

## **HUMAN RESOURCES DEVELOPMENT: A PROPOSAL FOR ENGAGEMENT IN SUSTAINABILITY**

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### **ABSTRACT**

Sustainability is most commonly associated with the natural environment, but in reality it is a multidimensional construct encompassing goals for Profit, Planet, and People. In any organization, the Human Resources Management (HRM) function should focus on achieving the sustainability goals related to People, a component that tends to be neglected in discussions of sustainability. Sustainable Human Resources Management --the collection of HR policies, practices, and policies focused on facilitating financial, social, and ecological goals through the management of people - - is the difference between organizational success and organizational excellence. Only by engaging in Sustainable HRM can an organization reach its highest potential by maximizing the ability of its “people component” to achieve its business’s goals and strategy, for today and tomorrow. Sustainable Human Resource Management enables an organization to reach its objectives, while simultaneously empowering its employees to maximize their own potential and reach their goals in life. We present a review of the literature on sustainability and HR, and then seek to integrate these two concepts by focusing on the opportunities for implementing sustainability in HR development. We use the areas of employee training and performance appraisal as examples of the creative thinking and innovation that need to be brought into HRM in order to truly further the people component of the Triple Bottom Line.

*Keywords:* Sustainable Development; Human Resource Development; Human Sustainability; Employee Sustainability; Sustainable Human Resource Management.

### **INTRODUCTION**

Human Resources Management (HRM) might not be automatically linked to sustainability, but there is a strong and vibrant interconnection between the two topics. Many of the most widely published and acclaimed perspectives on sustainability such as “The Triple Bottom Line”, “Stakeholder Theory”, and “Shared Value”, highlight the importance of people and employees as a key requirement for creating a sustainable organization.

Discussions about harassment, fair salaries, paid leave, and wage equality among others, are directly related to the Human Resources (HR) function and to sustainable people practices across the globe (Bruntland et al, 1987; Gescher, 2016). Although multinational companies face different expectations about their HRM in the countries they operate, the political climate around the world is bringing a much needed focus on the people component of the Triple Bottom Line -- People, Planet, and Profits.

In less regulated workplaces, the main concerns of workers and society are related to the provision of basic employment protections, minimum wages, and benefits (Crane, Matten & Spence, 2014). In contrast, the regulated workplaces that provide most of the jobs in developed countries present an opportunity to discuss the best practices at the intersection of Human Resource Management (HRM) and Corporate Social Responsibility (CSR). In these regulated workplaces, legislation largely takes care of most employee protections, and human resources professionals might be able “to focus on ensuring that the firm lives up to the spirit as well as the letter of the law, and goes beyond legislation by attending to issues of diversity, work-life balance, training and employability, pension provision, anti-harassment, etc.” (Crane, Matten & Spence, 2014, p. 255).

Focusing on these contexts where the HR function can consider better ways to further sustainability, this paper seeks to define Sustainable HRM, theorize about its goals, and examine the activities and objectives of human resource development as an opportunity to engage sustainable business practices. Although, the term Sustainable HRM is not new, there is not a well-established definition in the literature. In her overview of the research in Sustainable HRM, Kramar (2014) identifies several different approaches to sustainable human resources management, including approaches that seek the survival of the organization by ensuring a sustainable supply of employees; HR activities that support environmental performance (also called Green HRM); and HR practices that consider social and environmental outcomes in and of themselves, and not simply as a cause or a mediator of financial performance. While acknowledging the differences in these research streams, Kramar (2014) offers this definition of Sustainable HRM,

Sustainable HRM could be defined as the pattern of planned or emerging HR strategies and practices intended to enable the achievement of financial, social and ecological goals while simultaneously reproducing the HR base over a long term. (p. 1084)

The goal of Sustainable HRM should be treating people as people, not as means to the end of a financial goal. Only by doing this can an organization maximize the potential of its “people component” to achieve its business’s goals and strategy -- for today and tomorrow. Sustainable Human Resource Management enables an organization to reach its goals, while at the same time empowering its employees to maximize their own professional and personal potential and reach their goals in life. Sustainable development in HRM can be the difference in organizations fulfilling their mission statement and organizations thriving to attain their vision of the future.

