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IMPACT OF SUSTAINABLE HUMAN RESOURCE MANAGEMENT AND ORGANIZATIONAL PERFORMANCE

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ABSTRACT

Sustainability initiatives are mostly define as new strategy for improving the environment and human activities. As long as this attitude prevails, the paper suggests and recommends that sustainable human resource management can be carryout in all field of human endeavor. It is base on the foregoing that the paper discussed the impact of sustainable human resource management on the organizational performance, and the interplay that exist between the two construct, it also ensure leadership's responsibility to the frame of sustainability, as the business issue, employees need to understand the strategic for pursuing sustainability as means of achieving management of objectives, the threats associated with ignoring sustainability, and the opportunities it presents for business improvements, that made it paramount and worth adopting.

Keywords: Sustainable human resource management and organizational performance.

1. INTRODUCTION

Sustainability has been subject of thought and reflection in the field of management for a long time, only recently, however that the link between sustainability and HRM issues, seem to have received attention, where sustainable human resource management has developed different approaches, in identifying the benefit of the perception, against the traditional HRM, which is a drive towards a Sustainable development (Ehnert, 2006). Sustainability is a now evolving approach that promotes the use of human, natural and financial resources to improve the economy, the environment, and society in an integrated way for the benefit of current and future generations. The concept is a global policy theme, widely use since 1987 when the United Nations World Commission on Environment and development (the Brundtland Commissioner) defined sustainable development as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs." Human Resources Management (HRM) is the function within an organization that focuses on recruitment of, Management and providing direction for the people who work in the organization. Human Resource Management is the organizational function that deals with issues related to people such as compensation, hiring, growth management, organization development, safety, wellness, benefits, employee motivation, communication, administration and training. Human resource is a term with which many organizations describes the Combination of traditionally administrative personnel functions with growth management, employee relations and resource planning. It can be view in more comprehensive manner. Human resource management may be viewed as administrative activities that are associated with planning, recruitment, selection, orientation, training, appraisal motivation and remuneration (Storey, 1992). Human resource management aims at developing people through work (Bratton and Gold, 2001). Human resource management has a multidimensional approach on organizational function that build on theories and ideas from various disciplines such as management, psychology, sociology anthropology and economics,

(Storey, 1992). Human resource management is a distinctive approach to employment management which seeks to achieve competitive advantage through strategy deployment of a highly committed and capable workforce using an integrated array of cultural, structural and personal techniques (Senyucel, 2009).

Robbins and Judge (2009) established five key concepts; that are fundamentals of human resource management, these are; motivating, disciplining, managing conflict, staffing and training. Similarly, Storey (1992) give five functional areas of the human resource management which is not far from the above view; these are as follows: staffing, rewards, employee development, employee's maintenance, and employee's relation. The above definition is mostly traditional, approaches to human resource management, but the global declaration of sustainability, drawn the connection the two concepts to form sustainable human resource management which will serve as a step stone, or a propeller for economic development which is the target of the sustainability declaration.

Sustainable human resource management is those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees." (Thom and Zaugg, 2004) this implies that, as long there are different managers with different training and experience, there will be inconsistencies particular where managers are change often in an organizations, this will result to change in approaches, it is in this light that there is a need for sustainable human resource management which will create a long term approach in managing organizational assets in attempt to achieve organizational performance.

2. SUSTAINABILITY IN HUMAN RESOURCE MANAGEMENT

Sustainability in HRM is defined as "those long-term leaning concrete approaches and actions aimed at a collectively conscientious and cost-effectively appropriate recruitment and selection, development, operation, and release of employees." (Thom and Zaugg, 2004). Sustainable HRM is therefore established as cross functional task. Sustainable HRM is tool for avoiding unnecessary organizational change situations as these often make too great demands on the people involved. For example, Sustainable HRM could help sustaining employee dignity in the case of staff reduction and warranting their employment on the job market (Thom and Zaugg, 2001). the issue of long-term supply with highly qualified and motivated HR, three main tasks are regarded as particularly important for a Sustainable HRM; HR development, design of reward systems as well as consideration of sustainability in the company's goals, –strategies, and organizational culture (Thom, 2002) the three main task as classified as being important to sustainable human resource management by Thom (2002) can be discuss below;

2.1. Human Resource Advancement

Training are mostly used as a means for emergent of knowledge and skills to improve an individual and group performance based upon the design training and the aim it intend to achieve in term of efficiency and effectiveness, besides achieving competitiveness and productivity (Cooke, 2000). Additionally, HRM helps an organization to meet its strategic goals by not only attracting and maintaining employees, but also to manage them effectively and efficiently (Bratton and Gold, 2001), and to rebuild these employees through further training in order to increase their capabilities for maximum productivity (Wall, 2005). In addition, human resource advancement, approaches reshape the performance of employees by the kind of training they received. Thus, prepares individual employees to scale the organizational ladder (Meggison, 1992), and helps to develop teamwork, which includes working together in handling emergency and non-emergency situations (Cooper, 1998).

