



THE ROLE OF HUMAN RESOURCES MANAGEMENT IN SUSTAINING ORGANIZATIONAL DEVELOPMENT

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ABSTRACT

Measuring and equating sustain ability in an uncontrollable environment both in a short or long term performance is important issue globally especially from business perspective. The study sought to find out some important issues concerning “organizational or company sustain ability” and the role Human Resources is playing”. The study adopted the survey research design. It was conducted using information gathered from five most “sustainable” companies in Nigerian (First Bank, Cadbury, Unilever, NNPC and Coca cola). The population of the study was made up of 100 Human Resource managers from target manufacturing companies. The hypotheses were tested using the spearman's rank correlation coefficient that was subject to significant test using student t-test. The study established that a sustainable Human Resource Management involves developing employees, managing Human Resource issues, strategically taking employees on capacity building, Conducive work life, motivation, Job satisfaction, Training and Development, employment in the work environment among others are also considered very crucial.

Keywords: *Sustainable Development, Human Resources Management, Work Environment, Motivation and Managing Personnel.*

Introduction

Researchers of 21st century indeed have seen “sustain ability as an important issue for business and the world at large (Anderson 1998). “Sustain ability” means different things to different people, in essence it is concerned with: meeting the needs of people today without compromising the ability of future generation to meet their own needs” (World Business Council for Sustainable Development, 2005). Looking at sustain ability in a business angle, it has been defined as a Company's ability to achieve its business goals and increase long-term shareholder value by integrating economic, environmental and social opportunities into its business strategies” (Hammond, 2002).



Human resources is an important aspect in the production of goods and service so when human capital is being accorded its right place, different areas of people management will gain importance in terms of conducive workplace, safety, health, and diversity, among others can be used as a prerequisite to determine if a company engaged in a sustainable way of doing business. Human resource is the vital of all the elements of an organization. There are five elements input factors of organizational production sector like men, money, methods, machine and materials. Among them men are the important elements of all. How we are managing the human resource is important issue every production sector must keen fully look into. Human resources are the workers in the organization with a view to accomplishing the organizational objectives and end results. Motivation is firmly related with job performance of the organization, we know when motivation is more, productivity is higher and when motivation is low, the productivity is low. Job performance is dependent on the team work compensation and fair treatment should be done in determining the workers capability. Team work is collaboration between two or more persons, it is important issue to get the proper job and when team work is properly done it become more possible to attain the goal of the organization.

Presently organisations are competing through implementing the best human resource practices and due to the globalization and modern changing patterns the organisations adopt the most up-to-date human resource practices in order to accomplish the organizational goal. Best human resource practices are always helpful and advantageous for both employee and employer; it plays an important role in constructive growth of the organization. Human resource management department should be charged to understand organizational performance process and outcome variables.

Statement of Problem

The growth and development of any country rest fully on the production sector, while putting in place the effective management of human resources to attain organizational goal. The population of Nigeria being over 200 million and unemployment rate over 33.3% it calls to ask to know how sustainable human resource management is in our various companies. So many things are lacking in the management of human resource in our organization today. Human resource management practices are very important for maintaining and standardizing the employees with a view to attaining the organizational goal in terms of job design, job analysis and job specification which should be done to make the job attractive to the employees. A favorable work environment is very important. The management should think about the right man for the right job. The job evaluation should also be done to compare the level of job with one another. The organization should maintain fair treatment for all the employees. Job satisfaction has a big impact on the job performances. Good facilities should be provided for the employees to maintain certain level of satisfaction, when satisfaction is high the employee absent on duty will be very low and return on investment will be high and the rate of employee dissatisfaction in our organisations is a big problem and how we can reduce or eliminate it totally is our efforts in this study.

Objectives of The Study

The main objective of the study is to find the relationship between Human Resource management practices and organizational performance for sustainable development. Other specific objectives are as follows;



1. To find out the practice of human resource managers in their various companies
2. To find out if your company engages in a sustainable human resource management
3. To find out the role of human resource management and its impact on companies sustainability.

