case of extreme stress.

According to Viola Muster & Ulf Schrader (2011) Green WLB is the settlement of private life and work life with regard to environmental values, behavior and attitude. So it helps the employees to reduce imbalance between their work and private life. The green WLB practices are include supple work timings, car sharing, wellness programs, telecommunicating etc.

Environmental management system (EMS):

According to Haden et al., (2009) the alignment of a company's overall strategy with environmental management objectives and strategies help in arriving at effective EMS. There are so many elements which hinder organization to adopt environmental strategy (Berry and Rondinelli, 1998). These factors include stakeholder pressure (González-Benito and

González-Benito 2006), corporate image (Suhaimi 2011), financial performance (Sroufe, 2003). There are many other studies which emphasis on EMS and suggest organizations to adopt in order to provide employee a safe and sound environment to work and the organizations should take steps to protect ecological system (Crowe and Brennan, 2007, Yang et al, 2010; Iraldo et al., 2009).

Green R&S:

According to Anthony and in Mandid (2012) when a company selects and recruits new employees it is necessary to promote their corporate culture and environment in a serious way. So it is compulsory to integrate green environment issues into recruitment process and these issues are; to provide information about the organizations policies and culture to new employees, monitoring competent people for the organization in order to ensure long term benefits and avoid expenses, and using such recruitment process where there every one should get equal rights (fair recruitment process) so that there could be the biasness on the basis of gender, race, nationality, language, age and disability. Green R&S provide many ways to make R&S process more efficient such as reducing traveling expense through video conferencing, take interviews online. Findings of a study shows that 47% of employees love to work in the organizations having green practices (Mandid, 2012). So it is concluded from many researches that working as green employee increase motivation, engagement and green behavior.

Performance management system (PMS):

In a human resource management sense, PM is a procedure of improving capabilities of individuals and teams in order to give sustainable competitive advantage to organization (Armstrong and Baron, 1998). It supports the evidence the Human capital gives competitive advantage to organization rather than capital (Reynolds and Ablett, 1998). The people of any organization are its vital competitive edge (Bend et al, 1994). So in order to associate the employees competencies with organizations goal there should be a continuous development of PM system (Moullin, 2003). PM system is used in firms both as a behavioral change tool as well as instrumental tool in order to enhance organizations performance and this can then be institutionalized through firm's structure, policies and systems. Thus the goal of PM system is to motivate and emphasis on values and behaviors (Risher, 2003). In green hr PMS can be used to indicate that how the performance standards can be achieved at organization level as well as at department level and can gain a useful data on the environmental performance of a manger. Electronic HR system can be introduced so that everyone can track their carbon emission in the work place. The managers can ask employees to come up with green ideas in the organization, enhance green leaning, conduct training sessions and can link these all with the employees overall objectives so that motivation can be increased to be a green individual and hence it can also be linked with reward and recognition system (Mandid, 2012).

Training and development:

There should be training and development programs for all the employees of the organization new as well as current employees and these programs should include social and environmental

issues at all levels of T&D and should make aware of its employs about the benefits of being green. For the employees who are newly recruited green orientation programs should be an important part of their T&D. trainer should include such contents in the programs which itself inform the trainees about the green policies and procedures and about vision and mission statements which also should have green contents in it.

