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A STUDY ON “SUSTAINABLE HRM PRACTICES AND THEIR IMPACT ON ORGANISATIONAL PERFORMANCE AND FINANCIAL OUTCOMES”

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ABSTRACT:

Sustainability has become a major part of our life. Resources are depleting and the demands are increasing as per the human needs. There is need for the optimum utilization of the resources to maintain the resources for the future needs. The utilization of the resources in keeping mind the future needs is the sustainable use of the resources. There are sustainable practices in the organisations to balance the resources and needs. This study was conducted to evaluate the sustainable HR practices and their impact on organizational goal and financial outcome. The data was analysed by the SPSS software. The study revealed the satisfaction by the practices in the organisation and the impact of the sustainable HR practices in the Organisational goal and their Financial impact in the organisation.

Keywords: Sustainable HR Practices, Satisfaction with the practices, Impact of the Practices, Financial Outcome.

1. INTRODUCTION:

Sustainable global HR practices help your business attract and retain top talent. Many individuals, particularly younger employees, are increasingly drawn to organisations that have a strong commitment to sustainability and social responsibility. Sustainable HR practices signal to potential employees that your business is socially and environmentally conscious. This is likely to make it a more attractive place to work. The majority of international groups work to lessen their negative environmental effects on the earth. Organisations can lower their energy use and greenhouse gas emissions by introducing green HR policies, such as cutting back on paper use or creating virtual expat assignments. These kinds of sustainable HR practices can help. This can save your company money in addition to helping the environment. Organisations may be able to strengthen their bonds with important stakeholders including workers, clients, and regulators with the

support of sustainable global HR practices. Adopting these rules is a great way for your company to show off your dedication to social responsibility, which builds relationships and improves reputation. Long-term success of the organisation stands to gain from this enhanced support and confidence.

2. REVIEW OF LITERATURE:

1. Aggarwal P.(2013) Accentuated the desideratum of corporate governance in this incipient corporate world. It is highly viewed as a moral obligation. According to author, corporate governance involves promotion of law compliance in letter and spirit and demonstrates ethical conduct. It significantly impacts corporate financial performance and gives positive ratings to governance. The most paramount point in corporate world is promoting transparency and accountability. Adscititiously, fulfilment of prospects of all stakeholders is compulsory. Corporate governance is one of the implements which avails to achieve goal and simultaneously safeguards the stakeholder's fascinate. The study focuses how companies need to ameliorate its performance designators along with governance like Board composition, Leadership Ethics and Independence, etc. It is compulsory to understand the importances of ameliorating sustainability performance to amend financial performance

2. Dari, S. (2012) Has done a critical analysis to examine whether the state and parent company do consummate their liability and responsibility after any tragedy occurred in company. He additionally fixates on highlighting the convivial mandate points on which company should follow rigorously. To fortify his research, author had scrutinized the mass torts like Bhopal Tragedy in India (1984), Thalidomide tragedy which demand congruous implementation of Corporate Convivial Responsibility in company and support from the society. Such tragedies questions on corporate values towards society and its employees. It can be verbally expressed that the CSR plays a role of umbilical cord between disaster management and sustainable development. In short, it gives a conception of safety and development. Few tasks that avails to keep the environment safe are amended maintenance of equipment's, aversion of energy leak and loss, utilizing high efficiency contrivances, amending the method of monitoring and control of potentially hazardous system, etc. It can be verbalized that the corporate have to realize that the ultimate aim of business is about accommodation and welfare of the society and not just mazuma and profits.

3. Nkogbu G(2014) Examined enhancement of sustainable economic magnification and development through human capital development in Nigeria. His study concluded that to enhance and sustain economic magnification and development, and for human capital to have an impact on economic magnification and development, Nigeria needs to invest more on its human capital development as well as the provision of opportunities for developed human capital to express their skills, erudition and facilities. Human resources are not only betokens, but more importantly, the cessations that must be accommodated to achieve economic progress. His research work argued that

human capital development played a paramount role in the expeditious and rapid industrialization and general development of such countries as Singapore, Hong Kong, the Republic of Korea, Taiwan, China, and Japan.

