
THE IMPACT OF SUSTAINABLE HUMAN RESOURCE MANAGEMENT PRACTICES ON ORGANIZATIONAL PERFORMANCE

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ABSTRACT

The purpose of this study is to find out how an organization runs its operations to benefit its employees, economy, and the environment. It is unarguably one of the most important pillars on which a business has to be started. However, the importance of incorporating sustainability in human resource management is one aspect that is rarely studied or practiced. This is a general literature review that includes data covering from year 2010 to September 2025. This study finds the relationship between human resource management and sustainability. Our goal was to determine how an organization's performance is impacted by sustainable HR practices. We examined how recruitment & selection, training & development, performance management, employee motivation, and environmental awareness affect the organization. The findings show that sustainable human resource practices are significantly impacted by organizational performance. There is need for further research in this area for the development of better understanding of this emerging field of HR.

Keywords: Sustainability, Human resource management, Sustainable enterprises, organization performance.

INTRODUCTION

The business world has seen numerous changes over the last decade. The way an organization operates has changed due to multiple factors, including globalization and the expansion of technology. Sustainability has gained a lot of popularity. These days, a lot of organizations consider it an essential component of their operations. When an organization runs its operations in a way that benefits people, the economy, and the environment, it is said to be sustainable. This type of organizational strategy enables an organization to make beneficial contributions to the economy, society, and environment. According to Becker et al. (2001), businesses can have an effect on young employees to favor the organization and its business models. According to Hahn and Figge (2011), customers now recognize the value of human resource management procedures. A framework explaining sustainability is still lacking. Consumers are concerned about corporate sustainability. These days, a lot of organizations are concentrating on sustainability. It makes an organization good for people, the economy, and the environment. The Triple Bottom Line provides a framework for understanding what constitutes a sustainable organization model. According to Elkington (1998), a successful organization plan should benefit society, the economy, and the environment. Because it shows that a sustainable organization model is not about creating money. Similar to the concept given by De Prins (2014), a sustainable business strategy must consist of four components; these four components and the Triple Bottom Line are all correlated to having an organizational model. These four sections discuss how people's thoughts and their emotions at work are also related to how a business handles its stakeholders. The green aspect relates to how businesses handle the environment. The strategic HR component deals with how businesses make plans. These four ideas are crucial for a business plan, as is the Triple Bottom Line. They also provide us with a better understanding of what constitutes a sustainable business plan. For instance, the psychological component deals with employee motivation and the social component concerns how a business interacts with its stakeholders. Future planning is the focus of the strategic HR component. Each of these components is crucial to an organization's concept. De Prins (2014) and others discussed these ideas and the Triple Bottom Line. According to organization concept, they are still important in today's era.

REVIEW OF LITERATURE**Sustainability**

The Brundtland Commission, also known as the World Commission on Environment and Development (WCED), proposed the first concept of sustainability. They discussed how poor management and financial fraud were causing development and negatively impacting the economy, society, and the environment. According to the Brundtland Commission (1987), sustainability means fulfilling their needs and desires of the current generation without endangering the future. In order to avoid compromising our necessities, sustainable development is about controlling our wants and requirements right now desires for the future. Many people are still utilizing the Brundtland Commission's definition of development. After the Brundtland Commission, firms still lacked a plan to implement sustainability. The majority of the definitions is ambiguous and did not give complete information. The Triple Bottom Line was proposed by Elkington (1998). One method for comprehending sustainable organization operations is the Triple Bottom Line. It describes how organizations

can integrate sustainability into their operations. The Triple Bottom Line and the idea of sustainability are still significant in today's corporate world. Sustainability is essential for the economy, society, and the environment. To secure a future, an organization must give its priority to sustainability. According to Elkington and the Brundtland Commission, the Triple Bottom Line and growth were made possible by their efforts. Elkington 1998 said that an organization must be sustainable, which implies that it must consider how its day-to-day activities impact the economy, society, and the environment. He thinks these factors should be taken into account in a sustainable organization plan. According to Goel (2010), people with a stake in the organization, such as employees, make up the society according to this paradigm. Sustainability is predicated on four factors. The portion is the initial thing that has to do with how well employers get along with the stakeholders in the organization. The part is the second item, which has to do with what inspires and propels workers to their jobs. The part is the third item, which relates to the organizational environmental initiatives. The economy, society, and the environment all depend on the sustainable business model. These four aspects of the sustainable business model are crucial for an organization to be sustainable.