Research Hypotheses

The following hypotheses have been formulated for testing. The hypotheses are presented in the null form as follows:

1. There is no positive significant relationship between human resource management and sustainable development
2. The company does not explicitly emphasized in the social, environmental aspect of sustainability.
3. Human resource manager and function does not play any sustainability in our company

Literature Review

Sustainability

Schollans, captains of industries and alike have so many ideas of the word “sustainability”. It focuses greatly on depletion of resources; others submitted that sustainability covers also irreversible pollution, conservation of nature and other environmental and ecological aspects. Some include the aspects of human life, and human well-being. From so many definitions given above, though might differ in scope, it is now widely accepted that sustainability comprises of three elements as

- * Us, human beings = Human well being
- * The environment, the ecosystem in which we live = Environmental wellbeing
- * The economy, which enables us to do what we do = Economic wellbeing (Sully, 2005).

To achieve sustainability, it is enough that the total value of the actual human, environment and economic wellbeing will at least stay even. Thus trade-offs between the three are accepted as long as the total sum is not in decline. This approach is called weak sustainability, in contrast to strong sustainability. Sustainability can only be achieved when all three elements have achieved the sustainability level. Not all three wellbeing and environmental wellbeing are goals to be achieved. Economic wellbeing is a means to be able to achieve sustainability and to maintain so over time.

The sustainable society is one that lives within the self-perpetuating limits of its environment. That society is not a “no growth” society. It is rather, a society that recognizes the limits of growth and looks for alternative ways of growing. (Silly, 2006). Sustainable development-development that is likely to achieve lasting satisfaction of human needs and improvement of the quality of human life (Allen, 1980)

The Importance of Sustainable Human Resource Management

Sustainability in human resources management practices can be considered from two separate aspects: the importance of managing people and the notion of sustainability. Valuable human resources have been identified as critical for organizational success. Large amount of researchers have been carried out related to human resource management and organizational performance or development. Brewster (2002: 126) points out that the capabilities and the knowledge incorporated in organizations human resources are keys to success. However, highly qualified employees face increased work-related stress, work-life conflict, health problems, new employment relationship or lack of employability.



Sustainability has been picked up as a perspective to analyze the implications of these developments on human resource management. Key topics could be related to recruiting and retaining top talent, developing critical competencies, motivation, incentives for exceptional performance, employability, lifelong learning, demographic trends, aging workforces employee health, safety, quality of life. (Boudreau and Ramstad (2005) argued that sustainability is not a fringe issue. Corporate heavy weights like Shell British Petroleum (BP) and United Nations (UN) and the International Labour Organization (ILO) all are embracing sustainable human resource management.

Research shows that to successfully integrate the economic, environmental and social responsibilities of sustainability into every business process, effective employee engagement is necessary (Psilou, 2011). The challenge is to find the impulses that motivate employees to be more committed to a company, their supervisor and the team itself. Sustainability professionals need to ensure the engagement of employees when working to have a company act responsibly in all three sustainability dimensions: environmental, social and economic (Pojasek, 2010).

Approaches for Sustainable Human Resource Management

A sustainable human resource management scheme is described as “those long term oriented conceptual approaches and activities aimed at a socially responsible and economically appropriate recruitment and selection development, deployment, and release of employees. In their sustainable human resources management model the individual and the company regarded as equal partners (Mosev & Saxer, 2004). At the heart of sustainable resource management are the creation, development and preservation of future-oriented skills that contribute to the increase in value of the firm, the employability of individual employees and take account of social values. It is necessary for a sustainable human resource management to be participatory flexible, value added-oriented, challenging group-oriented and strategically competence-oriented.

In regard to sustainability in the management of people, Weve, M (2003) presented three basic pillars: the work-life balance personal autonomy in professional development and employability of the workers. The author considers that if these three pillars are taken as underlying objectives in a model of sustainable human resource management, they will improve self-knowledge and identify, develop talents and potential, and build human capital in an organization. They also found current employer preferences. Thus having measures of sustainable resource management have three effects: long-term supply of companies with skilled and motivated people, a sustained competitive advantage and economic value added.

Empirical Review

Manisha et.al (2011) in his research paper “Title Human Resource Outsourcing: Analysis Based on Literature survey”. The researcher in his research paper regarding the outsourcing of the human resource in the organization and also told that there are some steps regarding the outsourcing of the human resources. He examined all the functions being considered for Outsourcing, Create a business case for outsourcing seeking a vendor that will work very closely with the Company, Make certain connection with the vendor and businessmen includes penalty clauses and incentives to increase accountability, considering how the employees working in our organization will measure vendor Performance Learn about security protections the vendor provides.



