

Recent Innovation in Green HR Practices For Organizational Technological Development

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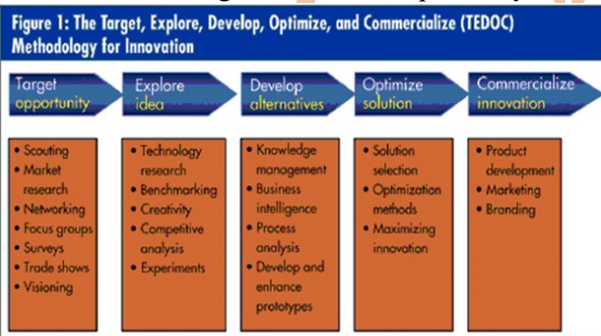
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As a result of more widespread economic development in recent decades, global capacity for research and development is evolving broadly across the developed world and emerging economies. However, building on this progress will require action to encourage new ideas across the diversity of development contexts, and to ensure that these ideas can reach and transform new markets. The challenge of transitioning onto cleaner development pathways is particularly difficult for developing countries because their need for rapid economic growth often seems to outweigh the importance of “leapfrogging” onto cleaner development trajectories. Achieving sustainable economic development will require regional and international cooperation for implementation, supportive domestic policies, institutional capacity building, strong public-private partnerships, long-term financing and human capital development. In parallel, new mechanisms are needed to support the development and diffusion of intellectual property that can be shared with, and created in, developing countries along with enforcement mechanisms for its protection.

Key Words: Recession, Innovation, Survival.

Introduction:

Innovation for green growth can be characterized as frontier, adaptive or absorptive (see figure 1). *Frontier innovations* are novel solutions that have not yet been introduced to the world. They are typically adopted in the research phase of the technology development cycle. *Adaptive innovations* are modifications to existing technology that make them more useful in alternative situations. They can occur across the technology development cycle. *Absorptive innovation* refers to changes to an institutional environment that makes the transfer, successful implementation of, and learning from frontier and adaptive innovations easier. This applies to the final two stages of the development cycle.



Objective of the Study:

1. To identify the green HRM practices for sustainable growth in the organisation.
2. To suggest benefits of Green HRM to both employee as well as employer.
3. To propose a theoretical model of Green HRM.

Research Methodology:

In order to get endeavour an emerging concept named Green HRM, a systematic literature has been done for the same. The data is collected from various research articles, whitepapers, magazines, project works & internet.

LITERATURE REVIEW:

Sakhawalkar, & Thadani (2015) has done descriptive research on all IT companies in

pune where non-probability –convenient sampling was used & structured questionnaire was filled by employees of IT companies in Pune City. The study reveals the awareness among employees in IT companies & implementation of various green hr practices. The study found that companies are going towards the environmental friendly initiatives that reduce an employee’s carbon footprint. The results included: electronic data filing, Vehicle sharing,

video conferencing and virtual interviews, recycling, telecommuting, online training, Work at home and developing more energy efficient office spaces. The study also found that respondents are aware about the electric & hybrid vehicles; however people, who are not aware about - Green HRM, are aware of the practices and know that their organization is following such practices. Aggarwal & Sharma (2015) highlighted the concept of Green and Green HRM, along with focusing on its importance, advantages and limitations for an organization which have an impact on sustainability. Sheopuri and Sheopuri (2015) also found that Green HR initiatives help companies to find alternative ways to cut the cost without losing their top talent; part time work, etc. The study also says that today companies could get competitive advantage over it Pillai and Sivathanu (2014) focused on the various Green HR Practices followed by the organizations globally. The study also highlighted the challenges and benefits of green HRM. The survey was done through interview session with HR managers in order to understand the implementation of green HR practices at the work place.

Marjan, Saeed, Zahra and Shahbazmoradic (2014) have done their study to identify the barriers of green human resource management in Iran's oil industry. In the study, 12 experts & HR Managers from Oil industry were interviewed; it was found that there is lack of comprehensive plan to implement green HRM & ambiguous Green values were considered as barrier to Green HRM. Addition to this, study also reveals that staff resistance had the lowest importance.

The study was done by Goyal (2013) and Dutta (2012). In order to discuss the various initiatives that can be taken by government to promote green practices. The study also highlighted the green HR practices are car-pooling, teleconferencing, recycling, online training, e-mailing etc. Sayed (2015) done their study on Green HR practices in compilation with analyzing latest environmental friendly solution and proposed model of green human resource management. The study also found that Green HRM is helpful in enhancing corporate image and brand image.

