



## Sustainable HRM Goals in Selected IT Companies: A Review

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*Received:* 28<sup>th</sup> May, 2023 *Accepted:* 24<sup>th</sup> June, 2023, *Published:* 30<sup>th</sup> June, 2023

**ABSTRACT:** The modern business world faces new obstacles as a result of the constantly shifting corporate environment in order to function in this setting. Corporates must advocate for sustainability in order to meet these issues. Sustainability guarantees the least amount of resource waste possible and lower manufacturing costs, giving one organisation a competitive edge over another. 'Human Resource Management' is a crucial area where sustainability is required in the current demanding and competitive corporate environment. The goal of "sustainable HRM" requires the adoption of a number of strategies and plans, and this cannot be done with the help of material resources like technology, machinery, or materials. They are the ones who can develop tactics and successfully carry them out. In order to attain sustainable goals, it is crucial to utilise and develop human resources to their full potential. In order to attain the goal of sustainable HRM, this study paper aims to identify and examine the best HR practises that should be used in IT organisations. To determine the finest HR practises, a sample of the top 10 IT organisations was collected. In order to ensure corporate sustainability, effort has been made to clearly demonstrate the superiority of HRD over HRM. This is because sustainability demands long-term planning by HR experts and that only managing people at work would not be sufficient to meet the sustainable HRM goals.

**KEYWORDS:** Sustainable HRM, Human Resource Practices, HRM Goals in IT companies

### 1. INTRODUCTION

Human resource management is a managerial activity concerned with procurement, utilisation and development of competent employee. HRM is concerned with personnel in an organisation and how they contribute to organisational efficiency & effectiveness. HRM is a part of general management that deals with the human aspect.

Obviously competitive world drives everyone to value resources and currently the most valuable resources are human resources. Human resources are considered to be an asset for the organisation. Therefore, to sustain them in the organisation for longer, management nowadays practises the strategies of sustainable HRM. There is a need to study sustainability in the context of HRM because the present competitive business environment & several corporate failures lead to employee burnout, stress at work, hampering their individual growth, health problems etc. such situation

lead to rethinking HRM if companies are willing to retain their employees for running the business in future.

Sustainable HRM can be explained as "the adaptation of HRM practices and strategies that enable them to achieve the financial, ecological and social goals of the organisation over a long period of time, while controlling for negative feedback and unintended side effects". Many researchers also have their interest for doing research by taking HR practices as a subject-matter. Development and formulation of best HR practices can ensure a high level of employee performance which resulted into increase in efficiency and achievement.

### 2. LITERATURE REVIEW

Zivile Stankeviciute and Asta Savaneviciene (2018) discussed the concept of sustainable development formed the basis of the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992. The summit marked the first international attempt to draw up



action plans and strategies for moving towards a more sustainable pattern of development. It was attended by over 100 Heads of State and representatives from 178 national governments. The summit was also attended by representatives from a range of other organisations representing civil society.

Kaur Rupinder (2014), explored the concept of sustainable development received its first major international recognition in 1972 at the UN Conference on the Human Environment held in Stockholm. The term was not referred to explicitly, but nevertheless the international community agreed to the notion- now fundamental to sustainable development – that both the development and environment, hitherto addressed as separate issues, could be managed in a mutually beneficial way.

Faisal, S. (2023) discussed the business perspective, sustainability 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”.

Hronová, Š. & Špaček, M. (2021) discussed that because of the sustainability as a term recognized by the corporates, this term has started gaining importance in the context with various resources available in the organisation. Be it financial resources, material resources or human resources. But with the changing era of modern business environment, the term “sustainable HRM” is gaining more importance day-by-day.

Ren, S., Jiang, K., & Tang, G. (2022) explored that among various propositions some researchers argue that sustainable HRM could serve as a possible solution bringing humanity back into human resource management. To some extent their findings are considered true. Nevertheless, it is not our important area to discuss for this research paper to test the accuracy and viability of their assumptions. What is more important in this paper to cite and elaborate the relevant HR practises which can help in achieving the sustainable HRM goals especially, IT sector firms?

### 3. OBJECTIVES

1. To identify the best Human resource practises to achieve sustainable HRM.
2. To make a pair wise comparative analysis of HR practises across select top IT companies.

