

# Putting 'Green' into Human Resource Management

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[Sustainability](#) is a business approach built on three pillars: Profits, People and Planet. Indeed, incorporating sustainability into business strategy and embedding it into the organisation has become a very [compelling business case](#). There is a growing demand from a broad range of stakeholders, including employees, customers, suppliers, communities, shareholders, for organisations to proactively act on [environmental, social and governance](#) (ESG) issues, as it can lead to better decision-making and long-term value creation.

In fact, it is recognised that ESG practices and performance is a crucial piece of business intelligence and, environmental impact awareness and mitigation is fundamental to an organisation's culture and values. Moreover, [ESG is good](#) for business, society and the environment – from driving high performing cultures, attracting and retaining talent, earning committed customers, and capitalizing on new business opportunities.

In their recent article, aptly titled 'The heat is on businesses to respond to climate change', the [World Economic Forum](#) argue that climate change pressures create significant opportunities for organisations to proactively manage climate change risks and align their strategies with the direction of change. Furthermore, a recent [McKinsey report](#) advocates that growing global climate and environmental concerns are creating an even greater need for organisations to take responsibility, and demands leaders to re-think their current business models to mitigate and adapt for the climate of tomorrow.

Arguably, [human resource management \(HRM\)](#) can contribute to helping organisations become environmentally sustainable. In particular, Human Resource (HR) professionals have an important role to play in driving strategy, policies and practices that can create a culture of sustainability to achieve environmental, social and financial outcomes.

## Green Human Resource Management

Emerging research in [green human resource management \(GHRM\)](#) represents a new approach to managing people with HRM practices that proactively adopt environmental management practices. The concept of 'green' and its applications are associated with green nature and the green environment. More specifically, [GRHM](#) is the process of aligning HRM strategy, practices and systems (such as organisational culture,

teamwork and empowerment) with key organisational sustainability goals, as well as with targets for employee empowerment and organisational culture.

Recent studies propose that [GHRM](#) can positively influence an organisation's sustainability performance in terms of achieving better economic, environmental and social performance. These studies suggest a range of [GHRM practices](#) that can engage the workforce in achieving effective and proactive environmental management. In terms of putting 'green' into the functional dimensions of [HRM](#), some examples of GHRM include:

- **Green Recruitment and Selection** – consider how to attract job seekers to your brand and reputation and align with your organisation's environmental values and culture. This can include incorporating environmental concerns and interests as part of the selection criteria, utilising technology for pre-screening assessment purposes, on-line applicant tracking software and virtual interviews. For example, Lush and Ikea actively pursue environmental goals recognising that it is a prime driver in attracting key talent, particularly with job seekers who are increasingly choosing to only work with 'green' organisations.
- **Green Performance Management** – track and measure individual and managerial performance against environmental performance standards such as set green targets to reduce waste. For example: Amoco in the United States (US) has implemented corporate-wide environmental performance standards in relation to on-site use, waste management, environmental audits, and the reduction of waste to measure environmental performance standards. They have also developed 'green' information systems and audits in order to capture managerial environmental performance data.
- **Green Pay and Rewards** – introduce monetary and non-monetary environmental management rewards to encourage and recognise environmentally-conscious behaviours, corporate citizenship alongside performance such as bonuses for employees' travel choices to work, zero-waste lunches, awards for innovative environmental initiatives that help reduce employee carbon footprints. For example, 3M has a 'Pollution Prevention Pays Program'; Dow Chemical has a 'Waste Reduction Always Pays Program'.
- **Green Training** – provide programs that educate employees on environmental management issues such as how to save energy and resources. For example, Fuji Xerox in Singapore, provides eco-awareness training for all employees as well as education on the green aspects of its product and supplies for their sales force; PricewaterhouseCoopers (PwC) Environmental Impact Policy (2018) is their commitment to actively minimise and manage their direct and indirect impacts on the environment, and offset any residual emissions to maintain carbon neutrality and this includes an employee engagement program to raise awareness and provide support and tools for their employees to reduce their environmental impact.
- **Green Teams** – create teams that encourage employees to generate ideas that bring about noticeable environmental changes in the workplace. For example, Xerox has provided environmental team excellence awards that have developed environmentally-sound packaging and re-use of materials, packaging and recycled paper for Xerox copiers.

## Sustainable Development Goals

Leading-edge research by the [Carbon Disclosures Project](#) (CDP) has revealed that a mere 100 companies are the source for over 70% of greenhouse gas emissions. While this is an alarming statistic, since 2015, with the inception of the [United Nations \(UN\) 2030 Sustainable Development Agenda](#) (2030 Agenda), there has been considerable positive action and initiatives aimed at safeguarding the environment, particularly in relation to climate change.

Underpinning the 2030 Agenda is the [UN Sustainable Development Goals \(SDG\)](#), which is a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere. The [SDGs](#) provide a roadmap for organisations to navigate the major environmental, social and economic challenges facing our world. Nevertheless, with just under a decade left to achieve the 2030 Agenda, more urgent and universal transformation towards sustainable development is needed to keep on track to achieve SDGs and realise the ["shared vision to end poverty, rescue the planet and build a peaceful world"](#).

The trend is clear: the importance of sustainable business practices in recruiting, hiring and retaining top talent is an expectation and not a choice – as revealed in a recent [HP global study](#), of 20,000 participants: For example: 61% believe business sustainability is mandatory; 58% indicated that environmentally-conscious practices are key to engaging future workforce; 46% said they would only work for companies with sustainable business practices.

So, there is no time but now for organisations to act on climate change – as echoed by the [UN](#): "The clock for taking decisive actions on climate change is ticking." HR professionals have the opportunity to work with leaders to review and align HRM practices with environmental management practices. In other words, putting 'green' into HRM can be one approach to help pivot organisations to become environmentally sustainable.



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