4. Kaur H. and, Gazal Aggarwal G.(2012) Investigated Corporate Gregarious Responsibility (CSR) as "The proceeding with obligation by business to carry on morally and integrate to monetary advancement while enhancing the personal gratification of the workforce and their kinsfolk and supplementally of the neighbourhood group and fraternity on the loose." Coca-Cola India being a standout amongst the most sizably voluminous refreshment organizations in India, understood that CSR must be a rudimental piece of its corporate plan. As designated by the organization, it was cognizant of the ecological, amicable, and monetary effect caused by a business of its scale and ergo it had opted to execute an extensive variety of activities to redress the personal contentment of its clients, the workforce, and society at sizably voluminous. Despite the reactions, the organization propagated to champion sundry activities, for example, dihydrogen monoxide accumulating, recuperating groundwater assets, and going in for plausible bundling and reusing, and obliging the groups where it worked. The Coca cola keeps up a consequential involution in magnanimity and in volunteering. It is thought to be a dynamic member in the Indian Corporate Gregarious Responsibility field and got Award for CSR in 2007. They have made a few strides I. e. Abhyaasa Project, Green washing and so on in its endeavours to play out their obligation towards society and they are prosperous in their exertion.

5. Pfeffer J(1998) Employment security, selective hiring of new personnel, self-managed teams and decentralization of decision making as the basic principles of organizational design, comparatively high compensation contingent on organizational performance, extensive training, reduced status distinctions and barriers, including dress, language, office arrangements and wage differences across levels, extensive sharing of financial and performance information throughout the organization.

3. OBJECTIVES:

- To identify the key sustainable HRM practices that organizations adopt and analyse their impact on organizational performance and financial outcomes.
- To examine the relationship between sustainable HRM practices and different dimensions of organizational performance, such as productivity, innovation, quality, customer satisfaction, employee satisfaction, and employee retention.
- To provide practical recommendations for organizations on how to adopt and implement sustainable HRM practices to improve their organizational performance and financial outcomes.

4. RESEARCH METHODOLOGY:

- DESCRIPTION OF THE SAMPLE

The study was conducted at J.Tech Pvt. Ltd. At Vadodara. A sample of 50 employees was selected for the convenience sampling. The workers from all the departments of the company was selected for the data collection.

- TOOLS OF DATA COLLECTION

Structured questionnaire was prepared to interview the employees of the organization.

- SAMPLING METHOD

The sampling method used in the survey was Simple Sampling method.

5. DATA INTERPRETATION AND ANALYSIS:

All the respondents were given a respondent number, and the same was entered into the statistical tool to maintain the confidentiality of the respondents. The collected data were coded and analysed using Microsoft Excel for Windows.

Gender	Frequency	Percentage
Male	31	62
Female	19	38
Prefer not to say	0	0
Total	50	100

The sample of the study contains 50 respondents of the company. Out of the 50 respondents there were 31 male and 19 females, which denotes that the number of females working in the organization is less as compared to the males working in the organization.

Satisfaction Level

Categories	Very dissatisfied	Dissatisfied	Neutral	Satisfied	Very satisfied	Very dissatisfied %	Dissatisfied %	Neutral %	Satisfied %	Very satisfied
Recruitment and Selection based on Sustainability Criteria	6	3	10	16	15	12.00	6.00	20.00	32.00	30.00
Training and development programs	4	3	7	26	10	8.00	6.00	14.00	52.00	20.00
Performance management linked with the sustainability goals	4	3	7	20	16	8.00	6.00	14.00	40.00	32.00
Improved the condition in the organization	5	3	10	19	14	14.00	0.00	20.00	38.00	28.00

Improvement in employee engagement	4	2	16	19	9	8.00	4.00	32.00	38.00	18.00
Sustainable HRM practices contribute to long-term financial sustainability	5	3	15	19	8	10.00	6.00	30.00	38.00	16.00
Organization's efforts to integrate sustainable HRM practices	4	5	13	18	10	8.00	10.00	26.00	36.00	20.00
Diversity and inclusion initiatives	5	3	18	19	8	10.00	6.00	36.00	36.00	16.00
Service satisfaction since the adoption of sustainable HR practices	4	5	13	18	10	8.00	10.00	26.00	36.00	20.00
Changes in the number of resignations since the adoption of the sustainable HR practices?	6	1	13	23	7	12.00%	2.00%	26.00%	46.00	14.00

The respondents expressed satisfaction with recruitment and selection criteria based on sustainability criteria is 62% and 27% are dissatisfied and satisfaction from training and development programs is 72% and dissatisfied are 14%. However, performance linked with the sustainability is 72% and some shows dissatisfaction and the condition of the organization has improved satisfies the 66% while others are neutral or dissatisfied. The HR practices contribute to the long-term profits agrees 54% and others are dissatisfied and neutral. 56% are satisfied with the organization efforts to integrate sustainable HR practices. 52% are satisfied with the diversity and inclusion initiatives. The service satisfaction after the adoption of sustainable HR practices is 56% and others are still dissatisfied or neutral. The number of resignations has changed after the adoption of sustainable HR practices satisfies the 60%.

