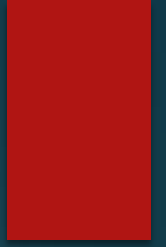




Sustainable Human Resource Management



What words would you use, to
qualify/describe Human Resources ?

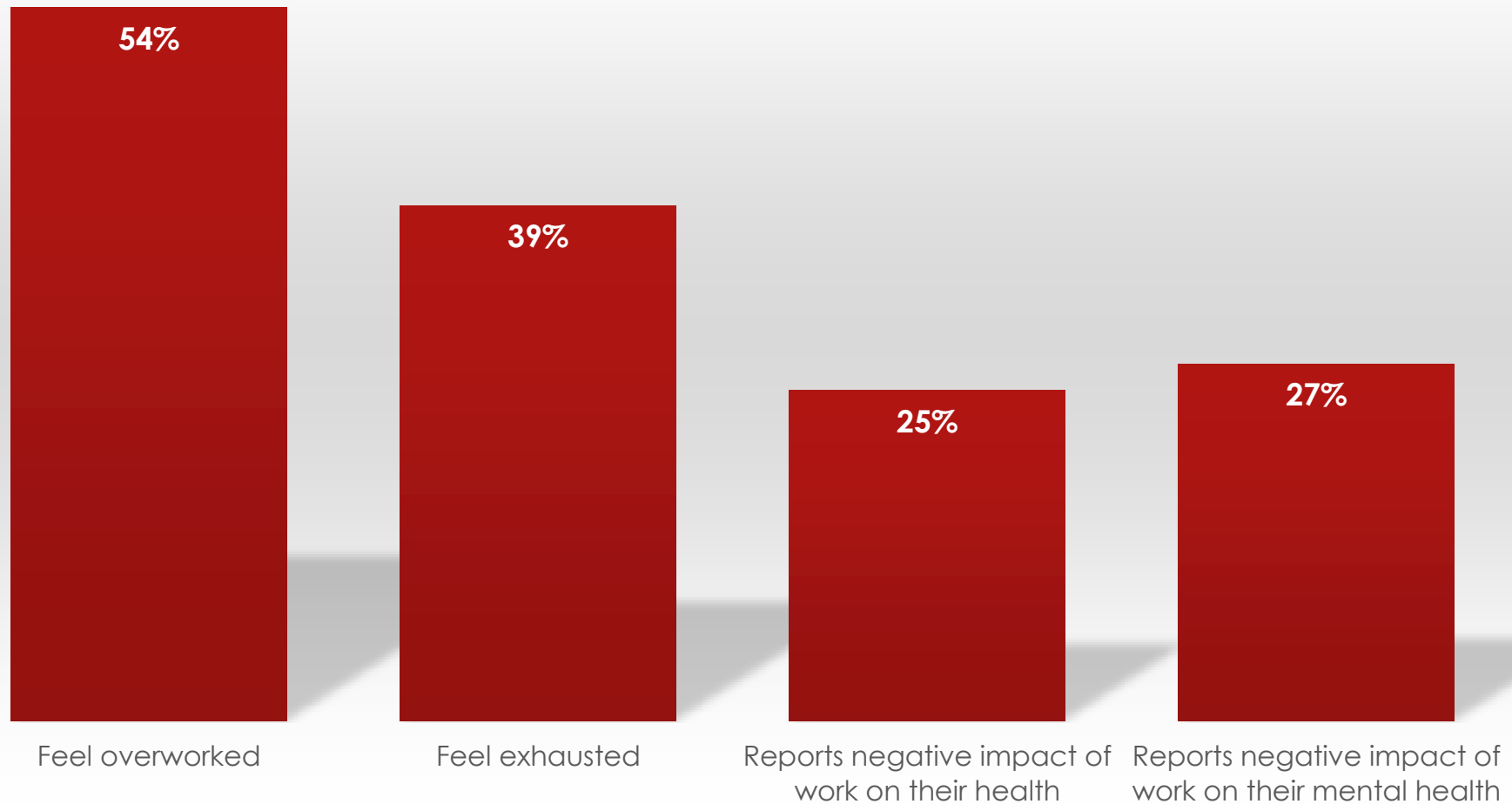
Go to **wooclap.com** and use code
SNJNXH

Meet the bobs !