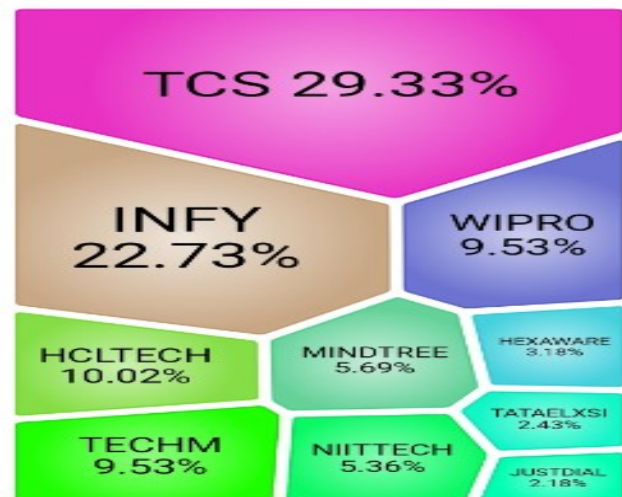
### 4. RESEARCH METHODOLOGY

Extensive review of Secondary Data on HR practises & Sustainable HRM has been conducted with a view to bring out the best HR practises. Several websites, articles, books and journals are used for the references.

In order to understand the importance and prevalence of HR practises across corporate world, Analytical Hierarchy process has been followed by the researcher. The comparison of HR practises of select IT companies involves identification of the most critical and pivotal HR practises. This identification of HR practises has been carried out with the help of literature globally. A concise list of ten practises has been formulated on the basis of apparent commonality

in the research worldwide. A pair-wise analysis of such practise was carried on with HR experts as respondents using Analytical Hierarchy Process (AHP). Top IT companies listed on NSE have been selected for such comparison A sample of 10 top listed IT companies in accordance with national Stock Exchange have been undertaken in this study.

#### Sectoral Distribution



#### The Importance of Sustainable HRM

With the aging of the workforce, organisations need to improve the efficiency of their workforce and by increasing the efficiency of employees, organisations would be in better position to achieve the goals of sustainable HRM. These efficient employees will lead to give the higher output and the organisation will grow. Thus, it is necessary for the organisation to take effective measures in order to sustain the workforce in the organisation for longer.

#### Need analysis of HR Practices framework

Need analysis refers to the process of studying the employee’s attitude and overall situation which strengthen employee’s commitment, their performance and prosperity of companies. In need analysis, company put stress on analysing the individual’s willingness and abilities, organisational culture and climate and strive for the future growth. In other words need analysis is the sum total of personal analysis, organisational analysis and career analysis. It is believed that if company is able to make command on these factors, their human resources will automatically feel belongingness towards the company and they willingly strive for the growth of the company. Therefore company emphasized their focus on constantly improving the HR needs, organisation’s working environment and future opportunities & challenges. It is now important to study all the three analysis in depth for evaluating how it helps in finding the areas where corporate needs Practices for sustaining their human resources.

- Personal analysis means understanding, identifying and evaluating one’s own needs, strengths and weakness. It is a step forward towards self- knowing. By doing personal analysis, individual are able to seek insights, within their own personality. Personal SWOT analysis is a great tool to assess yourself. It is important

for employees to identify their own strength and weakness. Organisations can also do performance appraisal of each employee for identifying the discrepancies between their required skills and current skills.

- Organisational analysis is a process to better understand the characteristics of the organisation to determine where training and HR efforts are needed and the conditions within which they will be conducted. An organizational analysis should identify Organizational goals; Organizational resources; Organizational climate; Environmental constraints.
- Career analysis provides identifiable career paths is an important aspect of retention plans, along with coaching and mentoring employees with high potential and moving proven performers into new roles that fit Knowledge, Skills and Abilities developed over time.