Sustainable Human Resource Management

A many research has been done on the subject of sustainability. There is not much research on sustainable workplace personnel management. According to Boudreau and Ramstad (2005), few studies examine the relationship between sustainability and managing people. Ehnert (2006) authored a paper examining how to include sustainability in workplace personnel management. According to this study, sustainability in HRM encompasses a wide range of duties and concepts. According to Thom and Zaugg, a good sustainable HRM policy is about recruiting and retaining employees fairly and transparently, training them, assessing their work, inspiring them, and maintaining their engagement. A study was conducted at the University of Bern in Switzerland, which developed an understanding of sustainable human resource management by examining Swiss businesses. People are still attempting to understand what sustainable human resource management is and how to implement it. One approach that is beneficial in the long run is sustainable human resource management. It is about developing policies that are just and beneficial to both people and the environment. These guidelines are for recruiting and retaining staff members as well as for fostering their motivation and happiness at work. Making human resource management sustainable has a purpose. According to Hahn and Figge (2011), they asserted that businesses can contribute to improving the world. Organization must alter their business practices to do this. Making money is not the only thing they need to consider. They must consider the impact they have on both people and the environment. Nine large public firms' managers were interviewed. These businesses were well-known for their workplace, environmental, and employee regulations. The interviews revealed that effective HR practices increased employee productivity and motivation. This contributed to the businesses' success. Researchers looked into what constitutes a sustainable business. According to Ehnert (2009), a sustainable HR model considers both the immediate and long-term consequences of actions. It examines both financial and environmental success. Additionally, it fosters employee development in the workplace. According to Cohen et al. (2012), a sustainable business comprises three components: a) it aids in the development of personnel, b) it is concerned about the welfare of its workers, and it has leadership and a culture. According to Taylor (2012), an organization's entire operations should be focused on sustainability. This implies that every action a business takes should benefit both people and the environment. Wirtenberg (2007) finds that a study was conducted to determine the significance of sustainable human resource management. They sought to determine whether sustainable HRM actually had an impact. Ensuring the sustainability of human resource management is the goal of sustainable HRM. Pfeffer believes that organizations should behave in a way that benefits businesses in the long run and the environment. This is a result of numerous resources being depleted. A sustainable business model is more than just performing good deeds for society. According to Bansal (2005), contributing to society is just one aspect of running a sustainable business; organizations require resources to thrive. These resources may come from people, the natural world, or other sources. Taking care of people and the environment is the organization's responsibility. This is only possible if the business is managed in a certain manner. Businesses must consider the future and ensure that they are not harming the environment or their employees. Businesses may ensure their long-term viability by being sustainable. Sustainable business concepts are beneficial to businesses in the long run.

Sustainable Human resource management practices in recruitment and retention

Research has also been conducted to determine the areas in which human resource practices are necessary. For instance, this is a part of hiring and retaining employees. Finding the proper individuals who share the organization's values and culture has always been difficult for businesses. One major issue is how quickly things are changing in fields like technology. Employees must possess strong skills and be multitasking due to these changes. They also believe that the organization's values are significant. Savitz (2013) finds that

organizations frequently overlook employee retention strategies. As a part of sustainable human resource practices, they often only employ these methods when employing new employees, such as during the recruitment process. There are not many effective strategies to ensure that new workers stay with the organization for an extended period of time. Savitz (2013) remarked that organizations should do things they're good for the environment and excellent for the employees to keep them from leaving. Additionally, this will lessen the number of workers quitting their positions. According to Kaeasek (2016), businesses may address a number of issues, such as disgruntled workers and absenteeism, by providing for their needs. According to the report, most of the time, organizations only consider how their activities affect people outside of the organization rather than their employees. The organization would perform better as a whole if it started providing for its workers, since they would be content and motivated to work. Retaining employees is crucial. Savitz and Karasek (2005) discuss employee retention and how it may be enhanced by providing for employees and doing things that are beneficial to them.

Sustainable human resource management practices in Training and development

For managing people at work, training and development are crucial. Having knowledgeable and competent workers is beneficial to an organization. According to Jarventaus (2007), a study was conducted that discovered that organizational operations may be significantly altered by training and development. This is because training and development can instruct staff members on topics such as diversity and inclusion, being a decent person at work, protecting the environment, and being accountable to society. Classes and workshops are examples of training and development. Employers benefit from having staff members who are knowledgeable about technology and current developments in their industry. Businesses may have a highly skilled workforce by investing in training and development. A key component of a successful organization is training and development. An organization that engages in training and development may guarantee that its staff members are constantly learning and improving in their roles. According to Weinstein (2008), organizations should ensure that their staff members receive training on topics like recycling, cutting carbon emissions, cutting waste, and lean management, among other things. These subjects contribute to the development of an environmentally conscious culture. Employees are also taught about eco-friendly activities throughout this training. In 2006, Esty and Winston discussed this book, "Green to Gold". Rio Tinto Alcan was used as an example. This organization requires top management and all staff to participate in a four-day training program. The program includes Health and safety, consciousness, among other things. Creating an environment is the aim. Businesses might take a cue from Rio Tinto Alcans. Regular training helps staff realize the importance of sustainability. Additionally, it demonstrates the organization's concern for the environment. This may contribute to the development of a sustainable culture.

