

# Green HRM: A Strategy to Develop an Environmentally Sustainable Business

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**Abstract:** Environment sustainability deals with a state in which the demands placed on the environment can be met without reducing its capacity to allow all people to live well, now and in the future. In this era the concept of sustainable business is being emphasized by various organisations. The organisations these days are recognising the importance of protecting the environment by minimising the environmental impact of work practices carried out by the organisation. Green HRM is the use of human resource management policies to promote the sustainable use of resources within business organizations and more generally, promotes the cause of environmental sustainability. The purpose of going green is to use products and methods that would not negatively impact the environment through pollution or depleting natural resources. Green HRM involves environmentally-friendly human resource policies and practices that, on one hand, will help organizations to achieve their monetary goal through environmental branding and on the other hand protect environment from any negative impacts that might be caused by the policies & actions of organizations. This paper focuses on the policies, strategies and actions implied by the organizations to create an environmentally sustainable business.

**Key Words:** environment sustainability, environmental branding, sustainable organization, green HRM, green recruitment, green selection.

## I. INTRODUCTION

“Green HRM”- It refers to all the activities involve in acquisition, selection, training and development, reward, implementation and ongoing maintenance of the system that aim to convert the employees of the organisation green. It referred to policies, practices, and system that make employee of the organisation green for the benefit of the individual, society, environment and business organisation. The purpose of the green HRM is to create, enhance and retain greening within each employee of the organisation in order to promote organisational as well environmental sustainability along with the ability to meet the needs of present customers while taking into account the needs of future generation customers. Sustainable growth encompasses a business model that creates value consistent with the long-term preservation, conservation and enhancement of financial, environmental and social capital. Green HR practices are likely to improve employee well-being in the workplace by not just improving the working environment and satisfying the need of an increasingly environmental aware workforce but also contribute positively to both employee as well as organizational performance to achieve the goal of organisational sustainability. Green HRM is an innovative approach to demonstrate how the organization manage sustainable development by initiating social conscience and green sense of responsibility as a part of organizational operation. Sustainability can be defined “as the

development that meets the present without compromising the ability of future generations to meet their needs.”

There are three components for sustainability development: environmental protection, economic growth and social equity. Sustainable development is indeed mostly identified by referring to the balance between Profit, Planet, and People. A Sustainable organization contributes economically, socially and environmentally. It involves undertaking environment-friendly HR initiatives resulting in greater efficiencies, lower costs and better employee engagement and retention which in turn, help organizations to reduce employee carbon footprints by the likes of electronic filing, car sharing, job-sharing, teleconferencing and virtual interviews, recycling, telecommuting, online training, energy-efficient office spaces etc. As a result the HR function becomes the driver of environmental sustainability within the organization by aligning its practices and policies with sustainability goals reflecting an eco-focus. It involves undertaking environment friendly HR initiatives resulting in: 1) greater efficiencies, and 2) lower costs and better employee engagement and retention.

## II. THEORETICAL BACKGROUND

Two theories underlay the conceptual model of this study. Firstly, the social identity theory is used to rationalize the positive interpretations that employees make of perceived green HRM practices, which lead to employee organizational identification and workplace outcomes. Then stakeholder theory is expanded to gain theoretical insights into why the strength of the positive effect of perceived green HRM on organizational identification is contingent on the level of organizational support for employees.

### A. Social Identity Theory

This theory predicts intergroup behaviours based on perceived group status and legitimacy, with the theory positing that individuals strive to achieve and maintain a positive social identity. Organizational identification can be defined as “the perception of oneness or belongingness to the organization”. Social identity theory asserts that when organizations yield socially valued attributes that are both internal and external to the organization, employees are likely to feel proud to be associated with that organization and will subsequently identify with it. This theoretical paradigm has received significant empirical support. The employees tend to identify with organizations that have positive external reputations due to a favourable and identifiable brand. Benkoff (1997) suggests that an individual’s social identity is an important part of his or her self-concept. This self-concept drives an individual’s innate need to belong to groups and organizations that are socially responsible, as well as organizations that are positively valued

and publicly reputable. Organizational actions are often assessed by employees in the context of the social environment, with organizations expected to conform to social norms. Ashforth and Mael (1989) argue that organizational identification in turn creates positive employee workplace attitudes and behaviours that enhance self-identity. Social identity theory would suggest perceived green HRM (which encourages employees to participate in green behaviour and recognizes, assesses, and rewards employee green contributions) can be positively related to employee organizational identification and, in turn, positive employee workplace outcomes.