We first present a review of the literature on sustainability and HR, and then seek to integrate these two concepts by focusing on the opportunities for implementing sustainability in HR development. We use the areas of employee training and performance appraisal as examples of the creative thinking and innovation that need to be brought into HRM in order to truly further the people component of the Triple Bottom Line.

## **LITERATURE REVIEW**

There is surprisingly little research on the intersection between human resources and sustainability. This lack of research was pointed out by Jeffrey Pfeffer in 2010 by performing searches on Google Scholar where he found “53,000 [entries] for ‘environmental sustainability’, but just 12,900 for ‘social sustainability’ and a paltry 569 for ‘human sustainability’” (Pfeffer, 2010, p. 35). Eight

years later, running the same search on Google Scholar results in 525,000 entries for "environmental sustainability" (almost 10 times more); 93,700 "social sustainability" (over 7 times more than in 2010), but still a relatively meager 3,160 results for "human sustainability" (only about 5.5 times more). The results are even fewer for more targeted searches such as "Sustainable Human Resource Management" with 834 results, or even "employee sustainability" with only 361 results. A general reading of current literature shows a focus on the HR department supporting the company's environmental sustainability initiatives through orientation and training, rather than a specific concern about the people or social component in and of itself, and about ways to use HRM to further employees' sustainable development.

We argue that political and societal changes call for attention to the meaning of sustainability in Human Resources, and how it might be implemented. Although it might seem that by referring to people as resources we are equating humans with inputs, it is important to remember the different nature of "Personnel Management" and "Human Resource Management", as Torrington, Taylor, Hall, and Atkinson (2011, p. 6) rightly explained it: "Human resource management signifies more than an updating of the label; it also suggests a distinctive philosophy towards carrying out people-oriented organizational activities: one which is held to serve the modern business more effectively than 'traditional' personnel management"

### **Sustainability**

According to Rainforest Alliance (2014) "consumers' associations with sustainability tend to be literal – words that come to mind are recycling, natural and preservation." But there is more to sustainability than the traditional "reduce, reuse, recycle" mantra that is so prevalent with U.S. consumers. One of the most cited definitions of sustainable development is from the United Nation's Brundtland Commission report in 1987 – *Our Common Future, From One Earth to One World*, "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

This broad definition of sustainability must be reduced in scope in order to apply it to the understanding of the issue of sustainability in different areas. Adam Werbach, the CEO of Saatchi & Saatchi and former president of the Sierra Club, does a very good job of applying the concept into a language that is practical and easily understood to business professionals:

For my purposes, a sustainable business means a business that can thrive in the long term. Sustainability is bigger than a PR stunt or a green product line, bigger even than a heartfelt but occasional nod to ongoing efforts to save the planet. Imagined and implemented fully, sustainability drives a bottom-line strategy to save costs, a top-line strategy to reach a new consumer base, and a talent strategy to get, keep, and develop creative employees. (Werbach, 2009, p. 9)

Werbach's view of sustainable business is essentially an application of John Elkington's (1994) Triple Bottom Line accounting framework, which encourages companies to focus on social, environmental and financial results --often referred to as the 3Ps: Profits, People and Planet. This model challenges the traditional focus of companies on profit --the "bottom line" or the last entry in the Profit & Loss account-- and argues that firms need to develop metrics to measure the effects of their decisions on people and the environment. One of the most important arguments of this framework is that all three "bottom lines" are equally important and that the most sustainable practices occur at the interaction of people, planet, and profit. An industry leader in sustainability,

and environmental performance and reporting, Andrew Savitz, explains how the Triple Bottom Line “captures the essence of sustainability by measuring the impact of an organization's activities on the world...including both its profitability and shareholder values and its social, human and environmental capital” (Savitz, 2006, p. xiii).