Sustainable Human resource management in performance management and motivation

For human resource management, motivation and performance management are crucial. According to Faragher (2008), performance management is a field where we must ensure that actions are taken in a way that will benefit the organization in the long term. Effective performance management will improve the organization's performance. Managers ought to have regular conversations with staff members regarding their performance rather than simply once a year. The majority of organizations simply implement performance management once a year, which is insufficient. Goleman (2008) suggested that it is a good idea to discuss employees' performance informally. Giving employees regular feedback, even if it is just a brief discussion, can significantly improve their performance. Performance management is crucial, as it can aid workers in making rapid progress. An organization's performance can be affected by motivation and performance management. His research indicates that evaluating employee performance based on behavioral skills is a crucial strategy for making performance management sustainable. In addition to goals attained and tasks completed, these abilities include diversity and inclusion, teamwork, collaboration, and environmental awareness exercises. This strategy aids in reiterating an organization's principles and goals. When assessing employee performance, some organizations do not take awareness into account. Incorporating activities into performance management can support sustainability efforts and help in the accomplishment of organizational goals. According to Tripoli (2010), focusing on abilities like collaboration, variety, and environmental awareness is important. Organizations can accomplish their goals by employing these skills to evaluate employee performance. Additionally, this strategy can assist the organization in becoming more sustainable. The study emphasizes how crucial practices are to performance management. Businesses can gain from putting these strategies into effect. Setting targets in performance management helps organizations in incorporating initiatives, according to his research. Supervisors can motivate staff members to choose and establish sustainable goals. Both the objective and the metrics for measuring it are developed by the staff. Employees are evaluated at the conclusion of a period depending on reaching the objective. According to Bhattacharya et al. (2008), he discovered that by highlighting and praising staff's excellent sustainability

activities, senior managers may strengthen habits. If senior management encourages and acknowledges staff contributions, sustainable initiatives can be revived. According to the study, manager support increases the likelihood that sustainability projects will be successful. According to McGinn (2009), bonuses and compensation can support projects. He recommended that staff members take on sustainable projects, and employee adoption of practices is encouraged by this strategy. The study emphasizes how crucial rewards and recognition are to advancing sustainability.

The majority of American organizations have developed payment programs that incentivize workers when the business achieves an environmentally friendly objective. One aspect of creating a sustainable organization model is including employees in environmental stewardship. This implies that the organization must consider both the environment and its current workforce. This is because staff will be carrying out the environmentally beneficial tasks. Therefore, organization must educate their staff on how they may contribute to the environment. Being citizens is one way businesses can accomplish this. According to Goel (2010) that organization should consider the environment when making decisions they satisfy their demands without endangering the environment if they take this action. Additionally, he stated that organizations should make an effort to reduce pollution and use energy wisely. Incorporating environmental awareness activities into a sustainable business strategy is largely dependent on employee engagement. Organizations must ensure that they are protecting both their workers and the environment. Only employees of the organization can engage in environmental awareness initiatives. According to Branco and Rodrigues (2008), an organization that treats its workers well will retain them and protect the environment. Collier and Esteban (2007) added that having positively engaged and driven staff is crucial. They discovered that, despite the executive board's decision about sustainable practices for these practices to be effective, employees had to support them for an organization to launch initiatives successfully. They needed to win over the staff. Collins et al (2007). examined activities from a fresh perspective in 2007, concentrating on being conscious of the environment. According to the survey, reputation and image were crucial for an organization to maintain its competitive edge with modern technology and instantaneous communication; any customer can quickly learn about an organization's policies on items. Therefore, a company may be superior to others if it can claim to be an employee-friendly business. In 2006, Pedersen made another statement regarding societal duty. According to him, businesses may be more accountable by fulfilling their social obligations. Therefore, any company's choices and procedures have an impact on the community and society. For most organizations to succeed, an environment is necessary. They must contribute to society. Savitz (2013) also stated that corporate social responsibility fosters communication and collaboration among all parties involved in an organization. Businesses must practice CSR. An organization that practices social responsibility can gain people's trust. An organization that practices social responsibility can outperform others. Corporate social responsibility promotes integrity and accountability in an organization. Because organizations use the environment to obtain goods, they must contribute back to society. CSR helps organizations that engage with their stakeholders, maintain a positive reputation in the community, and in society.

