

Effects of Human Resources Management on Firm Performance: Conceptual Framework

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Abstract: *The present research is a conceptual type paper that investigates the impact of human resource management (HRM) factors (recruitment, training and development and learning) on environmental performance. The prime objective of this study is to analyze the existing literature on human resource management (HRM) by keeping focus on three above stated core factors that affect the environmental performance. The existing body of literature revealed that there exists a significant positive impact of recruitment, training and development and learning on environmental performance.*

Keywords: Recruitment, training and development, learning, and environmental performance.

1. Introduction

In this era of development, modern firms face pressures from shareholders and stakeholders to conduct environment friendly activities and develop environmentally responsible behavior (Molina-Azorín et al. 2009). Environmental performance refers to the output of the firms that show the degree of protection for natural environment. There are some parameters to measure the environmental performance of the firms such as waste minimization, pollution control measures, less environmental releases and recycling activities by the firms (Lober 1996). Environmental performance of the firms can be enhanced by the appropriate implementation of environmental management system (EMS), such as ISO 14001 certification which is a method that requires high level of interactions between environmental management (EM) and human resource management (HRM) (del Bri'o et al. 2007).

HRM practices refers to the actual human resource processes, programs and techniques that business units or organizations actually implement (Gerhart et al, 2000; Huselid and Becker, 2000). In the same way, green HRM practices refer to the actual green HRM processes, programs and techniques that business units or organizations actually implement for reducing negative environmental effects and developing positive environmental effects from the operations of the organizations. The ultimate purpose of green HRM practices is to enhance the sustainable environmental performance of the organizations.

This paper starts with a brief review of existing literature regarding green human resources management and practices, followed by the conceptual framework focused on the relationship between three aspects of HRM i.e. recruitment, training and development, and learning and environmental performance. The focus of the present paper is to develop a conceptual framework with appropriate and valid support from existing literature regarding recruitment, training and development, and learning, the three elements of HRM.

1.1 Green Human Resources Management

With the rise in awareness of sustainable development through environmental management, green HRM received a lot of attention in contemporary research. The development of Green HRM is not limited to awareness toward environmental concern only but it also addresses the improvement in economic and social well-being of human life. The paradigmatic comprehension of “triple-bottom-line” concept is supported by the green HRM. Speaking differently, the greening of HRM constitutes policies and practices of HR that are in line with economic, social and environment balance i.e. the three pillars of sustainability (Muster & Schrader, 2011). The area of Green HRM is still emerging (Renwick, Redman, & Maguire, 2013).

The existing body of literature in green HRM is largely Western based, and keeping the significance of the Asian economic development for environment management, the green HRM is a big and significant gap for conducting future research. As a management research, there exists great potential in green HRM, but unfortunately, the academic research is far behind in practice in said area showing an imbalance between academic research publication and practice research needs. The coverage, scope and the process model of green HRM is the main gap in the body of literature (Muster & Schrader, 2011).

1.2 Recruitment

Generally, organizations concerned to the environment have their own environmental policy framework. The organizations need a workforce that is environment oriented in order to materialize their environmental policies. The organizations face two options in creating a workforce that environment oriented: the first is the green recruitment and second is the provision of required environmental protection training and development, education and awareness to the existing workforce. Green recruitment is the proactive approach and is more cost effective as compared to the second option. Hence, this is imperative for organizations to search optimal green recruitment practices. In the context of recruitment, some organizations integrate corporate

environmental policy and strategies with the company's recruitment policy. British Carbon Trust conducted a survey and confirmed that more than 75% of the employees prefer to work in an organization actively following environmental policies to reduce pollution (Clarke, 2006).

From the employees' perspective, they also try to search a job in an organization where there is concern for environment. In UK, recruitment efforts are affected by environmental issues, and according to a survey, high-achieving students when enter the job market, they judge the environmental reputation and performance of a company as a standard for deciding for jobs (Wehrmeyer, 1996; Oates, 1996). The Chartered Institute of Personnel and Development (CIPD) believe that the company image and the employer branding can be improved and potential employees of good profile can be attracted if organization show environmental orientation and performance. (CIPD, 2007). Consequently, environmental performance will directly be affected by green recruitment. The human resources must be made green first in the organizations in order to show high environmental performance.