Another one of the most utilized perspectives for studying sustainability in business is R. Edward Freeman’s Stakeholder Theory (1984), which looks at how business operations and decisions affect the people or organizations which have an interest in the success or failure of the business. Customers, employees, shareholders, business partners - including suppliers and distributors- , the local community and government/regulatory agencies are some of the most important stakeholders identified by Freeman. Oftentimes, these stakeholders have conflicting interests or ‘claims’ on the organization, so organizations must find a way to prioritize these claims. These ranking of importance reflects the organization’s values and affects the decision-making process.

### **The Role of Human Resources**

One of the most important roles of HRM is to maximize the potential of the “people component” of an organization to achieve the business’s goals and strategy. This maximization of a company’s “people component” through HRM can be broken down into different policies, practices, and strategies. Though there is no industry standard that exactly sums up all the responsibilities of HR, Hollenbeck., Gerhart, Wright, and Noe (2012) explain that,

Human resource management practices include analyzing and designing work, determining human resource needs (selection), teaching employees how to perform their jobs and preparing them for the future (training and development), rewarding employees (compensation), evaluating their performance (performance management), and creating a positive work environment (employee relations). (p. 2).

In the 1980s, the field of HR started to embrace the concept of Strategic Human Resource Management, which views employees as a source of competitive advantage, and not as interchangeable commodities (Lengnick-Hall et al., 2009). As business’ needs grow, new ideas are being adopted as industry standards, and new laws are issued, areas such as employee safety, wellness, and culture are increasingly being included under the Human Resources umbrella.

However, conflict arises between two different views of the role of Human Resources Management: on one side HR is a secondary function of the firm’s value chain, tasked with supporting the other functions by providing personnel in ways that maximize efficiency, productivity, and overall returns for the company (Pfeffer, 1995) – an emphasis on the “management” aspect that has become the main area of academic research in human resources (Greenwood & Simmons, 2004; Guest, 1997); while in the stakeholder view of employees, HR is seen as a tool to give voice to the employee’s interests and priorities – an emphasis on the “human” aspect of HRM (Greenwood & Simmons, 2004).

In the more instrumental, value-chain view, the Human Resources serves the organization in two ways: firstly, through external and internal recruiting the HR department seeks a sustainable supply of employees, in which meeting organizational needs for a stable source of workers is equated with the firm’s, or even the geographical region’s, long-term viability (Hall & Lansbury, 2006;

Pfeffer, 1995); secondly, the people component of the organization can be its source of competitive advantage. For example, Pfeffer (1995) presents a list of successful companies and explains how they have created competitive advantage through their HRM programs. What these streams of research have in common is that they look for ways in which employees can serve the company. In the stakeholder view of employees, the focus shifts to how the organization can serve the needs of employees to grow and find meaning at work (Chalofsky & Krishna, 2009).

### **SUSTAINABILITY IN HUMAN RESOURCES: AN INTEGRATION**

By returning to the concept of the Triple Bottom Line we can see that the most sustainable initiatives occur at the intersection of people, profits, and planet. For example, if an energy company decides to upgrade an old and less efficient coal power plant it would improve the company's profits due to its constant need for low cost electricity, it would most likely benefit the planet by reducing emissions, and it would benefit the people in the surrounding community by improving the air and water quality. These areas of synergy between the three areas social, environmental and financial are the epitome of sustainable development but intersections between two of the three bottom lines are still sustainable.

In many ways, “sustainability is a people issue. It affects a company's culture and behavior. It affects the messaging that companies use in recruiting, how companies engage and retain employees, [and] how they train employees” (Society for Human Resource Management, Business for Social Responsibility & Aurosoorya, 2011, p. 32). Traditionally, sustainability efforts in the area of HRM reside at the juncture of people and profit in the Triple Bottom Line framework. For example, by instituting a telecommuting policy, organizations can reduce the investment in office space, improve employee satisfaction and productivity, and reduce carbon emissions by having few employees traveling to work by car. This one change, in which human resources would play a vital role, clearly exhibits the concept of the Triple Bottom Line.