Markus Pudelko et. al (2009) he Said in his research paper titled “Human Resource Management: Inspirations from Abroad and Current Trends of change” observed that human resource management (HRM) has been perceived by many observers as a key ingredient accounting, management, human resource management, psychology and marketing use for the success of Japanese companies on world markets during the 1980s. Suggestions of how Western managers could learn from Japanese HRM practices were plentiful and working more hard and how the people are more interactively working in the organization. His analyses on the data collection and sample, description of HRM model,

Timothy et. al (2005) their research was exposed on “Strategic Global Human Resource Management Research In The Twenty First Century: An Endorsement of the Mixed-Method Research Methodology” said that global competition is rapidly becoming the norm in which nearly all business organizations must compete in one fashion or another and they have to compete with each other to survive in the long run. When the competition is more among the business venture the people are compelled to main the standard of human resource management. The complexity and value of Strategic Global Human Resource Management (SGHRM) will continue to compound in significance as globalization becomes the predominate form of business. In the business industry when the competition is serious then the bench marking in the strategic human resource management will be more effective and sub-contracting will be more in business, automobiles and engineering industries.

Mohan et. al. their research Title “Evolution of Human Resource Management and Human Resource Information Systems” leading management thinkers suggest that “it is not technology, but the art of human and humane-management” that is challenge for the managers and to level management in the 21st century future economic and strategic advantage will rest with the organizations that can most effectively attract, develop and retain a diverse group of the best and the brightest human talent in the market place and the market will be more sustainable in the long run.

Methodology

This study employed the survey research design. In the opinion of the researchers, this research design was preferable due to the fact that the research attempt to ascertain the association between existing variables, human resource and sustainable development. The population of the study comprised 223 human resources managers or top management staff of ninety (90) successful registered companies in Nigeria using spearman's rank correlation coefficient that was subject to significance test using student t-test.

$$\text{Spearman's rank } (r) = \frac{1 - 6\sum d^2}{M(n^2 - 1)}$$

Table 3.1 Variable and their possible measuring instrument

Variables	Measuring Instrument
Human Resource Management	Employee satisfaction, motivation, loyalty, retention
Sustainable Development	Market value, market share, customer satisfaction, investment sales

4.1 Data Presentation and Analysis

4.1.1 Hypothesis One

Ho: There is no positive significant relationship between human resource management and sustainable development

Table 4.1: Collected Data for Test of Hypothesis One

	Question table	1	2	3	Total (1-3)	4	5	6	7	Total (5-)
1	4.1.1	13	18	30	61	0	42	54	66	162
2	4.1.2	11	20	25	56	34	38	49	46	133
3	4.1.3	18	22	30	71	13	37	49	53	139
4	4.1.4	8	15	12	35	76	41	36	35	112
5	4.1.5	13	34	20	67	8	58	51	39	148
6	4.1.6	9	19	15	43	42	47	51	40	138
7	4.1.7	13	19	30	62	4	59	48	50	157
8	4.1.8	10	16	25	51	81	19	39	33	91
9	4.1.9	9	16	28	53	-	42	50	24	116
10	4.1.10	8	12	19	39	95	31	35	23	89

	Y	X	Rank Y	Rank X	D	D ²
1	61	162	7	10	-3	9
2	56	133	6	5	1	1
3	71	139	10	7	3	9
4	35	112	1	3	-2	4
5	67	148	9	9	0	0
6	43	138	3	6	-3	9
7	62	142	8	8	0	0
8	51	91	4	2	2	4
9	53	116	5	4	1	1
10	39	89	2	1	1	1
Total						38

Source: Computed from the responses of the human resources managers

$$rs = 1 - \frac{6\sum d^2}{n(n^2-1)}$$

$$rs = 1 - \frac{6(38)}{n(10^2-1)}$$

$$rs = 1 - \frac{228}{990}$$

$$rs = 1 - 0.220$$

$$rs = 0.770$$

$$t = \frac{r \sqrt{n-2}}{1-r^2}$$

$$t = 0.770 \sqrt{\frac{10-2}{1-0.770^2}}$$

$$t = 0.770 \sqrt{8}$$

$$1 - 0.593$$

$$T = 0.770 \sqrt{\frac{8}{0.407}}$$

$$T = 0.770 \sqrt{19.66}$$

$$T = 0.770 \times 4.434$$

$$= 3.415$$

Therefore, $t_c = 3.415$
 $Df = n - 2$
 $Df = 10 - 2 = 8$
 $T_t = 2.326$

Interpreting spearman's rank correlation coefficient and students t-test for hypothesis one.