1.3 Training and development

The preparation of multivalent employees can be done through training and development that refers to the acquisition of knowledge and development of skills required for innovation activities. There is significant association between training & development and organizational performance because the training helps employees to acquire required knowledge and develop skills required for achieving the goals of the organizations. The new skills and knowledge can also be acquired through the process of training and development as it produces capability among employees to gain required knowledge thus improving the employees' capabilities as well. Exploratory learning is common in organizations that conduct training programs for employees. The skill development along exploratory learning leads to innovations in an organization (Zakaria, 2012).

One of the important function of green HRM is to provide environmental training to the managerial as well as non-managerial employees for acquiring required knowledge and developing required skills. This is the best way the organizations can implement corporate environmental management programs (Cook and Seith, 1992). Provision of trainings for encouraging waste management and recycling, telecommunication and offering flexible working schedules and reducing business travels are some of the useful methods of reducing the negative environmental impacts in an organization. In order to achieve good environmental performance, it would be useful to create environmental awareness among employees by conducting workshops and seminars at organizational level. There is a dire need to provide environmental education to managerial as well as non-managerial workforce that helps in changing the behaviors and attitudes towards green HRM practices (North, 1997).

For example, every employee of Fuji Xerox Singapore has to get eco awareness training and it is necessary for

salesforce to get education regarding green aspects of their products and services. Some of the organizations celebrate environment day annually and conduct programs like debate competitions among their employees and for their children as well so, the employees as well as their families get awareness regarding environment and eco values. Renwick et al, (2008 and 2013) recommended some green training and development practices e.g. training staff should make green analysis of workplace, job rotation should be implemented for training future green managers, providing particular training programs on different aspects of environmental management such as recycling, waste management, energy efficiency and safety, and training of frictionally unemployed people.

1.4 Learning

There is a need to conduct research on hurdles and problems in successful environmental training too. There are variety of reasons of the failure of environmental training initiatives that include but not limited to poor trainee readiness, poor needs analysis, poor training transfer to the job, lack of perceived or actual commitment to training objectives in top management, leaders and other employees as well (Wehrmeyer & Vicker staff, 1996). For example, talking about the problem of low training readiness, several research studies reveal that learning opportunities exposure is more effective in case of highly motivated and psychologically ready to learn employees (Goldstein & Ford, 2001). Hence, the effectiveness of environmental training initiatives can be improved by including environmental learning readiness assessments. However, research is needed on the assessment of individual green environmental readiness and ways to enhance learning readiness for employees.

1.5 Environmental Performance

The resource-based view (RBV) states that organizations design and implement value-creating strategies for the purpose of creating synergy in its resources to gain the competitive advantage and rule the market. (Ployhart, 2012). The degree of success to implement environment friendly programs by the organization is an indicator of environmental performance leading to reduce the negative effects of manufacturing processes on the environment (Wong et al, 2013).

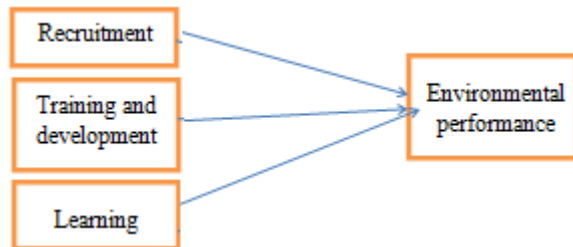
The interaction of environmental sustainability and strategic HRM leads to address a pinching problems of the real world (Jackson & Seo, 2010). More precisely, environmental performance by the organizations can be improved by implementing green HRM practices like green training and development, green recruitment, and green learning. Although, the significance of HRM practices for better environmental results are focused in contemporary research (e.g., Jackson et al. 2011; Jackson and Seo 2010; Renwick et al. 2013), but, research in this issue is still not very sophisticated.

According to Paillé (2014), HRM practices significantly affect the environmental performance of the organization. Therefore, an organization having strong HRM will have

better environmental performance due to the fact that its environmental strategies are in line with HR activities.

2. Conceptual Framework

This paper proposed a conceptual framework of human resource management practices and environmental performance.



3. Conclusion

Reviewing the discussion, it can be concluded that deep understanding of green HRM practices and its scope and implementation helps organizations to improve their environmental performance in an appropriate manner. The green HRM practices are the best means to make organization green. Green HRM practices are useful in developing green behavior attitude and competencies leading to green performance by the firm. Therefore, it is suggested that each function of HRM should be given priority for better environmental performance.

The results revealed that the organizations that follow green criteria in recruitment, training and development, and learning will get better environmental performance. And the organizations looking to enhance the environmental performance must implement green HRM practices.

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