The sustainable HRM resides squarely in the People component of the Triple Bottom Line. The association between HR and sustainability might not be self-evident because it represents a new way of looking at issues in HR that can raise contradictions and paradoxes within the organization, since neither managers nor employees are not used to take this perspective. As Kramar (2014) aptly put it:

...responsibility to a variety of different stakeholders is undertaken for its own sake, not because it furthers the economic interests of one stakeholder, that is the owners of the organisation. According to this approach performance of the organisation would be measured in terms of a variety of metrics including employee well-being, community well-being and quality of life. (p. 1072)

### **Sustainability in the Workplace and Human Resources:**

In a recent survey, respondents were asked about the interaction between the human resource management function and sustainability. Organizations show that the investment in sustainability leads to positive outcomes, including “1) improved employee morale, 2) more efficient business processes, 3) stronger public image, 4) increased employee loyalty, and 5) increased brand recognition” (SHRM, BSR & Aurosoorya, 2011, p. 61). These findings are supported by the Global Reporting Initiative's indicators relevant to the field of human resources. Traditionally, by

calculating the return on investment (ROI) and other specific HR metrics for sustainability initiatives, organizations can make the business case for incorporating sustainability practices into an organization's philosophy and practice. The challenge of Sustainable HRM is that social and environmental outcomes, and not just financial performance, should be supported by HR.

By incorporating sustainability into an organization's culture and strategy, organizational stakeholders are more likely to accept and adopt the initiatives. Additionally, these organizations see an increase in job satisfaction levels, improved morale, and the development of employees to be future organizational leaders (SHRM et al., 2011). For the suggested sustainability measures to be successful, organizations need the support of top-management to lead the change in how employees are viewed and treated. As data emerges about the economic value of sustainability both from an environmental and employee perspective, it should become more appealing to top managers to invest in sustainability. The involvement of the HR department in an organization is key to incorporating these philosophies throughout the firm.

### **Employees' Needs and Sustainability**

One of the theories that companies can use to engage sustainable development in human resource management is the full implementation of Maslow's (1943) Hierarchy of Needs, one of the first formal theories regarding human motivation. Maslow identified five functional needs in all humans: physiological needs, safety and security, love and belonging, self-esteem, and self-actualization. This theory has been depicted as a pyramid with the five key psychological human needs in an order of hierarchical progression, in which lower-level needs must be satisfied for the person to recognize the needs of a higher level. An important thing to note is that once one moves up the hierarchy, one can move back down after a major negative life event such as a natural disaster, divorce, loss of job, etc.

Many factors enter into the evaluation of what salaries should be offered but, in Maslow's Hierarchy, a company needs to pay an individual enough so that they are not constantly worried about making ends meet. Informal studies show that pay is not a major factor towards job satisfaction but one of the primary reasons for job dissatisfaction results from companies underpaying workers. In fact Glassdoor.com, one of the leading online job search engines, released a study reporting the main impact factors beyond salary on Employee Satisfaction are culture and values, career opportunities, senior leadership, work-life balance, compensation and benefits, and business outlook (Nunez, 2015). These findings support the theory behind Maslow's Hierarchy. For example, career opportunities are linked to self-esteem; the environment created by senior leadership, and work-life balance can be a source of love and belonging; compensation and benefits provide safety and security as well as self-esteem; and business outlook also helps to establish a sense of safety and security (Pfeffer, 1995).

By paying employees a competitive or fair wage/salary and offering some sort of benefits such as healthcare, life insurance, retirement, etc. companies can, at a minimum, enable an employee to fulfill some of their basic needs so that they can contribute to the company, but this worker will most likely be a disengaged worker. By only fulfilling the employees' most basic needs, a company is more likely to have workers who are just "clocking in" and "clocking out," and literally coming to work only to collect a paycheck. Going back to Maslow's Hierarchy one can see that employees have a deep desire, indeed a need, to develop a sense of belonging or connection with their company and the people they work with. As companies enable employees to fulfill each higher

level of Maslow's Hierarchy of Needs, employees become more and more engaged in an organization (Chalofsky & Krishna, 2009). If a company can create a culture that fosters communication, friendliness, and cooperation between employees and not one where there is constant competition or employees are living in fear, the company can move the employees into the need of developing self-esteem.

