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HUMAN RECOURSE MANAGEMENT VS ORGANIZATIONAL SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT AND PROMOTION OF "4 WHERE METHODOLOGY"

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Abstract: The purpose of the paper is to explore the importance of Human Resources Management for the sustainability, sustainable development of the organizations. Therefore, it is used a qualitative research design, and specifically document analysis as a form of research. The conclusions in this paper are based on synthesis of scientific literature as a form of steering the conclusion based on the reach of the available documents and managerial practices. Using the inductive research method, it is developed a new framework for Human Resources management which purpose is to significantly support the sustainability and sustainable development via connecting more managerial fields, specifics and business functions. The methodology is titled "4where" and it is presented a "4where" framework with a simple 4 step "4where" process. Moreover, trough literature review we identified that Human Resources Management has an important role in sustainability in every part in the organizations. The "4where framework" with the "4where process" described in this paper will have to assist the organizations in designing and implementing a structured interventions for the purpose of sustainability and sustainable development.

Keywords: Human Recourse management,, Organizational sustainability, Sustainable development, "4WHERE" methodology

1. INTRODUCTION

Since HR professionals nowadays are called as HR business partners we can conclude that the originations (especially the successful one) are recognizing HR as a partner for business success. Therefore we will try to explore in more detail what is the relation of HRM with the sustainability and sustainable development. The idea is to develop a methodology i.e. tools (framework) and process where HRM can serve as a core contributor to sustainability and sustainable development.

2. HUMAN RECOURSE MANAGEMENT, ORGANIZATIONAL SUSTAINABILITY AND SUSTAINABLE DEVELOPMENT

The experts consider that sustainable development can be defined based on two concepts: human development and welfare (Dumitrana et all, 2009).⁵³ Moreover, sustainability shifts the focus towards the ability of HRM to sustain the HR base from within and for organizational viability, extends the notion of strategic success and leads to consider how to balance short- and long-term (side and feedback) effects (Ehnert, 2009)⁵⁴. On the other side, business leaders are refocusing, and two thirds of responding CEOs outlined the following top three priorities for the future success of their business (Pilot, 2013):⁵⁵

- Growth and employment
- Education
- Energy

Moreover, the driving success describes three critical challenges facing human resource professionals today – practical problems identified and debated by HR managers themselves as (Publication of The WBC, 2005):⁵⁶

⁵³ Dumitrana M, Dumitru M, Jianu I, Jinga G, Radu G, (2009) Human Resources Role in Sustainable Development, BULETINUL Universității Petrol – Gaze din Ploiești, Vol. LXI, No. 3/2009 44 – 53 Seria Științe Economice, Page 52, http://www.upg-bulletin-se.ro/archive/2009-3/6.% 20Dumitrana,% 20Dumitru,% 20Jianu,% 20Jinga% 20Radu.pdf ⁵⁴ Ehnert I (2009), Conceptual Model for Sustainable HRM and a Paradox Framework, DOI10.1007/978-3-7908-2188-8_5, https://link.springer.com/chapter/10.1007/978-3-7908-2188-8_5, date 31.01.2018

⁵⁵ Pilot M. J. (2013) Driving Sustainability to Business Success: The DS Factor Management System Integration and Automation, "The UN Global Compact-Accenture CEO Study on Sustainability report, 2014 page 4 https://media.wiley.com/product_data/excerpt/34/11183569/1118356934-7.pdf, date 31.01.2018

⁵⁶ Driving Success Human resources and sustainable development (2005), Publication of The World Business Council for Sustainable Development, Page 3,

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- Recruiting and retaining top talent
- Creating incentives for exceptional performance
- Enhancing critical competencies

Specifically, some of the benefits of sustainability for business⁵⁷ (related with Human resources) are:

- Innovation and efficiency Initiatives such as environment protection and reduced wastage across the value chain enable increased efficiency and process streamlining.
- Enhanced ability to attract and retain talent
 - Sustainability initiatives such as employee volunteering programs enrich work experience and build team skills.
 - Companies that are active in the sustainability space can position themselves as responsible, progressive and dynamic in the talent market.