Firdaus and Udin found that most of the large companies started to promote their actions to save the environment and implementing green practices in their daily operation but still Small Medium

Enterprises (SMEs) seen in the low level of their involvement towards sustainability. Jabbar and Abid investigated the factors that motivate employees towards organizations environmental performance.

By adopting Green human resource management practices (GHRM), firms can play a pivotal role in promoting environment related concerns. In this study, investigation has done on the factors that trigger the employees to be involved in green HRM practices. The 178 respondents (employees) of the firms that use GHRM practices have taken for research. Convenient Sampling was used for data collection. The result of the study reveals that HRM practices influence employee motivation to become involved in environmental performance of the organization. The study also found that employees are more motivated through monetary rewards rather than non monetary. Supervisors support also enhances the morale of employee to take initiatives towards environmental sustainability. Furthermore, rewards have positive impact on employees motivation towards eco-initiatives.

Beirendonck et al. (2014) investigated a model of ROC –Respect Openness Continuity with respect to HR function.

The case-study based paper Kapil (2015) has made an attempt to study the environment sustainability practices adopted by three top car manufacturers of India.

Kim (2005) investigated how employees of the hotel industry perceived green practices. The Data was collected from

220 employees working in eight green certified hotels in Orlando where results found that performance levels of green practices implemented by hotels were lower than the importance levels of those same green practices as perceived by hotel employees.

The study also reveals that there is positive correlation between organizational commitment

and green practices. Saraswa (2015) found that employees are not aware of the term Green HRM but they are aware about the environmental friendly vehicles like electricity & hybrid vehicles. The employees are also aware about that their organization is using such practices for sustainability. Yusoff, Othman & et al (2015) has done an exploratory study in order to attempt a conceptual understanding of the concept of Green Human Resource Management (HRM) in multinational companies in Malaysia. The study found that most of the companies are focusing on Green HRM with special attention on five concepts namely: Corporate Social Responsibility (CSR), Electronic HRM (E-HRM), Work-life Balance (WLB), Green Policies and Extra Care Program. Stankeviciute & Savaneviciene (2013) found in their study that there are 3 different meanings of sustainability with respect to HRM which consist of 1) Normative, 2) Efficiency-oriented and 3) Substance-oriented. The study also provides the conceptual insights linking towards sustainability and HRM.

From the above literature, it has been found that CSR activities are also linked to Green HRM. The researchers have focused on Corporate Social Responsibility (CSR), Electronic HRM (E-HRM), Work-life Balance (WLB), Green Policies and Extra Care Program. The studies also concluded that there is positive correlation between organizational commitments, Reward, Supervisor Support with green practices.

THE CONCEPTUAL FRAME

Some of the concepts used in this paper are explained below:

- a) Innovation
- b) Generation - Y
- c) Green Management

Let us attempt first one first

a. Innovation

As several thousands of small, medium, and big businesses have already closed since the onset of recession, concern for business revival and survival has heightened. We witness that there are some organizations trying to come out of the shock of recession relatively unscathed, even healthier than they were before and are thriving,

while others are still in a desperate pursuit of their viability and survival. For such organizations facing difficult times, the only key factor for their revival and survival is innovation.

To begin with, what is innovation? For many of us, innovation means the introduction of new technology and inventions—such as the internet, cell phone, etc. It is true that innovation led to the development of these new products but innovation is much more than that. Innovation goes beyond technology and requires collaboration from many areas to come together to achieve success. It is nothing but doing something different or doing same thing differently resulting in pleasure, convenience, economy and increase in productivity.

To thrive in a prolonged recessionary environment, it is therefore, the need of the hour to broaden our definition of innovation beyond one of delivering novelty that sees the customer pay more. In this regard, the three most common types of innovation observed Chinese firms pursuing are thought provoking ².

First was **cost innovation**: reengineering the cost structure in novel ways to offer customers adequate quality and similar or higher value for less cost. Cost innovation involves creative ways of re-engineering products or processes to eliminate things that don't add value (or value that consumers are willing to pay for).

Second was **application innovation**: finding innovative applications for existing technologies or products. Application innovations often require less investment and generate faster payoffs compared with entirely new inventions – very useful characteristics in recessionary times.

Third was **business model innovation**: the well-worn idea of changing one of the four core components of the business model (customer value proposition, profit formula, key resources or new processes) but with a twist – adjusting those aspects that can be changed quickly and at minimal cost.