We argue that part of the role of the HR manager is to promote the prioritization of employees' interests when stakeholders are in conflict. While this contradicts the agency-theory view that the corporation should be managed to maximize shareholder wealth, it meshes well with the growing body of literature in management and business law that advocates for an entity theory focused on the company's health (Bower & Paine, 2017). Although this seems to speak about an idyllic or even utopian company, this is the current practice in countries like Switzerland as explained by Zaugg, Blum, and Thom and reported by Kramar (2014). It might be less common in other countries, but there are exemplars like Sir Richard Branson, founder of Virgin Group Ltd. who has gone as far as saying that employees are first, customers are second, and shareholders are next (Branson, 2014).

Sustainable HRM's changes the focus from maximizing the profit you can generate using your employees, to maximizing the potential of the people component of an organization; from a short-term to a long-term orientation to performance. The need for this balance is explained by Immanuel Kant's (1785) second formulation of the Categorical Imperative, which he believed to be a requirement that must be obeyed in all circumstances and by all people: "Act in such a way that you treat humanity, whether in your own person or in the person of any other, never merely as a means to an end, but always at the same time as an end."

It is here that the Human Resources Development (HRD) function can help individuals and organizations to thrive. Tellingly, in 1983 the United Nation's Brundtland Commission identified that "Human resource development is a crucial requirement not only to build up technical knowledge and capabilities, but also to create new values to help individuals and nations cope with rapidly changing social, environmental, and development realities" (Brundtland et al., 1987).

Significantly, the commission is identifying HRD as a crucial field for ensuring sustainable development in different dimensions. Thus, we think that it is appropriate to focus on the development function of HR, as a key area to further sustainability in HRM. The area of HRD "includes such opportunities as employee training, employee career development, performance management and development, coaching, mentoring, succession planning, key employee identification, tuition assistance, and organization development" (Heathfield, 2016).

Focusing on HRD serves to initiate the dialogue about the intersection of sustainability and HR. Where recruitment or compensation policies can be changed by executive fiat, integrating sustainability into HRD is a long term goal because it requires changes in the organization's culture and in the minds of the people that are being developed in the organization (Pfeffer, 1995). Although there are many aspects of the HRD where managers can improve the sustainability of the people component of their organizations, we will focus on training, career planning, and performance management.

### **Sustainability in HRM through Training and Development**

One of the best areas to further the stakeholder view of HR is investing in the training and personal development of employees. Organizations most often find themselves training to prepare new hires, refresh employees on changing industry knowledge or strategic business practices, enhance the skills or abilities of employees for professional/personal development, or when employees are promoted and need preparation towards the responsibilities of the higher level job.

Human capital development is one of the areas where the human resource function can help make the sustainability transition (SHRM, et al. 2011). Although studies have proven the benefits of investing in employees through training in job knowledge and personal and professional development (Rouiller & Goldstein, 1993; Saks, 1995), surveys of employees indicate that offering career development opportunities is an area where companies need to work more, especially because these same employees rank career development as the second most important aspect of attractive jobs (De Vos & Meganck, 2008). Moreover, a recent survey by the American Psychological Association (APA) showed that although most workers think they have the right skills to perform well in their current job, nearly half of US workers surveyed are concerned about the changing nature of their trades. Among these people, those who perceive that there’s a lack of supervisor support for their career development plan to leave the company within a year (APA Center for Organizational Excellence, 2017).

Companies might be wary of making this investment, particularly since workers stay an average of 4.6. years at any one given job (U.S. Bureau of Labor Statistics, 2014), and according to the report “Multiple Generations @ Work”, 91% of Millennials expect to stay in a job for less than three years (Future Workplace, 2012). Across all age groups, a 2015 survey found that 93% of employees move up in their careers by switching companies, rather than moving up the traditional organizational ladder, which creates problems with turnover costs, team dynamics, and holes in the pipeline to top managerial positions (Rigoni & Nelson, 2015).

