

HUMAN RESOURCES MANAGEMENT AS A KEY FACTOR IN ORGANIZATION'S SUSTAINABILITY

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Abstract

Unfortunately, few in HRM are well versed in sustainability, and only recently the link between sustainability and HRM issues, seem to have received attention. Based on that, this paper aims to explore the role of HRM in organization's sustainability; this role can be practiced through; recruiting, selecting, rewarding and recognition, training and development, workforce engagement, and performance management. Methods of the paper are the analysis and synthesis of scientific literature. The paper structures in three main sections, in the first section after introduction explains the concept of sustainability and organization's sustainability, the second section introduces the link between HRM and sustainability. Further, in the third section reveals the role of HRM contributing in the organization's sustainability. At the end, the paper is considers as a theoretical model for modern HRM to function effectively as a key factor in organization's sustainability.

Keywords: management, human resources, sustainability

1 INTRODUCTION

In the 21st century, Sustainability is one of the most widely used words in the scientific field. Although there is no consensus on notion of sustainability, however from many perspectives sustainability is a people issue hence, human resources management (HRM) must be deeply involved in any organization's sustainability activities. As a result, HRM specialists are uniquely placed to make a major contribution in this area due to the important people-related dimension of this type of initiative.

Moreover, a generally harsher business environment and increasing competitive pressures caused the HR function to be increasingly seen as a 'specialist' role (Macky, 2008). This made it necessary for HR practitioners to recognize that they had the potential to play a key part in maximizing the efficiency of the organization's human resources.

2 SUSTANABILITY CONCEPT AND ORGANIZATION'S SUSTANABILITY

Sustainability has been defined as "the ability of the organization to achieve its business goals and increase long term shareholder value by integrating economic, environmental and social opportunities into its business strategies" (Symposium on Sustainability, 2001). This definition was derived from the Brundtland Commission report (Our Common Future, 1987), chaired by Norwegian Prime Minister Brundtland, which reported on the deliberations of the World Commission on Environment and Development (WCED), an official group set up by the UN to investigate ways by which environmental conservation could be systematically pursued, internationally, paying due attention to economic, social and political considerations.

This report defined sustainable development as development that "meets the needs of the present without compromising the ability of future generations to meet their own needs. The analysis of the evolution of the concept is not the light task due to scattered records (Leal Filho, 2000). The term "sustainability" has been traditionally used as synonyms for "long-term", "durable", "sound" or "systematic" (Leal Filho, 2000).

In the 20th the term sustainability became one of the critical terms in strategic management context underlying the possibility for organizations to achieve sustainable competitive advantage (Kazlauskaitė & Buciniene, 2008) employing valuable, rare, imperfectly imitable and difficult to substitute resources (Barney, 1991). In another words, it means that it has the elements necessary to carry on and constantly enhance its activities in pursuit of a defined mission. Dyllick and Hockerts (2002) defined organizational sustainability as the capacity companies have for leveraging their economic, social and environmental capital for contributing towards sustainable development within their political domain

3 SUSTANABILITY AND HRM

According to Spreitzer (2011), although human resources are a critical resource that supports organizations to run profitably, yet we generally fail to manage it effectively. Spreitzer finding (2011) argues the concerns regarding the lack of understanding about human sustainability. If employees cannot sustain their energy over longer periods of time, organizations cannot expect them to maintain a high level of performance. (Florea, 2013) emphasizes that Organizational sustainability is likely to benefit from the implementation of effective human resource practices, which in turn may depend on the values important to the organization's employees. Moreover, the area of sustainability and competitive advantage takes a predominantly economic perspective, suggesting that employees are committed to high performance when their organization treats them well (Rhoades and Eisenberger, 2002). In this matter, Losey and colleagues (2005) saw many opportunities in the realm of sustainability for HR to bring important operational competencies. Hitchcock and Willard (2006) took the view that "Sustainability is at its core an issue requiring organizational change and cultural change." Areas in which they saw HR professionals as potentially making a strong contribution were in organization development.

4 ROLE OF HRM IN ORGANIZATION'S SUSTANABILITY

The major problem in understanding the concept of HRM is first to distinguish it from that of personnel management (PM). the terms of human resource management (HRM) have largely replaced instead of personnel management (PM) in the processes of managing people in the organizations. While human resource management is defined as a strategic and coherent approach for the organization's most valued assets behind on the workers, there is no upon description of it. Personnel department is mostly to manage the paperwork around hiring and paying people.

Ehnert & Harry (2012) introduce perspectives two arguments to support the relevance of a sustainability perspective on HRM. The first perspective of argument refers to the relationship of the organization to its economic and social environments (macro level) – „HRM should not neglect the societal discourse on sustainability and organizational sustainability because this is dealt with in practice and that HRM could make important contributions to organizational sustainable development, "(Ehnert & Harry, 2012, p. 223). The second perspective of arguments addresses the internal elements and relationships of an HRM system (meso and micro levels). The main point here is that fostering the sustainability of the HRM system itself becomes a 'survival strategy' for organizations (Ehnert, 2009b).

Seeking organization's sustainability, Modern HR managers should have a better understanding of implementing the following HR systems in order to contribute in organization's sustainability:

4.1 Selecting and recruiting

The two main routes through which firms can ensure their employees are suitable are recruitment and selection practices that ensure capable individuals are hired in the first place, and training for workers (Huselid, 1995; Appelbaum et al., 2000). From a strategic HRM perspective HR practitioners can help to support the sustainability of an organization through identification of capabilities specific to sustainability and by seeking to align recruitment and selection practices to these capabilities (Gloet, 2006).

4.2 Training and development

HRM role is to consider essential to educating people about sustainability, therefore acquiring the right kind of employees is not enough, to the HRM should offer systematically and continuously training and development programs that introduce sustainability values, and provide them the appropriate skills to

implement those values.

4.3 Performance management and rewarding

The HR managers should modify the performance appraisal rating system to include dimensions for rating people on the behaviors that support the sustainability, whether these behaviors addresses economic, social, or environmental factors. Moreover, HRM should ensure that employees be paid and rewarded for (compensation and rewards) are aligned to performance appraisal which linked to sustainability behaviors.

4.4 Workforce involvement

According to Zaugg (2009b) participation means that employees should be involved in developing strategies and objectives of HRM, that they are entitled to a high degree of autonomy in the choice of means to creatively take care of the search for solutions for HRM issues and participate actively and responsibly in HRM processes. It should be stressed, that „intensity of participation“ should be examined in the context of sustainable HRM, because intensity concerns the extent of influence or power related to participation, expressing the extent to which interests and self-determination can be safeguarded (Joensson, 2008).

5 CONCLUSION

This paper has identified the role of HRM in organization's sustainability. In most cases sustainability is the "ingredient" that has been missing from these organizations' strategies. Hence, for organizations to become more sustainable, managers must address the different dimensions of sustainability at the strategic level. In this matter, HRM should align HR systems (recruiting, selecting, rewarding and recognition, training and development, workforce engagement, and performance management) to the sustainability behaviors and actions. Human resources generalists should work together with organizational development specialists to ensure HR systems create the skills, motivation, values, and culture that helps the company achieve its "triple bottom line" and insure the long-term benefits for the organizations stakeholders.

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