6. FINDINGS:

- The results indicate a clear demographic trend, with the majority of respondents are Male. This suggests that the research topic of Sustainable HRM practices and their impact on organizational performance and Financial Outcomes is mainly based on the male oriented company.
- The gender distribution is relatively somewhat balanced, with 62% male and 38% female respondents. The inclusion of non-binary and transgender options in future research is

recommended for a more comprehensive understanding.

- The majority of respondents (56%) reported key aspects of promoting sustainable HRM practices, indicating a commitment to staying current. However, 16% focuses on the productivity and other 28% implementing the environmentally friendly initiatives but it ignores the social responsibility as it is 0 in the respondents.
- The sustainable HRM practices has increased the short-term profits in the organization, it also focusing on the employee productivity. It implemented the environmentally friendly techniques in the organization.
- The strategies that contribute to the social dimension of the sustainable HR practices includes the encouraging the culture of workaholicism (62%), providing work-life balance initiatives (26%), discarding employee wellbeing (6%), promoting competitive internal environment (6%) is identified as the dimensions of the HRM practices.
- The HR department contribute to the environmental sustainability, with discouraging the energy-efficient practices 40% assessing needs and 10% by the waste reduction initiatives. Then implementing eco-friendly workplace policies by 26% and ignoring the impact of business operations on the environment. And even by ignoring the impact of business operations on the environment is 2%.
- The importance of considering long-term impacts on organizational outcomes is highlighted. HR managers have diverse responsibilities, including conducting needs assessments, developing training plans, providing feedback, creating learning opportunities, and participating in training programs, introducing various new techniques for the development and benefit of the employees as well as organization.
- The survey indicates a focus on the satisfaction level of the employees by the sustainable HRM practices in the organization.
- By the recruitment and selection based on the sustainability criteria (62%) are satisfied and others are dissatisfied and neutral. The satisfaction from training and development programs is 72% and dissatisfied are 14%. However, performance linked with the sustainability is 72% and some shows dissatisfaction or neutrality and the condition of the organization has improved satisfies the 66% while others are neutral or dissatisfied. The HR practices contribute to the long-term profits agrees 54% and others are dissatisfied and neutral. 56% are satisfied with the organization efforts to integrate sustainable HR practices. 52% are satisfied with the diversity and inclusion initiatives. The service satisfaction after the adoption of sustainable HR practices is 56% and others are still dissatisfied or neutral. The number of resignations has changed after the adoption of sustainable HR practices satisfies the 60% however others are dissatisfied or neutral.

- The employee turnover rates since the adoption of sustainable practices is 46% and impact on financial benefits or cost saving is 54%. However, overall employee job satisfaction is 48% and the influence over financial stability and performance of the organization is 54%. The practices contribute to a positive organizational culture is 62%. 62% positively the leadership support is influenced in the organization. 52% of respondents are in support of positive impact on direct financial cost are reduced after the adoption of sustainable HR practices. The impact on organizational overall profitability is 50% and there is need for more positive impact.

7. CONCLUSION:

The key aspects of promoting the sustainability in HR practices are distinct. However, the variations in frequency highlight the imperative for flexible various options to accommodate diverse schedules and preferences. The commitment of a majority of respondents to staying current through frequent updates in HR/Organization's Sustainable HRM practices. Still, the minority noting occasional updates signals a potential area for improvement in communication and transparency. Emerging trends of the sustainable HR practices such as minimize the use of paper, reduction in the use of polythene, use of various other techniques as per the organisation. Strategy contributes to the social dimension of Sustainable HRM practices, including encouraging a culture of workaholism, providing work-life balance initiatives, discarding employee well-being, promoting competitive internal environment. The overwhelmingly positive impact of sustainable HR practices on job performance highlights the effectiveness of HR initiatives. In conclusion, the survey findings emphasize the pivotal role of HR in crafting and implementing effective sustainable HRM practices. As businesses navigate a dynamic environment, HR must adapt by fostering inclusivity, flexibility, and strategic alignment with organizational goals. Continuous evaluation and improvement are utmost to ensure the sustainable HR practices not only meet the diverse needs of the workforce but also contribute significantly to organizational success. The findings serve as a valuable guide for HR professionals seeking to enhance their role in facilitating impactful sustainable HR practices within the ever-evolving business landscape.

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