A manager with a fixed annual budget for training and development might be concerned about allocating their training dollars by accurately identifying the employees who are going to stay with the organization. This traditional training investment focuses on financial outcomes; therefore, attempting to improve the ROI by predicting which employees will stay. Training employees so that they stay is again based on the notion of managing people just as any other resource is managed, a job that has to do more with the procurement of a material than with social or ethical concerns.

Here is what a model of this might look like after managers identify the employees they believe are going to leave or stay with the organization:

Table 1. Traditional Value-Chain Employee Training Investment Model

Development Opportunities	Employee’s Decision	
	Stay	Leave
<b>Train</b>	Good Investment	Bad Investment
	Good Returns	No returns
<b>Do Not Train</b>	No Investment	No investment
	No returns	No returns

This investment training model apparently easily guides a manager to choose who to train with their department's' budget: the people more likely to stay, since investing in employees who might leave is seen as a bad decision. Sadly, this model fails to consider non-monetary effects of training, and it treats people as investment dollars. For example, Guest (1997) suggested that organizational performance should not be the only concern of the HR professional, as there are many other potentially valuable employee-related outcomes, such as satisfaction, community involvement, organizational climate, etc.

Under the goal of Sustainable HRM, a manager must keep in mind two principles: first, seek to treat people as people; and second, enable employees to maximize their own personal potential. These two principles are not less right if the employee leaves in the near future. The Sustainable Model of Employee Training does not attempt to speculate which employees will stay and leave, because it recognizes the value of the long-term social outcomes derived from this training *even if the employees leave*. This approach is congruent with Guest's (1997) view that "HRM practices should be designed to lead to HRM outcomes of high employee commitment, high quality staff, and highly flexible staff" (p. 269).

Importantly, companies should avoid the common mistake of not providing opportunities to apply the new skills that employees have acquired after training. Additionally, the benefits of this type of training can be further maximized (the Train-Stay cell in Table 2) if the company follows a policy of promoting from within, which has several advantages: it engenders more employee commitment and organizational citizenship behaviors (Suttapong, Srimai & Pitchayadol, 2014), creates social networks and soft sources of power within the company, builds a sense of fairness, and ensures that those managing the company are knowledgeable about the business (Pfeffer, 1995).

Table 2. Sustainable Model of Employee Training

Development Opportunities	Employee's Decision	
	Stay	Leave
<b>Train (Invest)</b>	Successful planning for the future of the firm.  Increases the likelihood of employees staying	Increased industry reputation as people developer.  Recruiting top talent
<b>Do Not Train (Not invest)</b>	Undeveloped Talent that will stagnate the firm  Ineffective employees	Could lose people with potential of talent due to lack of development  Difficulty recruiting

Examples of the approach depicted in Table 2 are many US-based companies committed to prioritizing employee training and education – even sponsoring degrees that are apparently not related to the firm's business. Starbucks offers full tuition reimbursement for 4-year online degrees in any field at Arizona State University for 25,000 workers, and the benefit is available to any employee that works 20 hours or more. Walmart has announced a partnership with three universities to offer a \$1-dollar-a-day tuition for some online certificates, and that employees

taking advantage of this benefit will get assistance from a coach in identifying their education and career goals (Yglesias, 2018). More educated workers would have more opportunities in the job market and yet, research from the US Bureau of Labor Statistics shows that these employees are more likely to stay because they like the training benefit – that is after training these employees want further training (Cappelli, 2004), probably because employees with a long-term orientation self-select into these programs (Manchester, 2012).

### **Sustainability through Performance Appraisal**

As we approach the idea of sustainability in HR, one of the concepts that must be addressed is that of performance appraisal. According to the UN Global Compact, the world's largest global corporate sustainability initiative, with over 8,000 companies and 4,000 non-business participants based in over 160 countries, "the inclusion of sustainability-related performance management and compensation criteria is often thought to signal a true integration of organizational sustainability" (United Nations Global Compact, n.d.).

