SUSTAINABILITY -- A STRATEGIC HR POLICY FOR
LONG TERM ORGANIZATIONAL BENEFITS

Prof. A. K. Mittal*

Abstract

Business organizations have woken up to the need for being committed towards HR practices for sustainable employee's development. Nurturing a strong corporate culture which emphasizes corporate values and competencies is required to achieve the synergistic benefits. The employees of an organization occupy a central place in developing such a culture which underlines corporate values and competencies. The present paper, therefore, is an attempt to explore the engagement of the leaders of human resource management in undertaking the leads of sustainability aspect. The combined impact of human resource activities embedded with sustainability strategies reinforce desirable behavior of employees and that can make a major contribution in creating long term success in organizations.

Introduction

Human resource leaders have significant role to play in creating and implementing sustainability strategies for their organizations. These strategies can have a big impact on employee morale, business processes and an organization's public image.

Sustainability is defined generally as the commitment by organizations to balance financial performance with contributions to the quality of life of their employees and the society at large. It has been proved by data collected from various leading companies that sustainability is most effective when integrated into a company's strategic framework rather than created as a feel-good exercise for leaders and employees. Sustainability programs should be prominent and leveraged to attract and retain talent and to enhance an organization's brand. Organizations are becoming increasingly aware of the benefits of sustainability as sustainability programs make good business sense and help to maintain the environment.

Keeping the organizational challenges in mind, leading firms are pursuing a sustainability strategy; HRM helps direct employees' attention and behavior toward the sustainability goals of the firm through its overall approach and the individual policies and practices that embody that approach (e.g., Egri & Hornal, 2002; Ramus & Steger, 2000; Milliman & Clair, 1996). Egri and Hornal (2002), for example, have shown that a strategic environmental HRM approach that includes environmental objectives and criteria in HRM practices enhances perceptions of organizational performance. HRM system can be seen impacting the human beings working within the firm, in related companies and in the wider communities. HRM system can affect the attainment of the firm's social, environmental and financial goals. The conceptualization of the HRM system as part of the sustainability goal of the firm, and determining how to measure and

*Professor, GJIMT, Mohali

evaluate its impact as a sustainability goal, has received only limited attention from Management. There is therefore, a great need to address how HRM can play an effective role within a sustainability strategy.

HR Managers Role as Partner to the Organization:
The following lays out 10 steps to support the business strategy and operations for sustainability-

Step 1: Vision, mission, values and CSR strategy development
Successful retaining strategy requires a clearly articulated vision, mission and values. The HR practitioner could initiate or support the development, or upgrade, of a vision, mission and values foundation if one does not exist or does not explicitly address relevant issues. The foundation needs to incorporate elements of corporate sustainability in order for it to foster alignment.

Step 2: Employee codes of conduct
The HR function is typically responsible for drafting and implementing employee codes of conduct. As such, HR managers hold the pen on the principles contained in the employee codes. Since a number of recent high profile corporate frauds, boards of directors have become very concerned about the ethical culture within their organizations, looking for 100% sign-off on and compliance with codes of conduct which articulate their ethical values.

Step 3: Workforce planning and recruitment
Workforce planning consists of analyzing present workforce competencies; identification of competencies needed in the future; comparison of the present workforce to future needs to identify competency gaps and surpluses; the preparation of plans for building the workforce needed in the future; and an evaluation process to assure that the workforce competency model remains valid and that objectives are being met.

Step 4: Orientation, training and competency development
During the orientation process employees should be given a thorough overview of the clear line of sight between the company's vision, mission and core corporate values and goals. To ensure maximum alignment and early employee 'buy-in' to the strategic corporate direction of the organization, this general orientation should be deemed mandatory for all levels of new employees. New employees need to be provided information about policies and commitments, the key issues the company faces and the key stakeholders with which the firm engages. How the company measures its performance and the annual sustainability. New hires should receive a copy of the core values.

Step 5: Compensation and performance management
Next to recruitment and competency development, compensation and performance management are central to the HR function. HR is involved in setting performance standards and expectations and monitoring results to performance objectives.

Step 6: Change management and corporate culture
Human resource practitioners are the keepers of the flame when it comes to corporate culture, team building and change management processes. Growing and adapting to the changing marketplace necessitates that firms pursue significant behavioural shifts from time to time. Sometimes organizations require the outside assistance of change management professionals to help them identify an appropriate strategy when they are attempting to create significant behavioural change, but in the end, culture shift can only be achieved and sustained if it is driven and sponsored effectively internally.

Step 7: Employee involvement and participation
As mentioned earlier, employees are among the key stakeholders for the development of any strategy or program. A critical first step in mission, vision, values and strategy development is to understand the key concerns, priorities and perspectives of all key stakeholders, particularly employees. It is a truism that employees consulted and engaged in the development of new programs and approaches are likelier to follow through with their implementation. Often companies consult and engage their employees in the development and delivery of their community involvement and charitable donations programs; however, what is called for here is more substantive than this.

Step 8: Programme Development
Wellness programmes can become a platform for engaging employees in discussions about "personal sustainability" and provide support for employees in the areas of stress management, spirituality at work, health and fitness, healthy lifestyles, etc. Employee volunteering programs are also within the HR mandate, and can help build out the employee value proposition and employer brand while concurrently delivering on the firm's goals for community engagement and investment. A related policy could be the development of an unpaid leave program for employees to pursue personal projects aligned with company values. Successful wellness, and employee volunteer programmes require management support, role-modeling and ongoing communications – which, if in place become further vehicles to fostering employee awareness of, and engagement in, the firm's policies.

Step 9: Employee Communications
Every strategy requires the development and implementation of an employee communication program to convey the corporate direction, objectives, innovation and performance on its efforts. Intranets, websites, blogs, wikis, social networking sites, podcasting, videos,

forums, meetings, regular team briefings, webcasts, voicemails, print and electronic newsletters and other forms of social media need to be deployed to bring the message to the workforce – in ways that are attuned to the communication channels of the employee, which are changing rapidly in this age of web 2.0.

Step 10: Measurement, Reporting – and celebrating successes along the way!
As what gets measured gets managed, it is vital that both performance and employee engagement be actively measured and reported to executive, the board of directors and publicly. Typically this is done in the form of an annual report. Increasingly, many of these reports are disclosing employee engagement scores, including employee responses.

Conclusions:
Organizations are coming to realize the bottom-line benefits of incorporating sustainability into their DNA. It's beneficial for attraction and retention and it's the right thing to do. HR is a key organizational leader and can take the lead or partner with other executives to work cross-functionally to integrate objectives into how business gets conducted. HR practitioners can act as translators of the organization's commitment vertically and horizontally across departments. Most will find upon reading this report that they have many good practices underway. Many will find they have a new structure for their thinking they can apply practically in the workplace. Some will believe the current economic downturn will put these ideas on the backburner until the economy rebounds, while others think that organizations which abandon their programmed integration in the downturn will lose ground and breed cynicism in brighter times. Regardless of the individual's point of view, all agree that effective HR leadership on HR strategy requires Board, CEO and executive commitment to be successful. Indeed, the roadmap is predicated on the assumption of this top level commitment. However, more and more organizations are committing to sustainability and to embedding policies into "all that we do", so it is hoped the 10 steps provide some guidance as to how to go about doing this.

<div align="center">***</div>