## 5. HR PRACTICES FRAMEWORK

- (i) Safety & healthy workplace: Safe and healthy work environment ensures that employees feel at home and stay with the organisation for a very long time. Appropriate compensation must be provided when it comes to the safety of employees.
- (ii) Open Book Management Style: open book management style means workers' participation in management decision- making. Sharing information about management objectives, company policies and involving them in decision – making process ensures that the workforce is as enthusiastic about the business as management.
- (iii) Performance Linked Bonuses: Awarding bonuses can be both worked as a source for motivation and dedication for work or disillusionment depending upon the way it is administered and communicated. The logic behind linking rewards with performance is to create an understanding within the employees that achieving the degree of profitability is necessary to receive the bonuses.
- (iv) 360 Degree Performance Management Feedback System: A 360 degree appraisal performance review is a kind of performance appraisal technique in which employees' performance was reviewed by the subordinates, co-workers, and managers. The purpose of 360 degree performance evaluation mechanism is to better understand how the employee is functioning as part of the team and to improve the ways team members work together. When harmony is reached in the organisation, employee feels belongingness towards the company.
- (v) Fair Evaluation System: employees' performance evaluation needs to be fair. It is one of the necessary procedures in an effective management process. This evaluation system helps the organisation to allocate fair rewards based on the employee performance. Organisation need to keep their employees updated with the current job expectations, need to maintain balanced criticism, offer regular feedback, listen them carefully. Fair evaluation system brings transparency within the employer-employee relationship and both strive willingly and together for achieving the long term needs of the organisation.
- (vi) Knowledge Sharing: it means there should be well coordinated environment at workplace where employees and management both shares their experience regarding any value addition into them. This is also known as knowledge sharing. For example, if any employee returns after attending any skill development program, sharing essential knowledge with others could be made mandatory. It helps to ensure a “sense of responsibility” towards each other.
- (vii) Highlight Performers: A sense of recognition and achievement is necessary to boost motivation into the employees of the organisation and this can be possible through creating profiles of top performers and make them visible on the company sources. It will also encourage other employees to bring dedication towards work into them, thereby creating a competitive environment within the company.
- (viii) Open House Discussions & Employee Participation: ideas rule the world. Employees are the biggest source of idea. They create ideas and also execute them. The only thing that can stop great ideas being implemented in the organisation is the lack of an appropriate mechanism to capture ideas. Open house discussions, employee-management meetings, suggestion boxes and Employee Participation can help to identify and develop talent.
- (ix) Rewards: merely recognizing the talent may not work, organisation need to link it with appreciation. Appreciation can be done by providing rewards to the deserving employees. Rewards can be in the form of monetary terms or non- monetary terms. Monetary rewards are necessary in order to improve the standard of living but it is not sufficient to keep motivating them for longer. Therefore, organisation need to create a platform where it giving recognition, applause for achievement and job security to employees.
- (x) Delight employees with the unexpected: sometimes, it is necessary to give break to the work at workplace and create an informal environment where everyone could get opportunity to greet and meet with others. Merely sharing ideas will not work as a source of learning but also sharing the problems and their solutions with each other give you the best results. It is necessary to organize an informal meeting into the organisation where employees feel stress – relief, plan a small trip for them, recognize for their personal happy moments. These small things could give the better results in future and will also work as an employee sustainability.

In the light of above explanations of top HR practices HR practices are firstly, categorized into three major components- Workplace mechanism, Employee Participation, Financial incentives mechanism. Afterwards

there is a further classification made of these major components into various sub-components. These sub-components are the HR practices only.

This is also the key-finding areas of this research.



**Figure 1: HR Practises**

The above HR Practices framework has been designed in order to make classifications of top HR practices under the broad components of- Workplace Mechanism, Employee Participation and Financial Incentives Mechanism.

Components became major categories to call for Sustainable HRM goals:

- (a) **Workplace Culture:** Employees need proper working environment in order to do their work efficiently & effectively. Conducive working environment is necessary for maintaining the employees' dedication high. This will result into the low morale of employees and it will become difficult for the organisations to sustain their employees for longer. Thus a better working environment is necessary for human resource sustainability.
- (b) **Employee Participation:** Feedback plays a major role in identifying the strength and weakness of any individuals, groups and firms. A proper and favourable Employee Participation ensures that work is going on in the right direction but failure to give correct feedback or ignorance of feedback will lead to the failure of achievement of objectives.
- (c) **Incentives/Motivators:** As it is also stated above that financial incentives as well as non-financial incentives play a major role in every human's life. Purchasing power and living of standard depends upon how much you are earning. Your earnings must be sufficient to meet the basic wants and demand. Many cases of retrenchment and layoff in the organisation is happening due to inappropriate pay-scale or employees are not getting rewards for their effective work. Therefore, in order to sustain the employees in the organisation, HR managers must frame the adequate compensation and bonuses plans for them. A timely recognition and & pay will keep the employees dedicated towards their work and they will not leave the organisation.

**6. DATA ANALYSIS**

The response collected from HR managers of top 10 IT companies on the pair wise comparisons of various criterion and sub-criteria have been aggregated using geometric mean method for obtaining a group response or judgement for each entry of the comparison matrix. MS-Excel was widely used for the same. The following tables represent the comparison matrices, priority vectors and consistency tests for the hierarchical model shown in figure 1.