Broadening our thinking about what we mean by innovation to include cost innovation, application innovation and business-model

innovation suggests the typology depicted in the chart below. Greater focus on the right-hand categories seems warranted as we face the prospect of continued pressure on innovation budgets during a protracted period of only gradual recovery in developed markets. This change in mindset is only the first stage in re-thinking innovation for recovery.

Table 1: A Typology of Innovation

		Speed of Payoff	
		-	+
Level of Investment	+	Basic R&D Radical product and process innovation	Business-model innovation
	-	Incremental product and process innovation	Cost innovation Application innovation

Source: <http://iveybusinessjournal.com/topics/global-business/rethinking-innovation-for-a-recovery#.Uo38NHAWrQI>

In the past, sound economic performance of the firm was expected to guarantee corporate success by companies and its shareholders, but now it is no longer valid; economic and financial outcomes need to be accompanied by minimization of ecological footprints and increased attention to social and environmental aspects. We have been witnessing that most of the world’s successful companies such as Microsoft, BP, Tata, ONGC, ITC, Wipro and many more had started contributing a lot on CSR even before the time when there were no regulations/laws related to CSR. Such companies consider it as their duty and responsibility to give back something good and substantial to the natural environment. We should appreciate the fact that the owners of business (es) are few but the owner of nature is the community and the society in which we live and survive. This gives birth to the Stakeholder’s theory. Hence corporates now understand that there has to be **Sustainable**, if not substantial, growth of business(es). This brings on the table, the concept of ‘Tangible and Intangible Cost(s)’ or ‘Accountable and Nonaccountable Cost(s)’. Companies are now also taking into account the Nonaccountable/Intangible Costs which are in the form of ‘environmental degradation’.

Although such costs are very difficult to estimate, but be rest assured, are pretty substantial.

Green human resources refer to using every employee touch point / interface to

promote sustainable practices and increase employee awareness and commitments on the issues of sustainability. 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, tele-conferencing and virtual interviews, recycling, telecommuting, online training, energy-efficient office spaces etc. The HR function will become 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 Green management initiatives become an important factor in forward thinking business houses around the world. Green HR initiatives help companies find alternative ways to cut cost without losing their top talent; furloughs, part time

work, etc. There is a growing need for strategic Green HRM – the integration of environmental management into HRM. HR professionals indicated that encouraging employees to be more environmentally friendly in the workplace was the top practice for their organizations. This means that organizations are encouraging their employees to perform activities such as making double-sided photocopies, powering down computers after a few minutes of inactivity, using energy-efficient bulbs for desk lamps, ensuring blinds are lowered in the summer to conserve energy, donating / discounting used office furniture / supplies to employees or local charity was the top environmentally responsible practice.

Nowadays companies are implementing EMS (Environmental Management System) a strategic tool, to gain competitive advantage. This system provides better control of firm’s environmental impacts. It includes commitment, policy,

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planning, implementation, measurement and evaluation, review and improvement of HR systems that fit with organization's culture and long-term goals.

From recruitment/onboarding to exit of an employee, Green HR policies can touch upon every facet of an employee career cycle. Let us see how!

Marketing your organization and its policies not just as 'Employee friendly' but also as '**Eco friendly**' can bring in lots of high potential candidatures during **recruitment**. Survey data in the United Kingdom shows that high-achieving graduates judge the environmental performance and reputation of a company as a criterion for decision-making when applying for jobs. Moreover, using technology for pre-screening, interviews, joining formalities, etc. can save lots of paperwork, travelling and time ultimately reducing the carbon footprints for both the employer and the job seekers. Induction for new recruits is seen to be needed to ensure they understand and approach their corporate environmental culture in a serious way. Therefore sustainable development issues must be integrated into the recruitment process.

Using **performance management (PM)** in environmental management (EM) presents the challenges of how to measure environmental performance standards across different units of the firm, and gaining useful data on the environmental performance of managers. Some firms have installed corporate wide environmental performance standards (which cover on-site use, waste management, environmental audits, and the reduction of waste) to measure environmental performance standards, and developing green information systems and audits (to gain useful data on managerial environmental performance). HR systems such as e-HR can be introduced to be able to help management and employees track their own carbon emissions. It is suggested that if environmental criteria are integrated into the process of staff appraisal (by writing such responsibilities into all staff action plans), then a learning culture in EM can be encouraged. Also the managers can ask employees to bring specific

green ideas pertaining to their individual jobs to their performance evaluation meetings. These ideas can be brainstormed together to include them into the objectives for the upcoming year. Attaining these objectives would be the basis of performance evaluation.