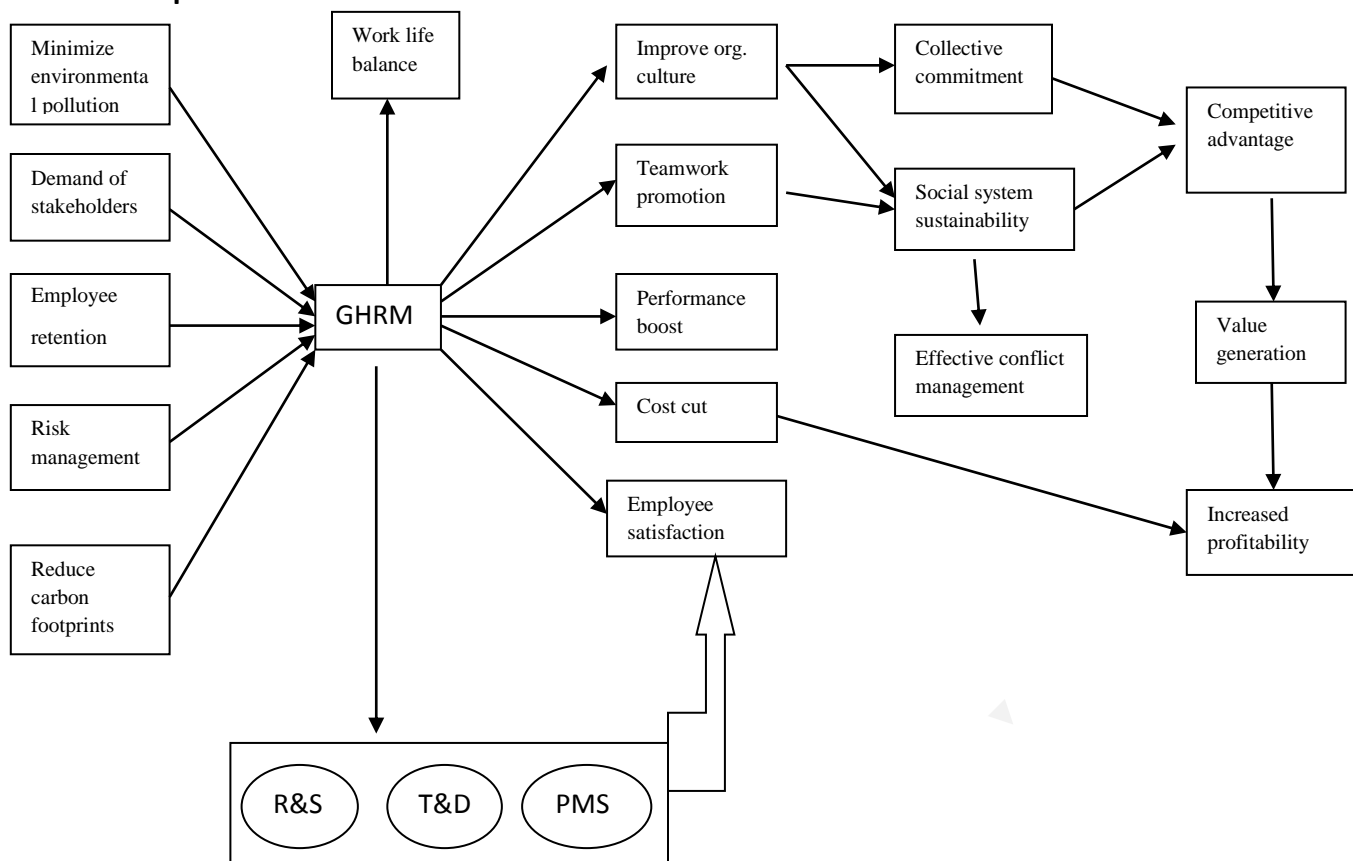
Employee retention:

A commitment to carry on business or exchange with a particular corporation on a constant basis (Zineldin; 2000). Denton (2000) says that the employees who are satisfied and loyal to their organizations put more efforts for their work so that they can add more value for the betterment of the organization. So if an organization adopts green practices they can retain employees by giving them the opportunity to become green individuals as well as green employees.

Risk management:

There are many issues related to environment which a company has to solve and give protection to all the human beings from the dangerous gases and smoke which polluted the environment so adversely. When a company adopts green practices they automatically get committed to save the environment and produce green products by use of green technology.

Conceptual model:



Explanation of the Model:

This is the industrialization era where millions of organizations are working throughout the world. These organizations produce a lot of waste which is dangerous for humans and also pollute the environment adversely. So there are many factors forcing organizations to adopt green practices so that environment can be preserved for us as well as for coming generation; these prominent factors include environmental protection, risk management, employee retention, reduction of carbon footprints, demands from stakeholders. When a firm adopts GHRM practices it enjoys many distinguished benefits as compared to the firms having no such policy. These benefits could be in the shape of work life balance of employees and when there is balance in work life and private life of an organization's employees they would be more omitted to their work and will be more satisfied with their job, besides of work life balance GHRM gives an organization a strong organization culture, build the sense of team promotion within the organization and the attractive benefit is for every firm to cut cost through GHRM. With these practices the satisfaction level of employees increased for their job and hence performance and productivity increased. Green HRM practices also boost employee satisfaction. When there is a strong culture in an organization and teamwork promotion there will be collective commitment which is directly linked to organizational culture and social system sustainability which is linked with both org. culture and team promotion as well. On one hand Social sustainability helps an organization to manage conflicts within the workplace more effectively and on the other hand social sustainability and collective commitment gives an org. competitive advantage because the only capital (human beings/ HRM) gives any organization more sustainable competitive advantage and if the firm succeeded in gaining competitive advantage there will be automatically value generation of the firm's business (products) and gain market share. At the end the result from all of this is increase in profitability which is also directly linked with cost cut.