- Who has the most power in this meeting?
- Who has the least?
- Who *should* have the most influence in a healthy organization?
- If you were Peter, what would you say to keep your job?
- If you were the consultants, what would you look for in an employee?
- If you were HR, how would you prepare staff for these evaluations?"

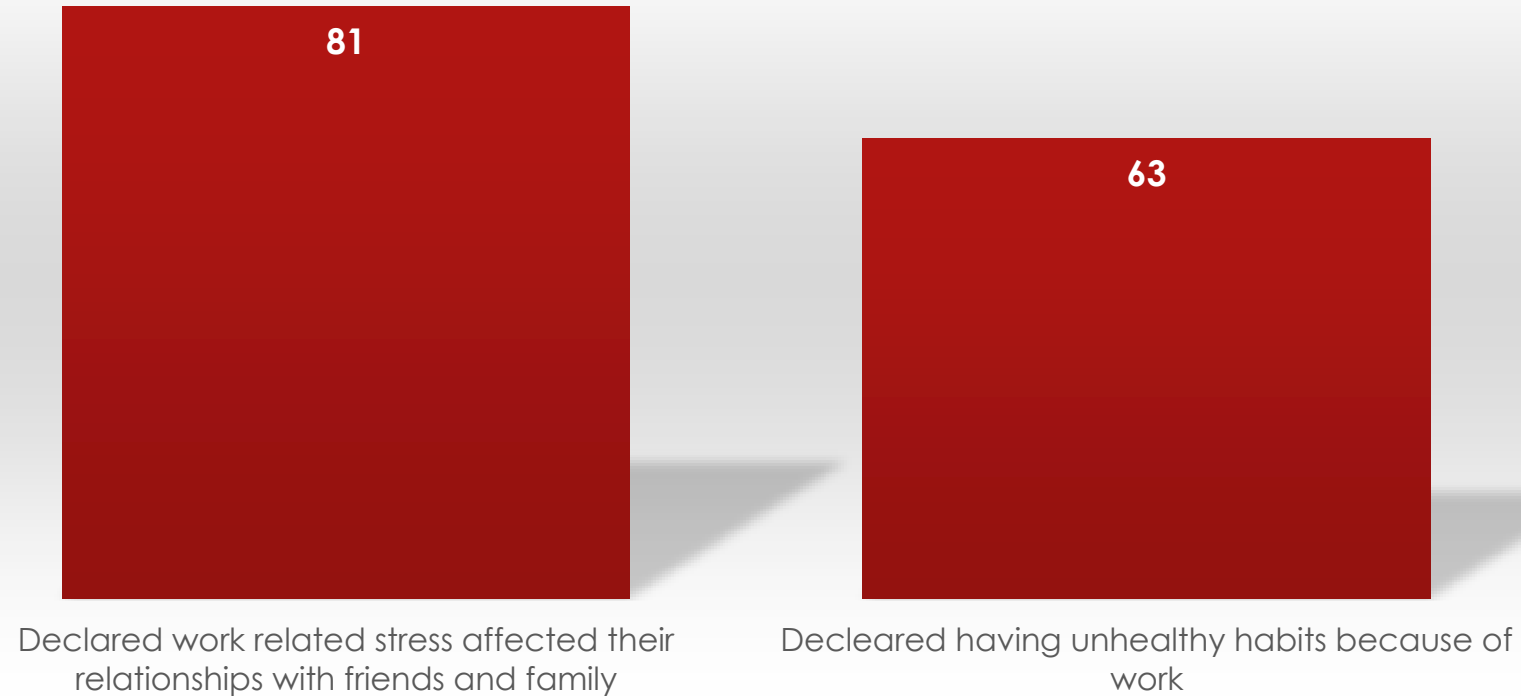
Introduction

A 2021 Microsoft study of 31 000 full time workers revealed :



Introduction

2017 Mental Health America study revealed



Workplace mental health problems
cost employers an estimated \$500 Billion lost in productivity.
Annually.