2.2. Developing a Positive Reward System

The basic principles of HRM are dependent on the development goals of an organization, and for these goals to be met, workers must be treated with incentives in order to be motivated to

produce the required results that will benefit the organizations they are working with (Sung and Ashton, 2005). Consequently, compensation may be used as a performance apparatus for employees that the organization used as part of business strategy to achieve higher performance from employees, while career planning is an instrument that facilitates the strategy with future human resource needs and help employees to work hard for their personal development in their chosen career (Singh, 2004). In addition, compensation policy choices to pay either at the low, average, or high end of the labor market have rather dramatic implications on employee commitment to the organization and for costs to the employer; as such the functional rationale for effective management of human resources should be to identify and implement those policies, programs, and procedures that would yield the desired levels of loyalty, skill and direction in the most cost-effective manner possible.

2.3. Organizational Culture

Alvesson and Berg (1992) opined that, organizational culture is a management apparatus that helps in validation of work efficiency and effective thinking: as an attempt to develop control work environment that employees and employers has unconsciously and consciously accepted as a ways of doing things around here, is not based on compulsion or on direction. Parker (2000) declares that employees drive pleasure in commanding themselves or each other it give them sense of fulfillment. The manager's task is considered to be the design of favorable culture that can trigger performance and employee can cope with. The approach of cultural theories is seen peculiar in areas in which direct control and guidance mechanisms are disadvantageous to both employees and organizational owners (Parker, 2000).

3. ORGANIZATIONAL PERFORMANCE

Performance has quite a varying meaning from a process view, performance means the transformation of input into outputs for achieving certain objective, with it regards to its content. Performance inform the organization about the goal that is achieved, the one that need to be achieve in a given time (Shumen, 2009) According business dictionary organizational performance An analysis a company's performance as compared to goals and objectives.

In corporate organizations, there are three main outcomes analyzed: financial performance, market performance and shareholder value performance. Organizational performance encompasses three specific areas of firm outcomes: a) financial performance (profits, return on assets, return on investment, b) product market performance, sales, market share, and c) shareholder return, total shareholder return, economic value added, (Richard et al, 2009) Organizational performance can also involves the recurring activities to establish organizational goals, monitor progress toward the goals, and make adjustments to achieve those goals more effectively and efficiently. To achieve a long term goal, the introduction of the sustainable human resource management is paramount in every willing organization, that has a drive for organizational excellence

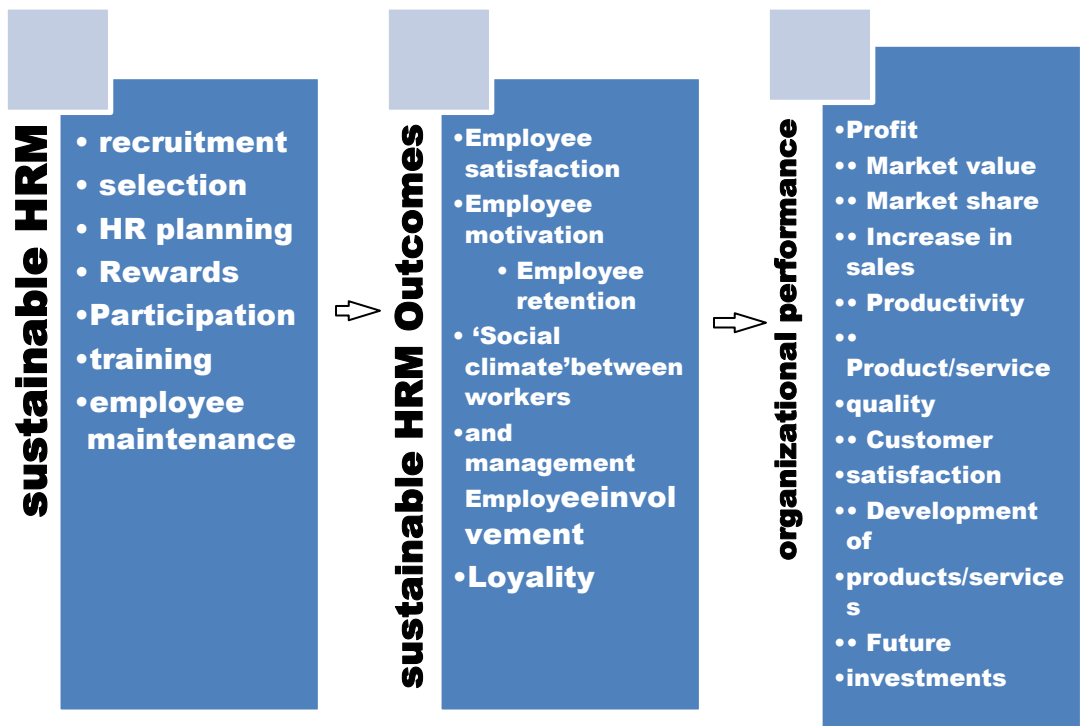
3.1. Sustainable Human Resource Management and Organizational Performance