*B. Stakeholder Theory*

This addresses morals and values in organizational management. The theory posits that an organization has multiple stakeholders who have interests in, and whose interests are affected by, organizational activities. As stakeholders’ interests may be self-oriented, their interests may be different or even conflicting. Stakeholders have the power, from different perspectives in unequal measures, to affect a firm’s performance and sustainability. Hence, a prominent task for the organization is to achieve the balance in meeting different needs of various stakeholders .Stakeholders’ attitudinal and behavioural reactions toward organizational activities are dependent upon how the organization addresses their concerns and interests. According to stakeholder theory, if an organization can meet the needs of various stakeholders, internal stakeholders (mainly employees) can be supportive of external CSR as a good cause and external stakeholders are likewise positive toward internal CSR. Green HRM is adopted to achieve organizational green goals. As such, green HRM principally implements external CSR activities and addresses the interests of the broader community. Based on stakeholder theory, an employee’s positive attitudinal and behavioural response to perceived green HRM will greatly depend on how his or her interests and needs are addressed by, and within, the organization.

III. GREEN HUMAN RESOURCE ACTIVITIES

*A. Green Recruitment*

Attracting high quality staff is a key HR challenge. Firms are now beginning to recognize the fact that gaining reputation as a green employer is an effective way to attract new talent. Applications are invited through online mediums like e-mail, online application forms or the Global Talent Pool. If possible, telephone or video based interviews are conducted to minimize any travel-related environmental impact. Green Recruitment is active in the field of professional recruitment, with a view to meeting the growing needs for experts in the areas of renewable energy, climate change and sustainable development. Services range from contract recruitment to executive search. Whether one is looking for the brightest emerging talent or the most established industry leaders, Green Recruitment is long-term partner in environmental recruitment for recruiters. It helps to reduce recruitment cost and time by 80%. Green HR provides recruiting and staffing support services to clients includes resumes searching, candidates sourcing, and screening on

leading job boards, short listing resumes for potential candidates, talk with candidates and route only interested candidate’s resumes to executive or technical recruiters of client companies .Green HR work with companies throughout the process to define the talents, skills, knowledge and abilities of top performers and manage the process from start to finish.

*B. Green Selection*

Is the integration of Environmental Management with recruitment & selection, where HRM policies are used to promote environmental sustainability and the wise and judicious use (conservation) of resources within business organizations? Green recruiting is a system where the focus is given on importance of the environment and making it a major element within the organization. It provides the employer with an opportunity to stand ahead of the crowd and further increase their chance of attracting the candidates and retain them after induction.

*C. Green Job Design and Analysis*

TABLE I  
GREEN HRM PRACTICES

S. No.	Green HRM Practices
1.	Using teamwork and cross-functional teams as job design techniques to successfully manage the environmental issues of the company.
2.	Including green competencies as a special component in job specification.
3.	Including environmental, social, personal, and technical requirements of the organizations in job descriptions and person specifications as far as possible and put into effect.
4.	Designing and implementing new jobs and positions in order to focus exclusively on environmental management aspects of the organizations.
5.	Incorporating a number of environmental protection related tasks, duties and responsibilities in each job and put into effect.

These days, some companies have incorporated environmental and social tasks, duties and responsibilities as far as possible in each job in order to protect the environment. In some companies, each job description includes at least one duty related to environmental protection and also specifically includes environmental responsibilities whenever and wherever applicable. Job descriptions and job specifications may include environmental, social, personal, and technical requirements of the organizations as far as possible. Environmental protection duties should be included, along with the allocation of environmental reporting roles and health and safety task. Some companies use teamwork and cross-functional teams as job design techniques to successfully manage the environmental issues of the company. It is because of the reason that environmental protection task of a company demands multi-disciplinary team works. Nowadays many companies have designed environmental concerned new jobs or positions in order to focus exclusively on environmental management aspects of the organizations. From the perspective of HRM, it is really a valuable initiation and practice to protect the environment. Moreover, some companies have involved in designing their existing jobs in a more environmentally friendly manner by incorporating environmental centered duties and responsibilities.