Introduction

*« An organization, no matter how well designed,
is only as good as the people who live and work in it »*

Dee Hock





Sustainable Human Resource Management

- ▶ 1 - Introduction
- ▶ 2 - Sustainable HRM key concepts, theories and models
- ▶ 3 - Harm caused by unsustainable HRM
- ▶ 4 - Regenerating the human resource base
- ▶ 5 - Green HRM
- ▶ 6 - Sustainable HRM as a business strategy
- ▶ 7 - Implementing and measuring sustainable HRM

1 - Introducing Sustainable HRM

OBJECTIVES : Provide a definition of HRM and sustainable HRM, understand their importance and their place in today's world, and the challenges they face.

KEYWORDS : Human Resources, Sustainability, Productivity, Morale, Value, Deployment, Management

1 - Introducing Sustainable HRM

- ▶ Introduction
- ▶ Defining human resource management
- ▶ What is Sustainable HRM ?
- ▶ A word on false empowerment
- ▶ Linking sustainability with HRM
- ▶ The importance of sustainable HRM, in 10 points
- ▶ Challenges and opportunities for sustainable HRM

Defining human resource management

- ▶ So, what do Human Resources actually do ?

Defining human resource management

- ▶ Who do you send your CV to ?
- ▶ Who is the person who calls you back ?
- ▶ Who is present during the interview ?
- ▶ Who manages your pay and benefits package ?
- ▶ Who do you contact when you have doubts about your contract ?
- ▶ Who manages the formalities of you entering, and leaving an organization ?

Defining human resource management

- ▶ Staffing objectives
- ▶ Performance objectives
- ▶ Change management objectives
- ▶ Administration objectives
- ▶ Reputation objectives
- ▶ Well-being objectives

Defining human resource management

« Human resource management is the process of acquiring, training, appraising, and compensating employees, as of attending to their labor relations, health and safety, and fairness concerns »
(Dessler, 2016)

Defining human resource management

« HRM is concerned with all aspects of how people are employed and managed in organizations »
(Armstrong and Taylor, 2020)

Defining human resource management

- ▶ The issue with the word « resource »
 - ▶ People on the same level as physical or monetary resources
 - ▶ People are an asset



Defining human resource management

- ▶ People are independent agents
 - ▶ They bring and deploy their talent
 - ▶ Their talent can be improved within the organization
 - ▶ This is a key factor in sustainable human resource management



