A Study of Green HR Practices and Its Effective Implementation in the Organization: A Review

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Abstract

There is a great deal of increase in the adoption of environment management systems by the corporate sector. Literature has given importance to adoption of environmental practices as a key objective of organizational functioning making it important to identify with the support of human resource management practices. Today there is debate and uncertainty associated with how green management principles can be implemented effectively amongst the workforce of the organization. This review article identifies how corporations today develop human resource policies for promoting environment management initiatives.

Keywords: Green HRM, environment management initiatives, retention, training, rewards

1. Introduction

There is a need for a proactive approach to environmental management across the world (González-Benito & González-Benito, 2006; Daily et al., 2012; Jabbar et al., 2010). Earlier success of a firm was strongly dependent on promotion of economic value. However today, organizations have to consider for the reduction of ecological footprints and give importance to social and environmental factors along with economical and financial factors in order to enable the organization to be successful in the corporate sector thereby enabling attainment of profit by the shareholders (Sroufe et al., 1998; Daily et al., 2012; Govindarajulu and Daily 2004). There is a great deal of increase in the level of environmental pollution and waste emerging from industries which has resulted in increase in implementation of policies by governmental and private sector with the aim of reducing the rapid destruction to the non renewable resources and the ultimate negative impact it would have on societal consequences (Martinez- Fernandez, & Hinojosa, 2010). There is enhanced adoption of environment management systems by the corporate sector (Boiral 2006. González-Benito and González-Benito, 2006). This resulted in the emergence of a new strategic maneuver called green management. According to Lee (2009) the approach was considered to be quite effective and profitable since early 2000. He defined green management to be the strategy which is adapted by an organization in order to organize the environmental management strategies for protecting and measuring environmental aspects. Daily and Huang (2001) recommended that organizations essentially need to balance the industrial growth and ensuring that the environment where one lives is well preserved and promoted. The adoption of these practices has been presented with a number of different advantages which would ultimately benefit the firm which has led to the emergence of “green and competitive” mantra (Wagner, 2007; Molina-Azorin et al., 2009). Some of the benefits associated with this adoption include improvements related to firms operational performance (Jackson et al., 2012), promotion of teamwork (Jabbar et al., 2010), improvements in organizational culture (Jabbar et al., 2012) and reduction on overall cost (Hart 1997). It is identified that the management of environmental systems will enable improvements in synchronization with other management strategies of the firm (Wagner, 2007). From the above discussion it is identified that researchers give importance to adoption of environmental practices as a key objective of organizational functioning making it important to identify with the support of human resource management practices (Jackson et al., 2011; Daily and Hung, 2001; Sarkaris et al., 2010). Today there is debate and uncertainty associated with how green management principles can be implemented effectively in organizations thereby arriving at improved sustainability for the organization. Therefore the main aim of this article is to present a review of research which helps in identifying how corporations today develop human
resource policies for promoting EMS initiatives.

2. Review of Literature

2.1 Environment Management System

The incorporation of environmental objectives and strategies into the overall strategic development goals of a company helps in arriving at an effective environment management system (Haden et al., 2009). There are a wide range of factors which influences the adoption of an environmental strategy by a company (Berry and Rondinelli, 1998) including financial performance (Sroufe, 2003), stakeholder pressure (González-Benito and González-Benito 2006) and corporate image (Suahaimi 2011) emerging to be the most important reasons. There is also a great deal of empirical research which highlights the impact of environment management practices on performance of the organization using a number of different indicators (Crowe and Brennan, 2007, Yang et al, 2010; Iraldo et al., 2009).

2.2 Importance of HRM in Environment Management Policy Development

Lado and Wilson (1994) defined the HRM system as “a set of distinct but interrelated activities, functions, and process that are directed at attracting, developing, and maintaining (or disposing of) a firm’s human resources.” HR practices are generally implemented with the strategic systems that are in line with with the culture and business strategy (Boselie, 2001). There are various researchers who support the HRM practices to be effective for promotion of human capital and results in providing to contributors of organizational performance and competitive advantage (Boselie, 2001; Paauwe and Boselie, 2003).

In order to implement an effective corporate green management system it is important to promote a great deal of technical and management skills among all employees of the organization (Daily et al., 2012; Unnikrishnan and Hedge 2007). Organizations look at development of innovative tools and initiatives of environment management which will significantly impact sustainability of the firm and promote a competitive advantage (Hart 1997; Lin et al., 2001). Therefore to develop such a framework it becomes ideal to have effective human resource management practices including presentation of strict recruitment strategies (Grolleau et al., 2012), appraisal and reward systems which include environmental awareness and implementation in their evaluation process (Jabbar et al.,2012) and training and empowerment programs (Unnikrishnan and Hedge 2007) which will enable the development of new set of skills and competencies amongst the employees of “pro green” firms. All of these researchers promote the ideology that is important for proper alignment of human resource management principles with objectives of green management in an organization. It is identified that the greater the strength of green human resource policies the greater is the intensity of adoption of environment management systems (EMS) and policies by the different companies (Bohdanowicz et al., 2011).