The Table-1 shows a listing of the existing and certain new HRM practices under the green job design and analysis.

*D. Green Human Resource Planning*

At present, some companies engage in forecasting number of employees and types of employees, needed to implement corporate environmental management initiatives/programs /activities (e.g. ISO 14001, cleaner production, responsible care etc.). These are good practices some leading companies have adopted to manage their environmental issues. The corporate environmental management initiatives demand some new job positions and specific set of skills In addition these companies engage in deciding strategies to meet the forecasted demand for environmental works (e.g. appointing consultants / experts to perform energy or environmental audits) and sometimes they are outsourcing.

*E. Green Induction*

Induction for new employees seems to be needed to ensure they understand and approach their corporate environmental culture in a serious way. Companies adopt two approaches in respect of green induction. They are general green induction and job specific green induction. Some companies practice general green induction. After selecting the candidates for the posts, these companies provide necessary basic information about the corporate environmental management policy, system and practices. In some instances, certain organizations do specific green induction as well to their new recruits. They induct new employees about environmental orientation programs specific to their jobs. In general, these two green induction practices are important for any organization nowadays. Organizations should ensure that new recruits understand their environmental responsibilities, become familiar with health and safety arrangements, appreciate the corporate environmental culture, adopt the company's environmental policy and practices, and know given relevant contact persons within the organization.

*F. Green Performance Evaluation*

Measuring employee green performance of job is one of the key functions in green HRM. Without this practice no organization can ensure the realistic environmental performance in long term basis. Evaluation of green performance of employee must be done separately or at least as a part of the performance evaluation system of the organization. The measurement criteria of employee green performance of job must be carefully aligned with the organization's criteria of environmental performance.

The Table-II shows a list of the existing and certain new HRM practices under the green performance evaluation.

*G. Green Training and Development*

Providing environmental training to the organizational members to develop required skills and knowledge is an important function of green HRM. This will be helpful to implement corporate environmental management programs of the company. Providing training to encourage recycling and

waste management, supporting flexible schedules and telecommuting, and reducing long-distance business travel are very useful to reduce the negative environmental impacts of the organizations.

The Table-III presents a listing of the existing and certain new HRM practices under the green training and development.

**TABLE II**  
EXISTING AND NEW HRM PRACTICES UNDER THE GREEN PERFORMANCE EVALUATION

1.	Incorporating corporate environmental management objectives and targets with the performance evaluation system of the organisation.
2.	Integrating green criteria in appraisals or evaluating employee's job performance according to green-related criteria.
3.	Establishing environmental management information system (EMIS) and environmental audits.
4.	Introducing or formally evaluating all employees' green job performance (as far as possible).
5.	Providing regular feedback to the employees or teams to achieve environmental goals or improve their environmental performance.
6.	Installing corporate wide environmental performance standards.

**TABLE III**  
EXISTING AND NEW HRM PRACTICES UNDER THE GREEN TRAINING AND DEVELOPMENT

S. No.	Practices
1.	Imparting right knowledge and skills about greening (to each employee through a training program exclusively designed for greening)
2.	Providing environmental training to the organizational members (employees and managers) to develop required skills and knowledge.
3.	Providing training to learn or adapt environmental friendly best practices (e.g. reducing long-distance business travel and recycling).
4.	Providing environmental awareness training to create „environmental awareness“ among the workforce.
5.	Providing environmental education to the workforce.
6.	Providing training to the staff to produce green analysis of workspace.
7.	Analysing and identifying environmental training needs of employees in order to make them more environmental concerned.