7 Human Resource Best Practices

 Providing security
to employees

 Selective hiring:
Hiring the right people

 Self-managed
and effective teams

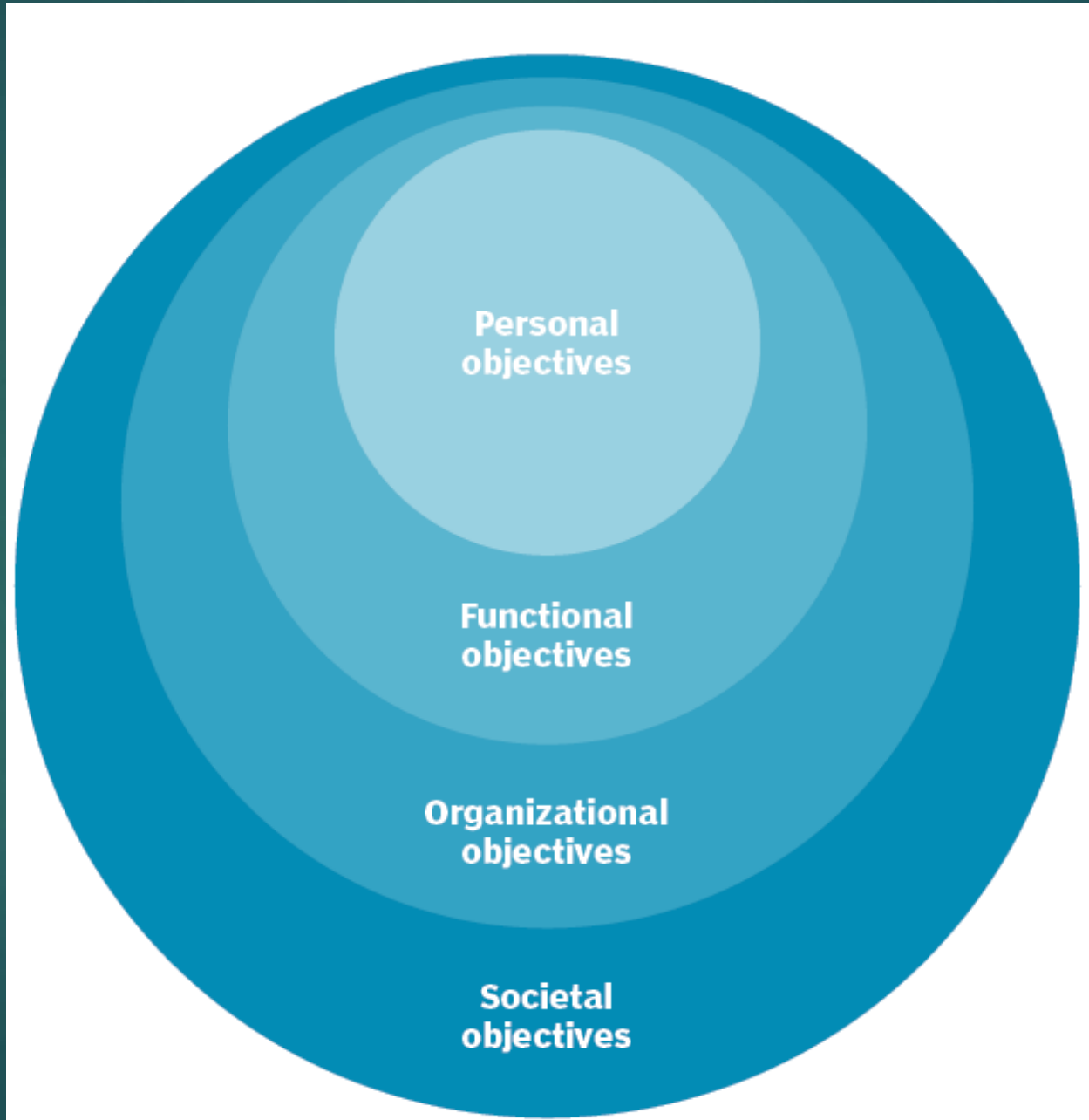