References:

- Armstrong, M. and Baron, A. (1998), *Performance Management: The New Realities*, Institute of Personnel and Development, London.
- Andrew Iserson ,PB Earradyne and James Novitzki, “ How to Retain Skilled Technical Professionals in a Highly Competitive Market”, Presented at the IEEE 2000 Professional Development Conference, 2000
- Berry, M. A., & Rondinelli, D. A. (1998). *Proactive environmental management: A new industrial revolution*. *The Academy of Management Executive*, 12(2), 38-50.
- Band, D.C., Scanlan, G. and Tustin, C.M. (1994), “Beyond the bottom line: gain sharing and organizational development”, *Personnel Review*, Vol. 23 No. 8, pp. 17-32.
- Crowe, D., & Brennan, L. (2007). *Brennan Environmental considerations within manufacturing strategy: an international study*. *Business Strategy and The Environment*, 16(4), 266-289. <http://dx.doi.org/10.1002/bse.482>
- Daily, B., & Huang, S. (2001). *Achieving sustainability through attention to human resource factors in environmental management* *International Journal of Operations & Production Management*, 21(12), 1539-1554. <http://dx.doi.org/10.1108/01443570110410892>
- Daily, B. F., Bishop, J., & Steiner, R. (2007). *The mediating role of EMS teamwork as it pertains to HR factors and perceived environmental performance*. *Journal of Applied Business Research*, 23(1), 95-109.
- González-Benito, J. (2006). *Environmental pro-activity and business performance: an empirical analysis* *Omega. The International Journal of Management Science*, 33, 1-15.
 - <http://dx.doi.org/10.1016/j.omega.2004.03.002>
- Govindarajulu, N. and Daily, B. F. (2004). *Motivating employees for environmental improvement*, *Industrial Mgmt and Data Sys*, 104(4).
- Hart, S. (1997). *Beyond greening. strategies for a sustainable world* *Harvard Business Review*, 75(1), pp. 66-76.
- Iraldo, F., Testa, F., & Frey, M. (2009). *Is an environmental management system able to influence environmental and competitive performance? The case of the eco-management and audit scheme (EMAS) in the European Union*. *Journal of Cleaner Production*, 17(16), 1444-1452. <http://dx.doi.org/10.1016/j.jclepro.2009.05.013>
- Jabbour, C. J. C., Santos, F. C. A., Nagano, M. S. (2010). *Contributions of HRM throughout the stages of environmental management: methodological triangulation applied to companies in Brazil*. *International Journal of Human Resource Management*, 21(7), 1049-1089. <http://dx.doi.org/10.1080/09585191003783512>
- Jabbour Chiappetta, C. J., Jabbou Lopes de Sousa, A. B., Govindan, K., Teixeira, A. A., & Freitas Ricardo de Souza, W. (2012). *Environmental management and operational performance in automotive companies in Brazil: The role of human resource management and lean manufacturing*, *Journal of Cleaner Production*,
 - <http://dx.doi.org/10.1016/j.jclepro.2012.07.010>

- Jackson, S., Renwick, D., Jabbour, C. J. C., & Muller-Camen, M. (2011). *State-of-the-Art and Future Directions for Green Human Resource Management* Zeitschrift für Personal for schung. *German Journal of Research in Human Resource Management*, 25, 99-116.
- Mandip (2012). *Green HRM: People management commitment to environmental sustainability*. *Research Journal of Recent Sciences*, Vol. 1 (ISC-2011), 244-252
- Moullin, M. (2003), "Defining performance measurement", *Perspectives on Performance*, March, p. 3.
- Rethinam, G. S., & Ismail, M. (2007). "Constructs of quality of work life: A perspective of information and technology professionals", *European Journal of Social Sciences*, Vol.7, No1, 58-70.
- Risher, H. (2003), "Refocusing performance management for high performance", *Compensation and Benefits Review*, Vol. 35 No. 5, pp. 20-30.
- Reynolds, R. and Ablett, A. (1998), "Transforming the rhetoric of organisational learning to the reality of the learning organisation", *The Learning Organization*, Vol. 5 No. 1, pp. 24-35.
- Sroufe, R. P., Melnyk, S. A., & Vastag, G. (1998). *Environmental management system as a source of competitive advantage*. unpublished manuscript, Michigan State University at East Lansing, MI.
- Shaikh, Green HRM, "A Requirement of 21st Century", *Journal of Research in Commerce and Management*, Vol.1, No.10, pp 122-127.
- Sroufe, R. (2003). *Effects of environmental management systems on environmental management. practices and operations* *Production and Operations Management*, 12(3), 416-430. <http://dx.doi.org/10.1111/j.1937-5956.2003.tb00212.x>
- Viola Muster & Ulf Schradr (2011), "Green Work-Life Balance: ANew Perspective for Green HRM", *German Journal of Research in Human Resource Management*, No.25, Vol.2, pp 97-156.
- Yang, C., Lin, S., Chan, Y., & Sheu, C. (2010). *Mediated effect of environmental management on manufacturing competitiveness. An empirical study* *International Journal of Production Economics*, 123, 210-220. <http://dx.doi.org/10.1016/j.ijpe.2009.08.017>
- Zineldin, M. (2000). *TRM Total Relationship Management*, Student litterateur, Lund.