Employee training and development programmes should include social and environmental issues at all levels, from technical health and safety considerations on the shop floor, to strategic sustainability issues at executive management and board level. They should cover the full range of social, environmental and economic risks and opportunities involved with the business and the means to identify them. In this program, they should inform the employees about the green procedures and policies including the vision / mission statement of the company, the sustainability oriented benefits, company-wide initiatives like reducing greenhouse gases, creating green products etc. Training is a key intervention to manage waste (in terms of both prevention and reduction), and occurs through organizations training teams of front-line employees to produce a waste analysis of their work areas. It is suggested that green teams can be established in each department, producing general awareness and specific training.

An important way in which **employee involvement and participation** can be encouraged within the organization is to seek entrepreneurs within the company who are socially or ecologically oriented known as eco-entrepreneurs.

They have the ability to organize existing financial, human and natural resources in a way that adds value to the company's products or services where it didn't exist previously. The findings suggest that employees need to be involved in formulating environmental strategy, so that they can create and expand the knowledge needed to market "green products." Organizations are encouraging employees to think of ideas to reduce carbon emissions and save energy.

There are two ways in which the workers can participate: a suggestion program and problem solving circles wherein the specialist staffs is

more involved in project initiation while line level workers are more likely to participate in project implementation. Other ways in which employees can be encouraged are to pursue green commuting habits like allowing flexible work weeks, establishing a car-pool program, offering free or discounted free transportation passes, adding car sharing as a employee benefit and setting up transportation savings account.

In general terms, **grievance and discipline** in firms encourages internal environmental breaches. The need to raise grievances is seen in high risk operations (for their safety record), and in such cases disciplinary procedures are attached to environmental rules and duties where noncompliance occurs. Indeed, expert legal opinion is that some firms may eventually move to ensure that environmental obligations are secured by including clauses in staff contracts to do so, i.e. that environmentally unfriendly behaviour may constitute a breach of contract and therefore possible grounds for dismissal.

A variable pay element can be added to the compensation system by linking the pay to eco-performance. Work organizations can benefit from **rewarding waste reduction practices** that teams develop. For example, when implementing a green suggestion a portion of the savings that accrued from its results can be returned back to the team or the employee who suggested the idea. Reward packages are related to acquiring designated skills and competencies (and not just for performance), as they are seen to be important factors in performance over the long-term. Disincentives include negative reinforcements like suspensions, criticisms and warnings and may be needed to get employees to make environmental improvements, e.g. if employees engage in lapses in the handling of hazardous waste.

Organizations may wish to engage in giving employees

positive rewards in terms of verbal feedback from supervisors, as such informal verbal and written feedback which might help motivate employees towards environmental improvements.

Improved employee morale, stronger public image, increased consumer/customer confidence,

employee loyalty and brand recognition, position as an employer of choice, increased workforce productivity and employee retention are few of the many advantages and benefits an organization can have by implementing and developing such Green HRM techniques.

A number of small steps, some of which don't cost money to implement, can vary significantly change how business is conducted. Here are some actions companies can take to go green:

1. Conduct an energy audit
2. Conduct annual "Going Green" or "Sustainable Organization" Surveys
3. Go paperless
4. Recycle
5. Reduce commuting - Encourage carpooling
6. Reduce business travel - Teleconference instead of travelling
7. Save water - Monitor sinks and toilets for leaks that waste water
10. Explore opportunities for implementing alternative energy sources.

The future of Green HRM appears promising for all the stakeholders of HRM. Socially responsible and sustainable service sector organisations that employ green HRM practices reap benefits by attracting and retaining good employees. Improved employee retention translates into low replacement costs. Many green companies these days boast low employee turnover rates compared to their non-sustainable counterparts. Green HR emphasizes the importance of the decisions, processes and choices organizations make about managing people and shows how workforce management directly affects strategic organizational outcomes. It provides guidance for managers on how to make better human capital decisions in order to achieve strategic success more effectively. Green HRM policies encourage the sustainable use of resources within business enterprises to promote the cause of environmentalism and in the process, create improved employee morale and satisfaction. The topic of green HRM is attracting increased

attention among management scholars and entrepreneurs especially related to service sector to use as a tool for their competitive advantage.

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