 Fair and performance-
based compensation

 Training in relevant skills

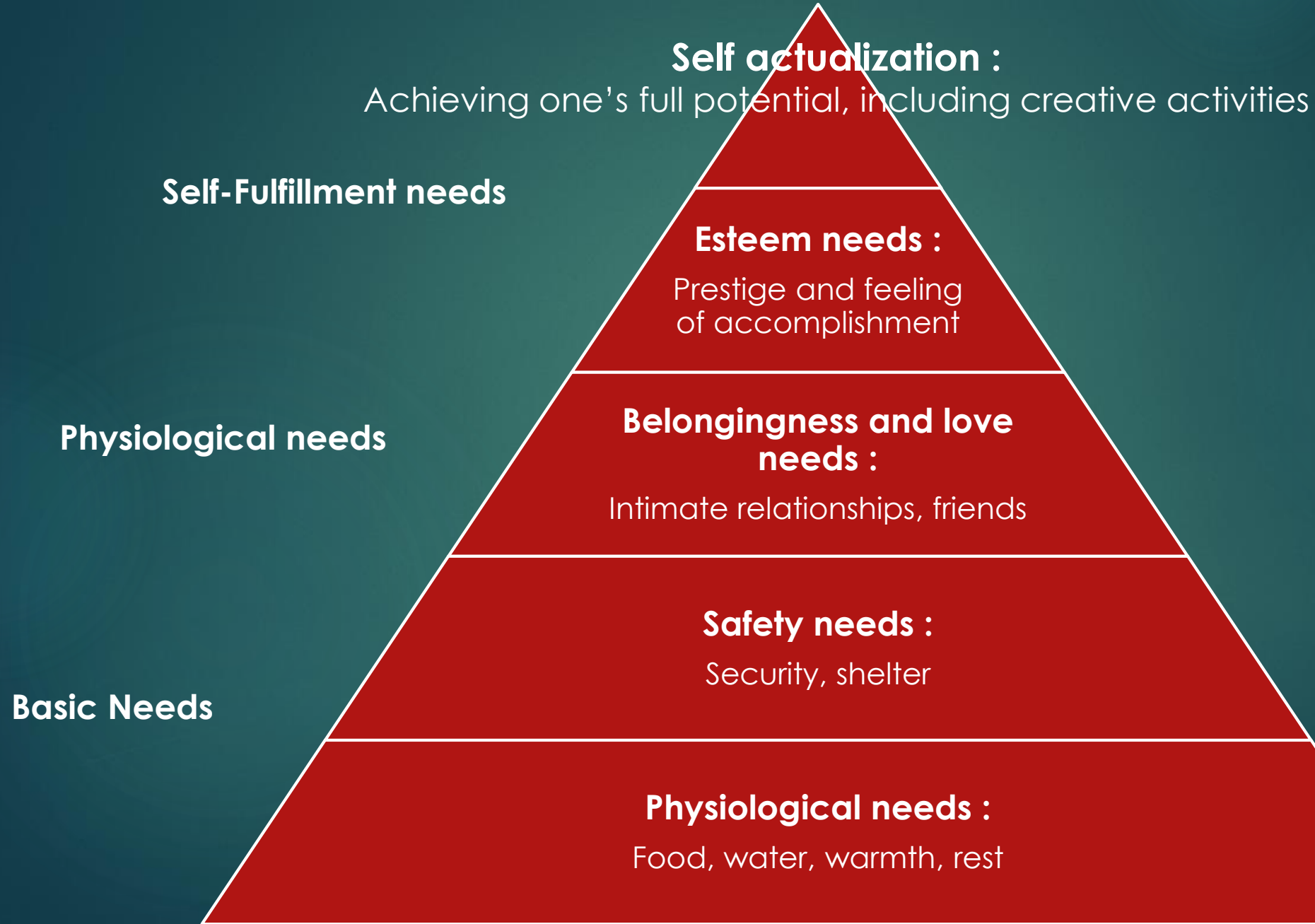
 Creating a flat and
egalitarian organization