*H. Green Reward Management*

Green reward management is another key function of green HRM. The sustainability of organization's environmental performance is highly dependent on the green reward management practices of the organizations. To motivate managers and non-managerial employees on corporate environmental management initiatives, green reward management has significant contributions. Organizations can practice it in two ways such as financial and non-financial. In some companies employees are financially (e.g. incentives, bonuses, cash) rewarded for their good environmental performance. In some other companies, employees are non-financially rewarded (awards/special recognitions / honours / prizes) for their good environmental performance.

**IV. GREEN HRM- IMPORTANCE, SIGNIFICANCE, AND ADVANTAGES**

Now-a-days, organizations had to face tremendous competition. Sustainability has become the buzz word and key integral aspect of doing business in any sector / Industry - the



sustainability on optimizing and balancing the social, financial and environmental concerns. To achieve this, sustainability should be part of the business – the way things are done in the workplace rather than as a separate add-on. One of the critical roles of Human Resources Management is to drive the organization towards achieving a sustainability strategy by creating and developing skills in people, motivate them, generate a value system and create an environment of trust so as to achieve a bottom line that is threefold. This, in turn, will bring about healthy and sustainable organizational practices benefitting both the internal and external stakeholders of the organization. This only emphasizes the increasing need of integrating human resource management and environmental sustainability. Organizations adopting Green Human Resource Management practices have several advantages. Some of them are:

- Green business decisions: Employing a green workforce or employees who understand and practice environment-friendly practices helps the organization take business decisions that have a wider perspective and thereby adopting innovative strategies and techniques to arrive at an optimal solution solve environmental related issues.
- Preferred employer of choice: Green organizations are the most desired employers and any potential hire would like to be associated with such an employer so as to learn and add value to their profile. A Green workforce is a win-win situation for both the employer and the employee as it gives a competitive edge to both in the market.
- Higher retention of employees: A survey by SHRM (Society for Human Resources Management) Green Workplace Survey found out that green organizations have lesser attrition rates as compared to their non-sustainable counterparts. In the survey about 61% of the respondents working for an organization known to be an advocate for green human resource management practices said that they were "likely" or "very likely" to continue working in the present organization because of their green policy and practices
- Better Sales: Cone Communications, a marketing, and public relations company in the year 2013 conducted a survey on the Green Gap Trend where about 71 % of Americans shoppers said they are conscious of the environment impact when they purchase a product. This survey finding is critical to the belief that companies that adhere to green practices can improve their sales and cut costs by achieving higher volume of sales.

#### A. Economic Aspect of Green HRM

A lot of literature has been done on how organizations have benefitted from adopting an organizational culture that encourages sustainable green practices. These benefits have been both in terms of economic as well as environmental benefits for the organization. This benefit has then translated into a competitive advantage as well as a strategic advantage for the organizations. Some of the common green human resource management programs that are being practiced in a majority of the organizations include:

- Videoconferencing, teleconferencing and other internet applications used for meetings thereby bringing down business travel.
- Online and electronic documentation as opposed to traditional paper / hardcopy documents Reduction in paper usage and even so use recycled paper and materials.
- Teleworking and work from home options to employees
- Car / Bike pooling programs, Transportation provided by the company
- Electronic filing wherever possible
- Recycled trash bins
- Recycled water for use in gardens
- Energy efficient air conditioners and heaters

#### V. INCORPORATION OF GHRM IN TOP 10 INDIAN COMPANIES

##### 1. Wipro Technologies

There was a time when the Karnataka State Pollution Control Board indicted the IT solutions arm of Wipro Limited for dumping huge volumes of hazardous electronic waste in illegal recycling units in Bangalore. The eco eye: an initiative that had several goals to reduce the organization's carbon footprint, manage its water and energy efficiently, develop new benchmarks in recycling waste, minimize the use of hazardous substances, become ecologically sustainable, and motivate all employees to follow green practices in their professional and personal lives They extended their green mission to physical infrastructure and substitute CRT monitors with LCD monitors .The company also had a green testing lab, practiced a Carbon Disclosure Project (to report the internal carbon footprint), reduced employee travel.Wipro was the first IT company in India to launch eco-friendly desktops and notebook computers that adhered to the RoHS (restriction of hazardous substances) regulation specified by the European Union (EU).