For many managers and employees, performance appraisals are one of the most negatively viewed segments of the human resources process. Traditional performance appraisals focus on comparing standards to performance for a particular employee. By moving from a traditional annual or semi-annual performance review to ongoing performance management, managers are able to focus more on activities that "align every initiative with your company's 'true north'" (Meher, 2017). By aligning goals, managers and human resources professionals are able to focus on developing the employee through coaching and mentoring, as well as giving the employee the opportunity to understand how they contribute to the overall success of the organization.

Utilizing the techniques of goal alignment and performance management, human resource departments can invest in the success and growth of employees, not only as an asset to the organization but as individuals. By aligning employee goals with that of the organization, employees are able to see a real link to between their performance and that of the company. This perceived link allows the employee develop a sense of task significance, which can lead of a feeling of meaningfulness in regards to their work. As organizations continually look for more ways to keep their employees engaged, providing "work that matters" represents a potential non-financial perk that resonates especially with a generation of socially and environmentally-conscious young talents (Safian, 2014).

Another way to managing performance is through the use of competencies. Professionals in the business world are familiar with the concept of core competencies from an organizational or business perspective; however this concept can be applied to the field of human resource management. According to the Society for Human Resource Management (SHRM), "competencies are specific employee behaviors that are correlated with job performance, can be measured and can be strategically leveraged throughout multiple human resource related systems within a company to improve the organization's overall performance" (Society for Human Resource Management, 2013). The competency approach has changed the way many companies approach their HR process, particularly selection and performance appraisal.

The competency approach to performance management focuses on the development and appraisal of various competencies. By using this method, a company can focus not simply on the job at hand, but on the competencies needed for success at various levels of the organization. This requires

managers to focus on employee behaviors and skills, which could lead managers to engage with the employees as people, not as simply another type of asset. Such an approach would be rewarding for managers who like to see themselves as people developers, but also can be a source of sustainable competitive advantage (Lado & Wilson, 1994).

### **LIMITATIONS AND FUTURE RESEARCH**

Although the intersection of Human Resources and Sustainability is a promising area, it is not without limitations, some of which are becoming more salient to HR academics and practitioners.

The first limitation is the applicability of our recommendations, particularly in the area of training, to temporary and contract workers, or what some have called the gig economy or Workforce 2.0 – an area where the number of jobs is growing faster than in traditional work arrangements (Hathaway & Muro, 2016). This contingent workforce has non-existent or limited job security and, since a lot of companies in the gig economy claim these workers as contractors rather than employees, investments in training might be difficult to justify. Some of these contingent employees engage in work that require high-levels of training; for example, software coding. In those cases, the gigs can be seen as a form of work experience that can prepare these people for future jobs (Ferenstein, 2018). However, in the rides and rooms industry, performance appraisals might prove to be a more fruitful area for Sustainable HRM than employee training, since the company employing these workers and the workers are both invested in performing well, so that the organization can get more customers, and the employee can keep building a string of gigs.

We also need to acknowledge the cultural differences in approaches to training. In her study of British and French firms, Tregaskis (1997) explains how national differences in legislations related to workforce training, the education system, and the degree of ‘professionalization of management’, leads to different views about the role of private companies in providing training and career preparation. Thus, our proposal for investments in training might be more relevant in countries in which training workers is less shaped by the government and by societal expectations, giving companies more leeway in creating their own employee development programs. Future research could explore how cultural differences shape the perception of organizational sustainability, and how these perceptions promote or deter investments in Sustainable HRM.

The generalizability of our recommendations to employees with unsatisfied lower-order needs is another limitation. Workers in more precarious economic situations, or those in developing economies, might be less concerned with training as a source of personal growth and self-actualization. However, this does not mean that they are not interested in having opportunities that could help to increase their income and fulfil their job potential. Thus, our suggestions, although not directly applicable, could be tailored to these workers.

Finally, it is important to acknowledge the difficulty that HR practitioners might find in obtaining company support for the Sustainable Model of Human Resources Management. This model departs from more mainstream views of the human resources function, which might be more easily to defend in purely financial terms. We suggest that most experienced and recognized practitioners might be the ones able to use their professional standing and reputation to back the relevance of our model and its potential to provide results in the long-term – just as any other sustainability initiative. Additionally, support from high levels of the organization, particularly from CEOs, can be an important way to signal the importance of these changes to the organization.