 Making information easily
accessible to those who need it

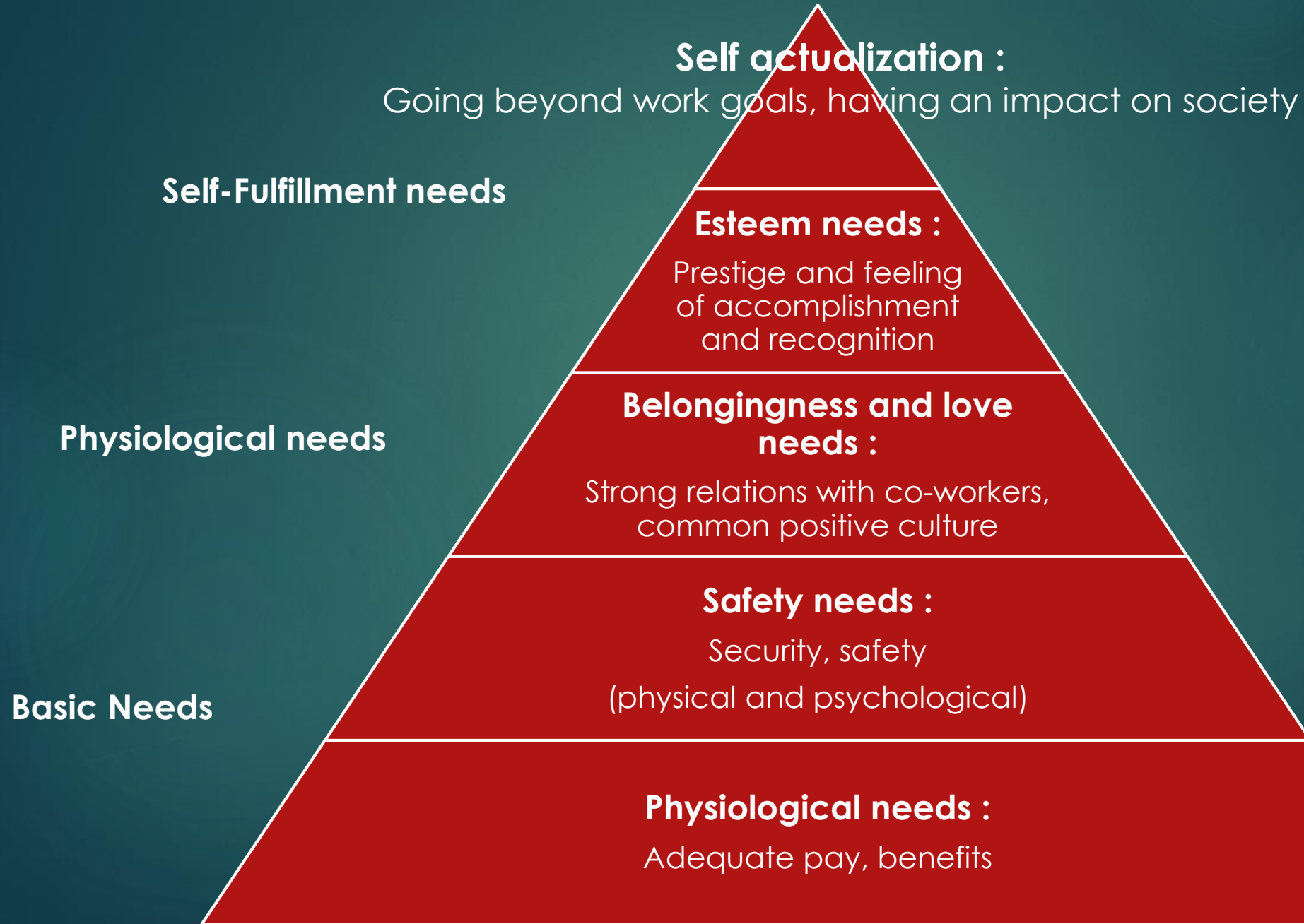
Objectives of HRM : from an employee's perspective