##### 2. Suzlon Energy

- The "green banking" initiative: State Bank of India tied up with SUZLON to become the first Indian bank to take lead in harnessing wind energy.
- The Suzlon One Earth Campus, the corporate headquarter of Suzlon at Hadapsar, Pune, India is the most energy efficient building built ever in India with insulated green roof, energy efficient – lighting system, construction time, renewable energy based hot water system, reduced landscape and building water requirement, recycle, reuse and recharge of water, waste management and waste water treatment, health and energy of occupants, carpooling, zero waste management, green education etc. are policies practiced by the companies.

##### 3. ITC Limited

- Ozone-treated elemental chlorine free bleaching technology for the first time in India.
- An entire new range of top green products and solutions: the environmental friendly multi-purpose paper that is less polluting than its traditional counterpart.

*4. HCL Technologies*

- “Go Green”: a multi-layered corporate program running campaigns to initiate individual action towards environmental issues. It has designed and developed a comprehensive Green Edge sustainability framework that caters to the specific needs of manufacturing industries.
- They are active members of India Council for Sustainable Development
- First company in India to launch an Antimony & Beryllium Free laptop
- The company extends its take-back service to customers for disposing off their equipment through HCL Green Bag Campaign, and recycling collected E-waste in an environment-friendly manner.

*5. Tata Consultancy Services*

- Spotted 11th under Newsweek’s annual rankings of the “World’s Greenest Companies” with a Green Score of 80.4 globally
- They focus on improving the agricultural and community needs of the region, where its offices are located make it one of India’s most environmentally proactive companies.
- Its 16 facilities do composting, some have bio-digesters turning waste into kitchen fuel.

*6. Oil & Natural Gas Company (ONGC)*

- ONGC is all set to lead the list of top 10 green Indian companies with energy efficient, green crematoriums that will soon replace the traditional wooden pyre across the country.
- Mokshada Green Cremation: An initiative that will save 60 to 70% of wood and a fourth of the burning time per cremation.

*7. Idea Cellular*

- Use Mobile, Save Paper campaign
- Green Pledge campaign: at Indian cities where thousands came forward and pledged to save paper and trees
- Currently is working to set up bus shelters with potted plants and tendril climbers to convey the green message.

*8. IndusInd Bank*

- The bank is running ATMs on solar power and has pioneered an eco-savvy change in the Indian banking sector.
- Has been awarded the NASSCOM IT User Award 2012 for “Environmental Sustainability”
- The bank is planning for more such initiatives in addressing the challenges of climate change.

*9. Tamil Nadu Newsprint and Papers Limited*

- Own power generating facility to make it 100% self-sufficient: installation of 61.18 MW Power Generating equipment (TG Sets) at the paper mill site. The surplus power generated is being exported to the State Grid.

- The innovative bio – methanation project: This project contributes to the sustainable development in terms of generating in-house renewable energy and reducing green – house gases.
- Other initiatives: Eco – friendly technologies in process, its proactive role in reducing the use of fossil fuels, increasing the green cover, using energy efficient systems, recycling and reuse of solid and liquid wastes in the process.

*10. Tata Metalinks Limited*

- Every day is Environment Day
- According to the company’s policy, working on Saturdays at the corporate office is discouraged.
- Lights are also switched off during the day with the entire office depending on sunlight.

**VI. CONCLUSION**

Based on this review, it is possible to conclude that by understanding and increasing the scope and depth of green HRM practices, organizations can improve their environmental performance in a more sustainable manner than before. Though the green movement and Green HR are still in the stages of early years, rising awareness within organizations of the consequence of green issues have compelled them to squeeze environment-friendly HR practices with a definite spotlight on waste management, recycling, sinking the carbon footprint, and using and producing green products. Clearly, a majority of the employees experience stalwartly about the environment and, demonstrate greater commitment and job satisfaction toward an organization that is ever ready to go “Green.” Green ideas and practices are finding more and more relevance in many organizations and within the space of the HR profession. HR leaders being the advocates of organizational culture and policies are critical to inculcate a sense of responsibility in each employee towards a sustainable green human resources management. However, still greater change needs to happen so that employees and organizations take that big leap in ensuring greening process in all their activities.

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