3. Research Methodology

The researcher made use of systemic search methodology by identifying articles related to green HR practices in Science Direct and Emerald databases from March 1992- March 2012 (ten years) by using the following key words: Green management, environment management system, human resource management, training, development, recruitment, rewards and feedback. Following this 19 articles related to the keyword search were identified. The researcher independently extracted data using standardized data extraction forms. When any doubts or conflicts arose they were resolved by consensus or, when necessary, by a second reviewer. Reviewers extracted information on study design.

4. Results and Discussion

This section presents the different articles which were identified from the literature research and summarizes the findings in relation to HRM principles in table 1 in the following categories.

4.1 Rewards and Compensation

The study by Taylor et al., (1992) presented a generic view on importance of green management. In this study a qualitative approach was adopted wherein 16 companies were identified from 5 different countries. It was seen that when companies offered an incentive in terms of green awards employees were more inclined to follow principles of green management.

The study by Denton (1999) examined the impact of employee involvement in pollution control. This is study adopts a qualitative case study approach wherein employees from Dow chemical were interviewed. It was observed that employees were motivated and given rewards when they came up with innovative waste reduction ideas.

The study by Forman and Jorgensen (2001) studied the participation of employees in environmental work
programs in different companies. This study adopted a qualitative research approach in which two different Danish companies were identified and employee participation in environmental programs was identified. The study presented a theoretical framework of which provision of rewards or compensation to employees in order to undertake the additional responsibility of participating in environmental efforts was undertaken.

The study by Ramus (2001) identified the importance of non financial incentives on impacting environmental policy implementation. This study is empirical in nature and conducted a survey among employees of European companies. It was identified that when there was perceived supervisory support and better acknowledgment in terms of praise letters and plaques there was an increased commitment from employees towards upholding environmental policies.

4.2 Recruitment

Dechant and Altman (1994) studied the importance of employee perception of a firm’s environmental behavior. This study is review article which identifies the importance of contemporary environmentalism in leading companies of America. In their review they argue that the employee perception is vital as employees are willing to work in a firm only when they feel it adds to their value profile.

Bauer and Aiman-Smith (1996) studied the effect a pro environmental stance would have on recruitment efforts. The study was empirical in nature and considered a fictitious firm. Their findings indicate that when a firm presents a proactive stand towards protection of the environment then it would help improve the attractiveness of the firm. Their study also indicated that intention to pursue employment with the pro environmental company will be higher along with acceptance of a job offer.

In the study by Frank (2003) the importance of ethical behavior of a company and its impact is presented. As a part of this survey it was identified that most of the respondents would prefer to choose an ethically and environmentally responsible firm like American Cancer society instead of for one like Camel cigarette even if their wages were slightly lesser.

The study by Brekke and Nybord (2008) identified how companies attracted responsible employees. Their study adopted a theoretical approach and arrived at a model which indicated that when there is equilibrium between socially responsible and socially non responsible firms then motivation among new recruits to join the companies would be higher towards green firms. Their research also identifies that if the wages presented as similar in both firms then applicants who approach socially responsible firms will be much higher than those who approach brown firms.

The study by Grolleau et al., (2012) identified the impact of environmental standards of a company on recruitment of an employee. This study makes use of a bivariate probit model hence adopts an empirical approach by adopting specific survey presented to different private firms in France. The study results indicate that environmental commitment of the company adds to profile of a company. They were able to differentiate and identify those professionals more than non professionals were concerned with respect to the environmental stance of a company.

4.3 Training and Development

The study by Perron et al., (2006) examined importance of environmental training in promoting business value. This study involved a multiple case study approach wherein it was observed that two different companies were compared to identify the effectiveness of a developed environmental training program. It is observed that one company developed a training program for all their employees while the other was considered as a control which offered no training. From the results of the study it was identified that despite training presented to one group the level of knowledge with respect to environment management system was similar among employees of both the companies. This is despite the amount of investment that has gone into green training for employees of one company. The authors conclude that it is vital to develop specialized and customized environmental training programs to suit the needs of the organization and also identified the need for development of validated instruments to evaluate the resultant training.

Daily et al., (2007) conducted a study on EMS training framework and its relation to practices of HR in the organization. This study was empirical in nature as a survey was conducted among 437 employees. From the results of the survey it was identified that the formation of an effective green management system was directly dependent on environmental training. The study concluded that in order to manage effective green HR practices it is vital to promote environmental training in an organization as it presents essential knowledge for promoting green teams in an organization and presents them with the ability to deal with the different issues which emerge as a result of problems related to environment and the associated opportunities.
The study by Unnikrishnan and Hedge (2007) studied the importance of environmental training and its relationship to cleaner production strategies. In their paper they identify different types of organizational training strategies in Indian industries. This was an empirical study which examined eight firms from two different industrialized states in India. From the results it was observed that environment management training was focused however learning processes were not very strong. The study observed a lack in top management commitment, lack of suppliers of cleaner technologies and a gap between academic institutes and industries with respect to implementing green training policies as the key areas which Indian manufacturers should focus on to improve their green training programs.