Maslow's pyramid of needs



Maslow's pyramid of needs : HRM



What is Sustainable HRM ?

► Ehnert et al (2016) defined it as :

« The adoption of HRM strategies and practices

- that enable the achievement of **financial**, **social** and **ecological** goals
- with an impact **inside** and **outside** of the organization
- and over a **long-term** time horizon
- while controlling for unintended side effects and negative feedback. »

First, we need to define « Sustainability »

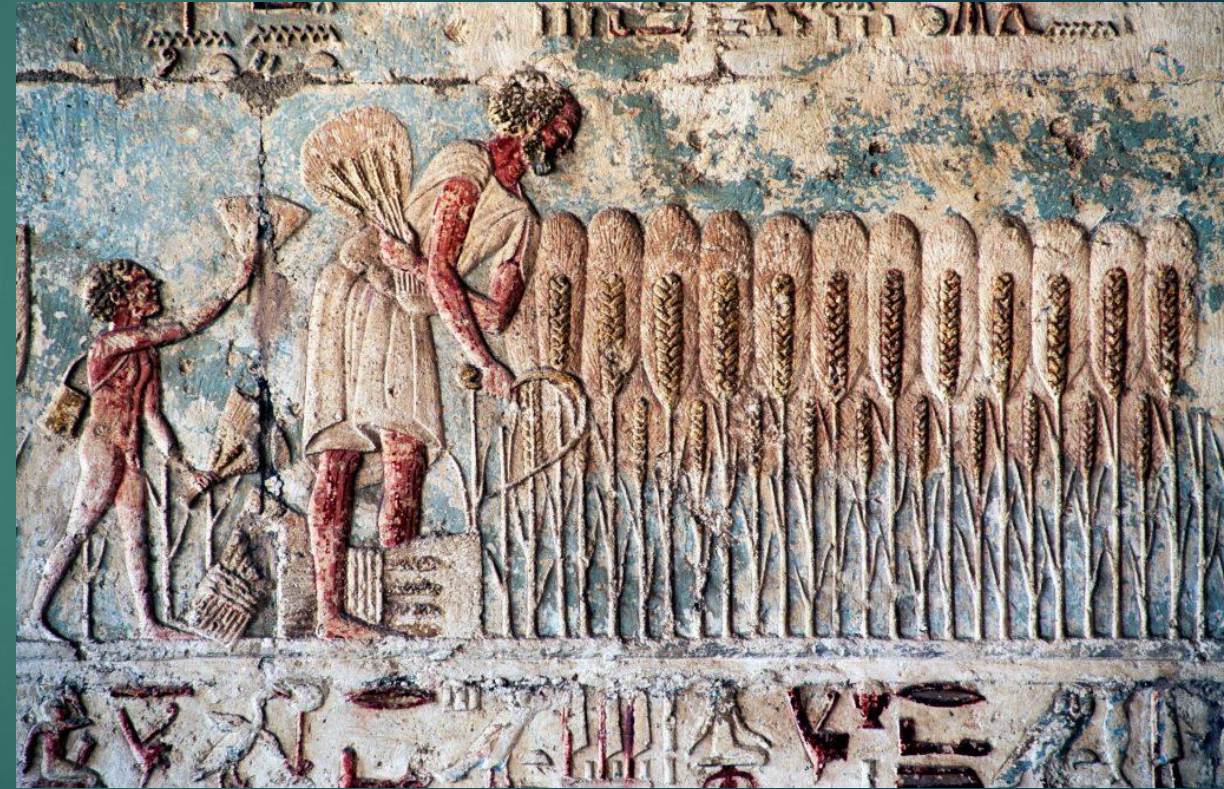
History of sustainability

- ▶ 400 BC : Aristotle popularized the idea of responsible use of resources and strongly condemned excessive consumption



History of sustainability

- ▶ 300 BC Egypt : Ptolemaic Kingdom, using annual Nile floods to sustain year-round food crops
Decline in annual flood resulted in increased localized governance in sustainability



History of sustainability

- ▶ 1713 Germany : Hans Carl von Carlowitz
Sylvicultura Oeconomica : The first book to systemically outline principles of sustainable forestry



History of sustainability

- ▶ 1987, The United Nation's World Commission on Environment and Development :
« a strategy of social development that meets the needs of the present without compromising the ability of future generations to meet their own needs »
(Brundtland)



History of sustainability

- ▶ 2019, Crane et al defined it as :
« *The long-term maintenance of systems according to environmental, economic and social considerations* »



BUSINESS ETHICS

FIFTH EDITION

ANDREW CRANE | DIRK MATTEN | SARAH GLOZER | LAURA SPENCE

History of sustainability



17 Sustainable Development Goals - United Nations Agenda 2030

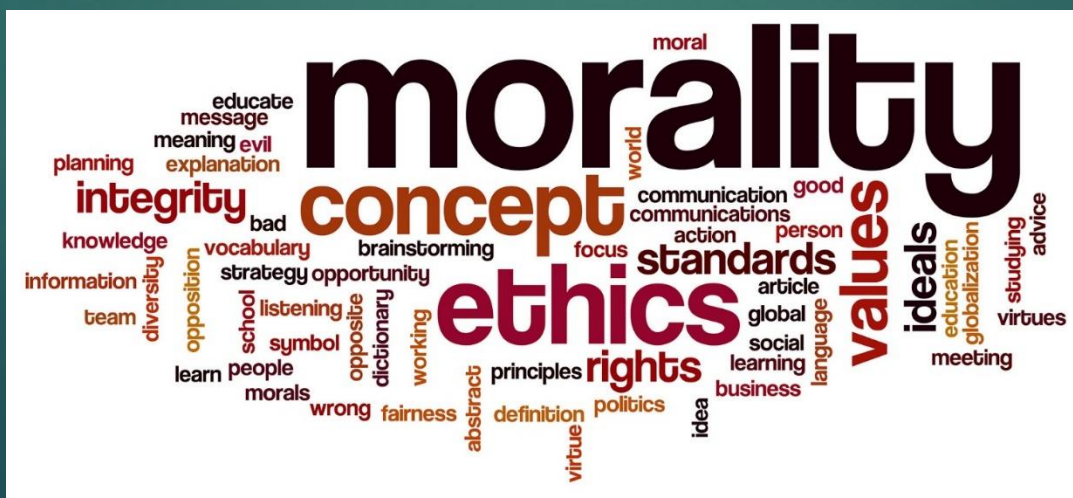
Rationale for sustainability for organizations