PROBLEM AND AIM OF THE STUDY

An organization that strives to operate without harming the community or the environment is considered sustainable. This indicates that the organization takes the necessary steps to be successful. It does this without endangering the environment or the local population. People have observed that organizational sustainability affects both its employees and the public's perception of it. Being sustainable is advantageous in today's business world since consumers prefer to purchase goods from organizations that practice environmental responsibility. Many people also wish to work for a sustainable organization. Some organization only considers sustainability when they engage in charitable endeavors. They lack a comprehensive understanding of what sustainability actually entails for an organization, such as a sustainable corporation. When it comes to managing their workforce, businesses typically ignore sustainability. The business may suffer as a result. The rationale is that a company's people are its most valuable asset. They are the ones who generate ideas and complete tasks. Thus, an organization should begin by ensuring that its employees are treated in a certain way. This implies that organizations must implement rules that benefit both their employees and the environment. This essay will examine how an organization's employees are impacted by sustainability and how it impacts the business's performance. The primary objectives of this research are:

1. To understand the concept of green HRM and sustainable practices
2. The effect of sustainable HR on organizational performance.

DATA AND METHODOLOGY

This review compiled available data on a certain subject. The review's papers were published between 2011 and September 2025. The search was conducted using reputable databases such as Wiley and Sons, Taylor & Francis, Emerald Insight, Sage, Academic, The British Academy of Management, The European Academy of Management, and Elsevier. We eliminated 83 publications after reviewing their abstracts, findings, and conclusions since they had nothing to do with the subject. In the end, 41 papers were included in this review. The specifics of these publications and the journals in which they were published are shown in Table 1. Only articles directly linked to Sustainable Human Resource Management are included in this review. The review includes only articles that are related specifically to the subject. Sustainable Human Resource Management, Green HRM, Organizational Performance, and the Impact of Sustainable HRM Practices on Organizations were the search terms used in this study.

Table1. Database and Journal used

DATABASE	JOURNAL	TOTAL
Emerald Insight	International Journal of Sociology & Social Policy	1
	International Journal of Manpower	1
	International Journal of Productivity and Performance Management	5
	Academy of Management Journal	1
	Journal of Global Responsibility	2
	Employee Relations	2
	The International Journal of Human Resource Management	3
Wiley and Sons	Business Strategy and the Environment	1
	Corporate Social Responsibility and Environment Management	2
	Sustainable Development	1
	Human Resource Management	2
SAGE Publications	Asia Pacific Journal of Human Resource Management	2
	NHRD Network Journal	2
Taylor and Francis	Cogent Business of Management	4
	International Journal of Human Resource Management	2
ACADEMIA	International Journal for Innovative Research in Multidisciplinary Field	1
	International Journal of Business and Management	2
British Academy Of Management	International Journal of Management Reviews	1
European Academy Of Management	European Management Reviews	1
Researchgate.net	Journal of Social Science	1
Elsevier	Resources Conservation & Recycling	1
	Human Resource Management Review	1
Springer	Asia Pacific Journal of Management	1
	Quality and Quantity	1
	Total	41

CONCLUSION

The purpose of this study was to determine whether sustainable HR practices actually improve an organization's performance. Numerous publications, journals, and articles concerning human resource practices and their impact on organizational performance were examined. We found that sustainable human resource strategies truly have a favorable impact on organizational performance. Employers may effectively manage their workforce by implementing training and development, performance management, motivating, recruitment, and retention strategies. Employees are more positive about the organization when sustainable HR practices are used. They put in more effort. When sustainable HR practices are applied, employees have an attitude. Because

they enable businesses to effectively manage their workforce, sustainable HR practices are critical for performance. For businesses, environmental consciousness is crucial. They must educate and involve their staff about it. Organizations that act in this way have an impact. Organizations that care about the environment and desire to act morally resonate with their workforce. People, the environment, and the economy all benefit from this. When managing their workforce, businesses must consider sustainability. The most vital component of any business is its workforce. A corporation must start with its people to be viable. Workers are the ones who drive an organization's operations; they are the ones who generate ideas and make choices. Employees must include sustainability in their daily work. Employers must ensure that staff members understand sustainability and can contribute to the organization's increased environmental friendliness. Sustainability and environmental consciousness are essential to improving an organization's workplace.

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