In the test of hypothesis one, the result exposed that human resource management was positively related to sustainable development. The correlation coefficient of 0.770 was a far positive correlation ($0.5 \leq r \leq 0.8$). Obviously human resource management were directly related to sustainable development at 8 degree of freedom and 0.05 level of significance, the t-table value ($t_t = 2.306$) was compared with the obtained values of t calculated ($t_c = 3.415$). Thus the obtained valued reviewed that $t_c > t_t$, the researchers hereby reject null hypothesis and accept alternative hypothesis indicating that the degree or strength of the relationship or association between human resources management and sustainable development was positively and significantly related.

4.1.2 Hypothesis Two

Ho: The Company does not explicitly emphasized in the social environmental aspect of sustainability

Table 4.2: Collected data for Test of Hypothesis Two

	Question table	1	2	3	Total (1-3)	4	5	6	7	Total (5-)
1	4.1.11	13	17	20	50	50	35	47	41	123
2	4.1.12	2	5	7	14	81	45	48	35	128
3	4.1.13	4	7	10	21	86	51	37	28	116
4	4.1.14	16	24	31	71	12	54	38	48	140
5	4.1.15	14	19	26	59	56	32	36	40	108
6	4.1.16	11	22	30	63	14	47	53	46	146
7	4.1.17	3	7	9	19	96	31	47	30	108
8	4.1.18	10	16	20	46	40	42	46	49	137
9	4.1.19	6	11	15	32	61	53	44	33	130
10	4.1.20	9	12	18	39	50	58	39	37	134



	Y	X	Rank Y	Rank X	D	D ²
1	50	123	7	4	3	9
2	14	128	1	5	4	16
3	21	116	3	3	0	0
4	71	140	10	9	1	1
5	59	108	8	1.5	6.5	42.25
6	63	146	9	10	-1	1
7	19	108	2	1.5	0.5	0.25
8	46	137	6	8	-2	4
9	32	130	4	6	-2	4
10	39	134	5	7	-2	4
Total						81.5

Source: Computed from the responses of the human resources managers

$$r_s = 1 - \frac{6 \sum d^2}{n(n^2 - 1)}$$

$$r_s = 1 - \frac{6(81.5)}{n(10^2 - 1)}$$

$$r_s = 1 - \frac{489}{990}$$

$$r_s = 1 - 0.4949$$

$$r_s = 0.506$$

$$t = \frac{r \sqrt{n-2}}{1 - r^2}$$

$$t = 0.506 \sqrt{\frac{10-2}{1 - 0.506^2}}$$

$$t = 0.506 \sqrt{\frac{8}{1 - 0.256}}$$

$$T = 0.506 \sqrt{\frac{8}{0.744}}$$

$$T = 0.506 \sqrt{10.753}$$

$$T = 0.506 \times 3.279$$

$$= 1.659$$

$$\text{Therefore, } t_c = 1.659$$

$$df = n - 2$$

$$df = 10 - 2 = 8$$

$$t_t = 2.306$$

Interpreting the spearman rank correlation coefficient and student t-test for hypothesis two

The result obtained from the test of hypothesis two revealed that the company does not explicitly emphasize in the social, environmental aspect of sustainability. The correlation coefficient of 0.506 however was a fair positive correlation ($0.5 \leq r \leq 0.8$). Hence the company explicitly emphasize in the social, environmental aspect of sustainability at 8 degree of freedom and 0.05 level of significance, the t-table value ($t_t = 2.306$) was compared with the obtained values of t calculated ($t_c = 1.659$).



Conclusion

Human resource managers or top executive managers are aware today of the importance of sustainability which offered a new dimension to management school of thought. The introduction of sustainability in organization is anchored from socially, economically and environmental perspectives. This paper has analyzed sustainable human resource management as an important tool that can drive organizational goal both in long and short term.

Most companies in Nigeria looked at sustainable human resources management as that which involves building people, managing human resource issues strategically, innovating and considering employee welfare, they also consider that companies embrace innovative concept of sustainable human resources management and in the image of the company value proposition, work-life and health related issues.

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