Hereafter, according to a publication of The World Business Council for Sustainable Development, there is individuals with the capacity to create competitive advantage from the opportunities presented by changing markets, with the desire to learn from customers, consumers, suppliers and colleagues, and who possess the ability to build and influence long-lasting and effective partnerships. Therefore HR professionals should focus on Employees with capabilities to support the sustainability of the organizations. Considering the stated above we may approve the tendency of modern firms to implement the competitive modern strategies and methods to expand the level of productivity and enhance the competitive advantage and HRM is the backbone of any business, enabling firms to enhance their core competencies through interaction and pooling of information between individuals within an organization. (Saha et all). In addition, according to publication of Ernst & Young (2013), HR plays a key role in effective management of these critical success factors:

- Creation of a sustainable vision and mission
- Building of an aligned leadership pipeline
- Creation of an appropriate organization structure and governance mechanisms to drive the sustainability agenda
- Development of key HR capabilities to drive sustainability and create sustainable HR systems and processes
- Ability to engage and motivate employees and align them to the sustainability agenda
- Creation of an agile organization, which is able to learn and adapt to changes triggered by the internal and external environment

On the other side, Human resource capital is a form of man-made capital, and all additions to human resource capital usually involve some use and transformation of natural resources; and care needs to be taken to see that economic sustainability is maintained and not undermined by additions to HRC (Tisdell, 2009).⁶¹ Specifically, the role of human resources in sustainable development of the energy sector is very important by the fact that they are the engine, primarily, in developing and implementing energy policies and, secondly, in creating innovations,

http://wbcsdservers.org/wbcsdpublications/cd_files/datas/capacity_building/education/pdf/DrivingSuccess-HumanResources+SD.pdf , date 31.01.2018

⁵⁷ Role of HR in driving sustainable business practices (2013), Ernst&Young publication, Page 11, http://www.ey.com/Publication/vwLUAssets/EY-role-of-hr-in-driving-sustainable-business-practices/%24FILE/EY-Role-of-HR-in-driving-sustainable-business-practices.pdf, date 31.01.2018 for As 4, Page 4.

⁵⁹ Saha N, Gregar A, Bata T (2012), Human Resource Management: As a Source of Sustained Competitive Advantage of the Firms, DOI: 10.7763/IPEDR. 2012. V46. 1

⁶⁰ Role of HR in driving sustainable business practices, (2013) Ernst&Young publication Page 14, http://www.ey.com/Publication/vwLUAssets/EY-role-of-hr-in-driving-sustainable-business-practices/%24FILE/EY-Role-of-HR-in-driving-sustainable-business-practices.pdf, date 31.01.2018

⁶¹ Tisdell C (2009), Principles of Sustainable Sevelopment - Vol. I – Sustainable Development of Human Resource Capital –, ©Encyclopedia of Life Support Systems (EOLSS), http://www.eolss.net/sample-chapters/c13/e1-46a-02-02.pdf, date 31.01.2018

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technologies and know-how and the key steps to be taken towards achieving sustainable are development continuous training and implementation of viable and sustainable educational reforms (Angheluță et all, 2014). 62

However, because human resources are characterized by causal ambiguity, social complexity, and unique historical conditions, not all firms can successfully develop human resources as a sustained competitive advantage through imitating the HR practices of firms that have successfully developed human resources (Wright et all, 1993). Moreover, the challenges for HRM become bigger, since - employees are motivated by a complex mix of rewards i.e. from financial security and bonuses to promotion and peer recognition, and from taking on new challenges to making a difference to the things they care about. No only HRM should support the employees, but also there are identified areas in which fewer than half of the big and successful companies identified a need of meaningful contribution by HR in support of the sustainable enterprise in (Mazur, 2014):

- Change Management
- Collaboration and Teamwork
- Creating and Inculcating Values
- Health and Safety

As the language of sustainable development enters the business mainstream, the responsibility for managing social and environmental issues is slowly shifting from the corporate fringe to an important business function. ⁶⁶ However, a conceptual framework for examining HRM and sustainability should be comprised of the elements, each dealing with the implications of HRM activities upon (Spooner, Kaine, 2010):⁶⁷

- the sustainability of the organization's human resources differentiated according to task and HRM domains;
- the sustainability of the organization;
- and the sustainability of the broader environment

3. METHODOLOGY

In this paper we do a qualitative research specifically document analysis as a form of research. The conclusions will be based on synthesis of scientific literature. Using the inductive research method, we will try to develop a framework for HR and sustainability relationship based on the reach of the available documents.