- ▶ The business case
 - ▶ Increase productivity and morale
 - ▶ Improve brand image and avoid loss of social legitimacy
 - ▶ Reduce costs
 - ▶ Create value
- ▶ The ethical case

Rationale for sustainability for organizations

Ethics is the study of morality,
where « *morality is concerned with the norms, values and beliefs embedded in social processes, which define right and wrong for an individual or community* »

Crane, 2019



Ethical HRM and Sustainable HRM

- ▶ Sustainable HRM comes from ethical discussions
- ▶ Ethics focuses only on what is morally right, and omits economic rationality
- ▶ Traditional HRM overemphasizes business needs, often omitting employee, community, and environmental welfare

Ethical HRM and Sustainable HRM

« Sustainable HRM presents practices that consider both ethical standards and practical organizational objectives »

Sitko, 2023



A word on false empowerment

- ▶ Under false pretences, bad practices can be implemented
 - ▶ According to Legge : risk of work intensification (Ownership for career development – Shift of blame)
 - ▶ « Flexible work arrangements » (decreased pay and employment security)



A word on false empowerment

► « Hard » and « Soft » HRM :

- While the rhetoric is usually « soft », the reality is almost always « hard » (Truss et al 2019)

Hard vs Soft HRM	
<i>Hard HRM</i>	<i>Soft HRM</i>
◦ <i>Company policies</i>	◦ <i>Empowerment</i>
◦ <i>Employee Contract</i>	◦ <i>Rewards</i>
◦ <i>Rules&Standards(SOP)</i>	◦ <i>Recognition</i>
	◦ <i>Flexibility&Adaptability</i>

Linking sustainability with HRM

- ▶ A new discipline
 - ▶ 2 decades old
 - ▶ Increasing popularity
- ▶ A necessary discipline
 - ▶ No longer a « nice-to-do »
 - ▶ Rather a « need-to-do »

Linking sustainability with HRM

- ▶ CPID (Chartered Institute of Personnel and Development) (2020) suggests a collective view of future trends :
 - ▶ While HRM's main purpose is organizational success, sustainable HRM does not challenge this premise.
 - ▶ Sustainable HRM should also focus on environmental goals (Green HRM)
 - ▶ The importance of interconnectedness

Linking sustainability with HRM



- ▶ Ehnert (2009) : [Sustainability in HRM] « is about the balance of consuming (or deploying) and reproducing human resources »
- ▶ Much like with environmental issues, there is this thought of not overusing one's resources in their surroundings, and thinking a few steps ahead of time

The importance of sustainable HRM, in 10 points

1. People and their human resources are essential for organizational success
2. HRM Malpractice can inflict significant harm
3. Organizations are facing changing demographics
4. Tight labour markets increase competition for talent
5. Sustainable HRM helps organizations build a positive reputation

The importance of sustainable HRM, in 10 points

6. Recognition of long-term perspective helps to meet complex demands of stakeholders
7. Sustainable HRM practices have a positive impact on customer satisfaction and innovation
8. Sustainable HRM helps to keep up with the competition and set trends for others to follow
9. Sustainable HRM helps to comply with changing institutional and legislative context
10. Sustainable HRM is the « right thing » to do.

Challenges and opportunities for sustainable HRM

- ▶ CEOs worldwide are increasingly acknowledging its importance
- ▶ And the UN 2030 Agenda includes 17 Sustainable Development Goals (creating a worldwide ecosystem favoring its implementation)

Challenges and opportunities for sustainable HRM

- ▶ Legal and economic challenges (initial cost, labour laws)
- ▶ Image problem : A lot of companies abide by the «nice-to-to » philosophy
- ▶ Old operational roles are being integrated into strategic roles
- ▶ Slow process, in an ever changing and complex world

Challenges and opportunities for sustainable HRM

Pfeffer (2010) urged companies to broaden the focus of their sustainability policies and concentrate not only on issues such as polar bears and melting icebergs, but also on people.



Introducing Sustainable HRM

- ▶ Define HRM and explain its limitations related to the traditional way of managing people
- ▶ What is sustainable HRM and why should organizations care about it ?
- ▶ Present the best « traditional » HRM practices that have become foundations for the practices of Sustainable HRM