For future research, we believe that conducting a survey of employees and human resource managers about employee sustainability would provide quantitative data for analysis of our model. Such research would be helpful in clarifying what Sustainable HRM means to different audiences and could also help to elucidate other areas beyond training in which the human resources function can help companies to achieve social outcomes. Since there is some evidence that different countries take different approaches to the issue of employee training and development, global comparative studies might be particularly useful.

Another area of future research from a pedagogical perspective involves developing methodology to teach the connection between sustainability and an organization's employees. The education of upcoming managers and HR professionals is a key opportunity to deconstruct the value-chain interpretation of human resources, explain the emergent perspective of Sustainable HRM, and equip future business leaders with the tools and understanding required to challenge the traditional view.

## CONCLUSION

In our view, a framework for Sustainability in Human Resources, needs to be guided by one basic principle: treat people as people – not as an input or a mean to an end, but as an end in and of themselves. This might be problematic for an area that talks of people as “assets” and that, as a matter of fact, talks of humans as resources. Although we do not delve on the implications of these labels, we do call attention to the potential problems of this view in terms of employee disengagement, dissatisfaction, and turnover.

The area of sustainability needs to move beyond the low-hanging fruit of finding energy and waste inefficiencies in order to improve environmental performance. Although it is important to maintain progress in ecological sustainability, it is also vital to start a dialogue about the people component of the Triple Bottom Line, and in particular about ways to treat employees in more sustainable ways. We can see the calls for this in protest movements in the Europe and the US seeking better wages, better worker protections, and better work-life balance. The Human Resources function has an important role to play in fostering long-term sustainability and consideration of employees as some of the most important stakeholders.

We argue that Human Resources Development is the key area where HR professionals can better implement a stakeholder view of employees that places workers as the central concern. Although these expenses might be difficult to reconcile with a more instrumental view of HR, investments in training should be seen as a prerequisite to becoming an employer of choice.

In the area of employee performance, continuous appraisal, the alignment of employee and the organization's goals, and a competency-based approach to feedback, are some of the ways in which companies can respond to the United Nation's Global Compact for a true incorporation of the people component to the company's Triple Bottom Line.

We hope that the integration of sustainability in Human Resources Management offers an opportunity for companies to realize improved employee and organizational outcomes, and to focus on people – an area that has received less attention than the environmental component in Corporate Social Responsibility programs, but which deserves increasing commitments to realize the promises of organizational sustainability.

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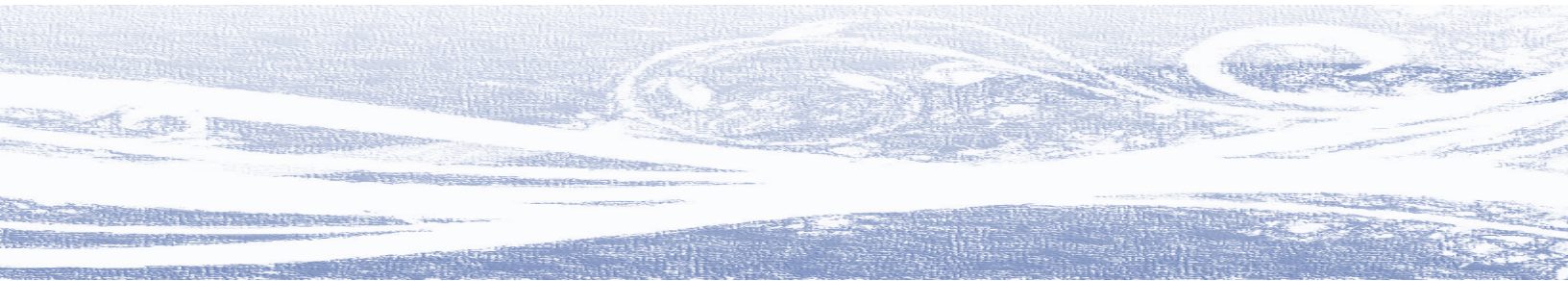
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