The study by Sarkaris et al., (2010) identified the effect of stakeholder pressure and its relationship with promoting effective environmental training. This study was empirical in nature and conducted surveys across 157 companies in Spain. From the results of the study it is clearly identified that good environmental training by the management mediates the presence of a good green management practice. The authors propose the idea that companies which promote novel and effective green management practices always provide a methodological environmental training program to their employees.

The study by Jabbar et al., (2010) made an attempt to identify importance of HRM in promoting environmental management of a company. This study adopted an empirical approach wherein data was collected from 94 companies in Brazil and methodological triangulation was carried out. The results of this study identify that recruitment, training, employee motivation and rewards are important human dimensions which contribute to the improvement in employee implementation of green management principles.

The study by Teixeira et al., (2012) identified the relationship between management of green HRM practices and its ultimate impact on environmental training in companies at Brazil. This study identified nine case studies in ISO 14001 certified companies and conducted interviews. From the results of the study it was observed that good practices of environmental training are intertwined with the promotion of good organizational culture and teamwork. The study also proposed that the relationship between environmental training and green management is directly related to level of commitment expressed across all levels of the organization.

4.4 Employee Empowerment, Employee Training, Employee Teamwork and Managerial Environmental Training

The study by Jabbar et al., (2012) identified the impact of human resource management on principles of environmental management implementation in company and identified the link to operational performance. The study adopted a primary empirical approach and identified that HRM practices including recruitment, feedback and compensation were found to have an impact on environmental management practices of the company.

The study by Daily et al., (2012) proposed to identify the impact of training and empowerment of employees and its link to environmental performance of a company. The study adopted an empirical approach among companies in Mexico. The results of the study strongly identified that HRM factors including employee empowerment, employee training, employee teamwork and managerial environmental training had an impact on environmental performance of the company.

The study by Chinander (2001) makes an attempt to identify internal drivers related to environmental awareness. The study adopted a qualitative case study approach by identifying a steel manufacturing company. It was identified that the promotion of an effective environmental management program is dependent on the level of feedback that is obtained on specific environmental issues. Their results strongly identify that the promotion of feedback ensures that both employers and employees are well aware of their responsibilities and communication requirements thereby ensuring better promotion of environmental management and green promotion in the organization.

Govindarajulu and Daily (2004) presented a theoretical framework by identifying environmental performance of a company and its relationship to employee motivation. Their study identified that management commitment, employee empowerment, rewards and recognition, feedback and feedback and review are important factors which need to be addressed in the HRM policy of a company in order to promote effective green management practices.
<table>
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<td>Grolleau et al., (2012)</td>
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5. Conclusion

From the above review it is to be acknowledged that the importance of green HRM practices is vital to promote employee morale and this may help in arriving at a great deal of benefit for both the company and the employee. For example some of the benefits that an organization can attain as a result of introducing green HRM principles in EMS include:

- Improvement in retention rate of employee
- Improvement public image
- Improvement in attracting better employees
- Improvement in productivity and sustainability
- Reduction in environmental impact of the company
- Improved competitiveness and increased overall performance

Apart from this it is to be identified that employees who are actively involved in environment management principles may play a vital role in arriving at better environmental strategies to be implemented. Employees may feel empowered to adopt specific environment management principles as a result of promoted human resource policies which present better opportunities for improvements related to reduction of waste and promotion of lean manufacturing. This also may help in arriving at greener products and green savings from waste elimination. The promotion of such values will also indirectly improve consumer satisfaction. Today most consumers look for companies which adopt environmental standards. Through this article the author has highlighted the importance of green “HR” principles which an organization should adopt during implementation of an environment management program. In specific different implications can be arrived at for managers and supervisors.

The results obtained from the study are determined to have implications for scholars and business personnel. From the perspective of scholars the literature highlights “green and competitive” (Porter and Van Der Lindle, 1995) and “learn and green” (Florida, 1996) and “green human resource management approach” are identified for the observed organizations (Jackson et al, 2011).

The suggestion made for the business managers are:

- The relation between diverse approaches and managerial practices are to examined and understood in systematic procedure
- Role of human in environmental management that enhances the operating performance is to be given more importance

The results also identify the need to bring the gap between professional implementation of green HRM and its links to the research and teaching environmental management. The main limitations of this study are the number of databases chosen for the study. The researcher has focused mainly on two different databases. Identification of more databases will enable the identification of more studies. Another limitation of this study is the lack of a quantitative approach. Despite the number of studies which have adopted an empirical approach this study has not used any statistical tools to present a Meta analysis of the conducted studies.
References