The sustainable development of the organization is taking a more far approach, in its attempt for achieving a long term goals and objectives which the organization aimed to achieve within a specific period, the long term input directed on the organization to produces an output in relation to the organizational goal and objectives, is a clear interplay of the sustainable human resource management and the organizational performance, the construct of sustainable human resource management represents the inputs that is directed to the organization with view for an expected results and the construct of organizational performance represents the outputs of the construct, expected by the first construct sustainable human resource management (Anand and Sen, 2000). Those long-term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection, development, deployment, and release of employees, to produces a sustainable HRM outcomes like Employee satisfaction, Employee

motivation, Employee retention, employee presence, Social climate' between workers and management Employee involvement and loyalty. The above mentioned sustainable human resource management outcomes will produces organizational performance through the following; Profit Market value, Market share, Increase in sales, Productivity, Product/service quality, Customer Satisfaction, Development of, products/services and Future investments Thus the review, has proven that sustainable human resource management has a significant impact on organizational performance. This finding concurs with that of *David et al. (1999)* who attest that sustainable HRM can influence organizational; employee morale and goodwill; productivity and efficiency; the quality of work; innovation and creativity and the attitude of employees at the workplace.

Similarly, *Denison (1990)* research indicates that HRM, influences organizational performance directly. An organization whose sustainable HRM is propagated extensively and profoundly, and practiced in management decision, enjoys much better repayments in terms of investment and sale than organizations that do not popularize. Therefore, studies prove that cultural factors can lead to the realization of a lot of the organization's value achievements, and it may be the extreme crucial factor for the success of organizations (*Denison, 1990*). Later research on organizational growth has gradually developed culture into a more macroscopic organizational aspect (*David et al., 1999*). In short, research has shown a close connection between sustainable HRM and organizational performance at least (*David et al., 1999*).

Proposed Model of Sustainable HRM and Organizational Performance



Source: summary of researcher's approach (2013)

4. CONCLUSION

Sustainability offered a new approach to management school of thought, just very few literature linked sustainability and HRM issues. The emergence of sustainability in organizations is explained from socially responsible to economically rational perspectives. Based on this , the paper

has analyzes sustainable human resource management as a possible perspective that can impact success in organizational performance raise awareness for long-term side effects from HR activities on today's HR, organizations and on the future HR base. In addition, the paper made several recommendations on sustainable HRM practices. The paper has also proposed a model for Sustainable HRM and organizational performance for the future development in practice and application of the ideas in sustainable HRM and the important role its play in sustainability development..

5. RECOMMENDATION

Organizations should articulate their sustainable HRM clearly, if possible explicitly in codified form (Schein, 1984). For example, this could be done by publishing the sustainable HRM in the employee's handbook, on the company website or through any suitable media.

Every individual has different culture and beliefs that govern the way he works, and when he joins an organization that has a completely different culture and set of beliefs from his own, he should be allowed to internalize himself first with the organization's culture and values to know whether he can cope with them or not. It is the ability of the employee to cope with the organization's culture that will determine how well he will perform on his job (Ojo, 2009). This is an important factor to consider especially during the employee's probationary period. In the event where a change is necessary in the organizational culture, employees must first of all be notified beforehand and made to learn the change of the new culture as this will affect their performance (Ojo, 2009). Sustainable HRM must be binding on all members of the organization as this will encourage uniformity among members of the organization and thus enhance commitment and group efficiency. This includes taking an oath of allegiance and signing duties and obligation schedules (Ojo, 2009).

Organizational leaders should align the culture of their respective organizations with sustainable human resource management to avoid contradiction in the way things are done (Robbins and Judge, 2009). This can be carried out through the review of the performance appraisal tools and system, where any oversight will be duly tackled. Organizational performance should be evaluated with reference to organizational culture and human resource management practice through holistic adherence to performance standards and the use of relevant appraisal tools (Gruman and Saks, 2010). Human resource managers and employees should immediately report about any values or norms of the organization that are found to be outdated or counterproductive, in order to achieve expected outcomes more easily and to avoid the impediment of organizational objectives (Gruman and Saks, 2010).

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