RESULTS

Based on the literature review, under it is proposed a framework for the purpose of a support for sustainability in each Functional are of doing business.

Table 1 - "4WHERE framework"

| OTHER FUNCTIONAL AREAS IN DOING BUSINESS | KNOWLEDGE OF OTHER MANAGEMENT SPECIFICS | PROBLEM/ISSUE II NO(CONCEPTUAL) | N FUNCTIONAL AREAS | HR |
|--|--|------------------------------------|--------------------------------|-----|
| MARKETING AND SALES | Project management | Conceptual problem | Recruiting, selection staffing | and |
| SUPPLY CHAIN MANAGEMENT | Risk management | Implementation problem | compensation and benefit | ts |

⁶² Angheluță S P, Margina O, Zaharia A, Arionesei G, (2014) the role of human resources in sustainable development of the energy sector, ecoforum, Volume 3, Issue 1 (4), 2014. htttp://www.ecoforumjournal.ro/index.php/eco/article/view/49, date 31.01.2018

⁶³ Wright P M, Mcmahan C, Mcwilliams A (1993), Human resources and sustained competitive advantage: A resource-based perspective, Center for Effective Organizations-Marshall School of Business University of Southern California-Los Angeles, https://www.researchgate.net/publication/239667389, Date 31.01.2018, page 29 ⁶⁴ As 4. Page 8.

Mazur B (2014) Sustainable Human Resource Management in theory and practice, Economics and Management – 1/2014, DOI: 10.12846/j.em.2014.01.0, 9 page 168, date 31.01.2018

⁶⁷ Spooner K , Kaine S (2010) Defining Sustainability and Human Resource Management, International employment relations review, page 78 https://opus.lib.uts.edu.au/bitstream/10453/15830/1/2010004965.pdf, date 31.01.2018

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| ACCOUNTING AND FINANCE | Change management | Combination of both | Employee relations (culture & climate) |
|----------------------------|--------------------------------|---------------------|--|
| HUMAN RESOURCES | Quality management | | HR compliance (Law& regulations) |
| R&D MANAGEMENT | Innovation management | | Organizational design (structure & hierarhy) |
| CORE OPERATIONS MANAGEMENT | Design of processes management | | Training and development |
| FACILITY MANAGEMENT | Knowledge management | | Human resource information systems and payroll |
| | Combination of more | | Combination of more |

The framework work following the "4WHERE process" under:

1 step - WHERE - In which **Functional areas in doing business** we have a problem?

Ex. Sales and marketing

<u>2 step</u> - Look up at Knowledge of other Management specifics and find the possible root cause of problem. WHERE – In which **other Management specifics** we have a problem?

Ex. Change management (ex. change of some procedure)

 $\underline{3 \text{ step}}$ - Look up at concept vs implementation column. WHERE – in which part we have a problem (**concept or implementation or both**)?

Ex. Implementation (ex. of the changed procedure)

<u>4 step</u> - Look up at Functional HR areas and find the possible root cause of problem. WHERE - in which **Functional HR areas** we are facing that problem?

Ex. In human resource information systems we have problem (ex. for the changed procedure).

Framework based conclusions to solve the problem with transforming the HR into backbone for sustainability is the following:

The problem in Sales and marketing, foe some changed procedure and is related with the human resource information systems, during the implementation of the change.

Proposed solution – we organize know-how of the person in sales facing the problem, for the human resource information systems as to implement next time right. Often we can connect more areas connected to the problem as to identify other hidden factors and to define the room for improvement

4. CONCLUSION

Trough literature review we identified that HR has an important role in sustainability in every part in the organizations. Therefore we tried to develop a framework and we called in "4where" and we described the process using this framework. This should lead to an easy lead to a problem identification, relation with area of HR where the focus is needed since humans are doing the job (directly or indirectly) and specifically where in the Management specifics there is gap. It will be a good base for organizational learning and knowledge management, since it give classification of the needs for the improvement and HR professionals will have a exact info of the structure of interventions and future preventions.

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