**Table 1 Analysis of Main Criteria**

	WC	FM	IM	weights	consistency test	
WC	1.000	2.265	2.563	<b>0.546</b>	<b>PEV (λ)</b>	3.0003
FM	0.44	1.00	1.197	<b>0.245</b>	<b>CI</b>	0.0002
IM	0.39	0.84	1.000	<b>0.209</b>	<b>RCI</b>	0.58
					<b>CR</b>	0.03%

**Table 2 Analysis of Sub-Criteria 1**

	SHWP	HWP	PLA	FES	weights	consistency test	
SHWP	1.00	4.395	1.658	1.988	<b>0.438</b>	<b>PEV (λ)</b>	4.0184
HWP	0.23	1.00	0.573	0.599	<b>0.119</b>	<b>CI</b>	0.0061
PLA	0.60	1.75	1.00	1.270	<b>0.241</b>	<b>RCI</b>	0.90
FES	0.50	1.67	0.79	1.00	<b>0.202</b>	<b>CR</b>	0.68%

**Table 3 Analysis of Sub-Criteria 2**

	360°	OHD	KS	Weight		
360°	1.00	0.78	0.3814	<b>0.205</b>	<b>PEV (λ)</b>	3.000
OHD	1.28	1.00	0.4987	<b>0.263</b>	<b>CI</b>	0.000
KS	2.62	2.00	1.00	<b>0.532</b>	<b>RCI</b>	0.58
					<b>CR</b>	0.01%

**Table 4 Analysis of Sub-Criteria 3**

	Rew	PLB	AnC	DEW U	Weight		
Rew	1.0	0.25	0.49	0.87	<b>0.126</b>	<b>PEV (λ)</b>	4.029
PLB	3.8	1.00	1.43	2.83	<b>0.432</b>	<b>CI</b>	0.010
AnC	2.0	0.69	1.00	2.84	<b>0.308</b>	<b>RCI</b>	0.90
DE WU	1.1	0.35	0.35	1.00	<b>0.134</b>	<b>CR</b>	1.11 %

It can be observed from the above table that the consistency ratio is below 10% which represent that all the matrices are consistent. The weights of the main and sub criteria are depicted in the below table. Global weight of the Main criteria is the same as its local weight. Local weight of sub criteria is calculated by multiplying global weight of its main criteria with its local weight.

**Table 5: Global and Local weights corresponding Main and Sub Criteria**

S.N o.	Main Criteria / Sub Criteria	Local weight	Global Weight	Overall Rank
1	<b>Workplace Culture</b>	<b>0.546</b>	<b>0.546</b>	
	Safe and Healthy workplace	0.438	0.239	1
	Happy workplace	0.119	0.065	6
	Proper Line of Authority	0.241	0.132	2
	Fair Evaluation System	0.202	0.11	4
2	<b>Employee Participation</b>	<b>0.245</b>	<b>0.245</b>	
	360 degree PMS	0.205	0.05	8
	Open House Discussion	0.263	0.064	7
	Knowledge Sharing	0.532	0.13	3
3	<b>Incentives/Motivators</b>	<b>0.209</b>	<b>0.209</b>	
	Rewards	0.126	0.026	10
	Performance Linked Bonuses	0.432	0.09	5



Allowances and Concessions	0.308	0.064	7
Delight Employees with unexpected	0.134	0.028	9

Overall from the above table, we have been able to find the sequence of importance of the Human resource practices in IT sector. From amongst the Main Criteria, the most important HR Practise is the workplace culture (Weight = 0.546) which is followed by employee participation (Weight = 0.245) and then Incentives or Motivators (Weight = 0.209). If the workplace where the employee is working is safe and healthy, it is of prime importance for the employee to remain stable in the company from amongst all the other HR practises.

## 7. CONCLUSION

In the present study, we have tried to identify the HR practises which makes an employee of the IT firm to remain loyal to the organisation and hence find stability in the same. Briefly, the findings suggest that the workplace culture of the organisation is the most important factor that makes an employee to stay longer with the organisation. Out of the workplace culture, safe and healthy workplace and having a proper line of authority without any ambiguity top the chart of HR practises, which shows the prevalence of an unambiguous reporting culture in top IT companies. The findings also show that employee participation is also an important criterion especially knowledge sharing which is preferred in IT companies. At the same time, performance linked bonuses are given much preference over other HR practises in the top IT companies which help employees get stabilised and feel their importance. The practise such as rewards like recognition in the form of appreciation is least preferred by the employees, which depicts that employees are more inclined towards materialism and incentives which are monetary or in kind.

The above findings suggest to the budding IT firms to adopt and design the best HR practises for their firms which are very well stated in this paper. The blooming firms can get a processed idea for having stability in terms of human resource in their company.

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