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A STUDY OF “GREEN HRM PRACTICES AND ITS IMPLEMENTATION” AT NIRMA LIMITED AHMEDABAD, GUJARAT

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ABSTRACT:-

The purpose of this research is to explore the implementation of Green Human Resource Management practices and policies by the FMCG sector at Nirma Ltd. The researchers have enlightened various Green HRM strategies, initiatives, and practices that HR managers have undertaken in their respective organizations. Also, this research highlights the significance of Green HR practices and policies in employee retention, organizational citizenship behavior and overall organizational image. This research is exploring the perception of Green HR from the HR professionals associated with FMCG company of Bhavnagar i.e., Nirma Ltd. For this purpose, in-depth interviews were taken by the HR managers of the company to explore the implementation of HR practices and policies. The interview was created by passing on the Questionnaire to the HR Manager and asking them about practices at their company.

INTRODUCTION:-

Green human resource management (Green HRM or GHRM) emerged as an academic concept from the debate of sustainable development and corporate sustainability. Wehrmeyer (1996) is often stated as laying the foundation with his idea that "if a company is to adopt an environmentally-aware approach to its activities, the employees are the key to its success or failure". One of the most common definitions refers to GHRM as "the HRM aspects of Environmental Management". A broader definition considers GHRM as a "phenomenon relevant to understanding relationships between organizational activities that impact the natural environment and the design, evolution, implementation, and influence of HRM systems." In May 2011, the German Journal of Human Resource Management published a special issue on GHRM, which comprises five contributions. Green Human Resources Management (GHRM) can be defined as a set of policies, practices, and systems that stimulate the green behavior of a company's employees in order to create an environmentally sensitive, resource-efficient, and socially responsible organization. The growing role of sustainable development in the development of a modern company's competitive edge leads to the popularization of the question of how to incorporate ecological practices into the area of human resource policy

– which is often referred to as Green Human Resources Management (HRM).”

PROBLEM AND PURPOSE OF THE STUDY

The purpose of the study is to know about Green Human Resource Management (GHRM) practices at Nirma Ltd. which is a FMCG company. Currently the significance of Green Human Resource Management is increasing rapidly. Green Human Resource Management (GHRM) can help to increase the prestige of the organization. Green Human Resource Management (GHRM) reduces pollution and helps in green effect. It helps in greening the organization. Also if we talk about FMCG sector than the chemicals produced are very much harmful to the environment so it would benefit the organization and also the employees can develop good practices. The study was conducted to find out the awareness among HR managers about Green policies and Green Human Resource Management (GHRM). Only the HR managers can help bring change in the organization. HR managers should take the responsibility of bringing the change and implementing the policies of Green Human Resource Management (GHRM) in the organization. Government is also taking many steps to implement Green policies. If we talk about pharmaceutical companies than the government has developed a strategy and limit the emission of harmful gases to an extent. Also, the companies are always setup outside the city area so that the people living nearby don't get affected.

RESEARCH OBJECTIVE

The objective of the research is as follows:

- To know about challenges of green human resource management in FMCG sector.
- To determine the advantages of green human resource management.
- Develop awareness among HR professionals and employees about green human resource management.

GREEN HUMAN RESOURCE MANAGEMENT

To help build a sustainable company it is crucial to promote 'eco-intrapreneurs' – aka internal champions – that add value to the organization's products and/or services and help build a sustainability culture. This often means encouraging employees to get involved and participate in the social and environmental initiatives organized by companies such as paying (100% or less) employees' public transportation travel cards, encouraging internal car-sharing, or implementing working-from-home (WFH) policies. And then, of course, the basics: encouraging the use of porcelain mugs and glasses for tea and coffee; promoting the 5Rs (refuse, reduce, repair, reuse, and recycle) at the office; or using electronic archives and electronic signatures to avoid wasting paper.

BENEFITS GREEN HUMAN RESOURCE MANAGEMENT

Green HRM has its prime importance in the achievement of broader objectives such as cost- saving, improving corporate social responsibility practices, and making companies more attractive, employer branding-wise.

- Helps with employee retention and reduces labor turnover.
- Improves a company's brand reputation in the market and can possibly increase sales.
- Enhances the quality of the overall organization, both internally and externally.
- Improves stakeholder engagement.
- Reduces the overall costs of a company as its energy, Water, and raw materials are used more efficiently.
- Helps manage risks more effectively.

GREEN HRM PRACTICES

Research in GHRM often deals with concrete GHRM practices that are associated with basic functions in human resource management. In their literature review, Renwick et al. (2016) summarize recruitment and selection, training and development, management development, and leadership as practices for developing abilities in environmental management. To motivate employees to behave environmentally friendly, they propose performance management and appraisal, pay, rewards, and organizational culture. Renwick et al. (2016) further mention employment relations and employee engagement as ways to facilitate opportunities for environmental management. Studies show that GHRM practices are linked to enhanced pro-environmental behavior of individuals and improved environmental performance of organizations.

GREEN PRODUCT

Over the last few decades, environmentalism has emerged to be a very important issue due to increase air pollution, poor management of waste, growing water scarcity, falling groundwater scarcity, falling groundwater tables, water pollution, preservation and quality of forests, biodiversity loss, land/soil degradation, acid rains, depletion of the ozone layer from chloro fluoro carbons, and many more critical environmental issues. As a result, there is an increasing interest from customers toward environmental protection and sustainable development. The customers decided to use those goods which are environmentally safe and good for health.

Environmentalism has emerged as an important movement in the 21st century. This created new opportunities for the business organization and the concept of green marketing came into existence. The firms are adopted Green Marketing practices in their activities and they are manufacturing green products as a part of social responsibility. However a large number of studies have been conducted in developed countries on green consumerism, but in India Green Marketing it still in the infancy stage and lacks behind in the field of consumer study.

Green products or environment-friendly (FMCG) merchandise is those merchandise and services which have the least adverse impact on the nature of the earth as well as on the health of the consumers. It promotes the principle of environmental sustainability which aims at protecting environment, conserving resources for future generations, and encouraging economic development which is important for any economy. (Ranganathan & Ramya, 2016).

FMCG Products FMCG (Fast moving consumer goods) is merchandise that is traded quickly and is of cheap price. It is generally sold at a low- profit margin but sold in bulk which increases the cumulative profits. It includes a wide range of products like soap, toiletries, toothpaste, face wash, face cream, perfumes, bread, etc. (Nagaraju & Thejaswini, 2016) In India, the FMCG sector is becoming conscious of environmental impact of the products. Most of the firms are getting eco-friendly certifications so as to promote their products among green consumers. (Samsai et al., 2018) Today consumers procuring decision is not only influenced by the cost and grade but also depends on societal and ethical values which are due to the emergence of products that are environmentally friendly. Consumers are becoming green consumer, who is attracted to buy such products which are environment friendly. On the other hand the term “environment friendly” depicts anything such as goods or services, policies, rules, and laws which has minimum or no damage to the environment. Eco-marked labels inform consumers about products being environmentally friendly. There is no common standard or label formulated for marking products environment-friendly. No business concern wants to depict its image as “environmentally careless”. Many companies are now expanding their product lines by developing new products or modifying their existing products or services as environmentally friendly so as to attract green consumers.

LITERATURE REVIEW

- Quasi Saifuddin¹, Faizan Hussain², and Iqbal Uddin Khan³ (1) in their research studied the influence of green HRM policies and practices on the organizational image and profitability by focusing on the FMCG manufacturing companies. Their major finding was no functional department can implement green solutions or practices unless and until their HR team is not green. (Saifuddin, 2020)
- Birou, Green & Inman, 2019 (6) states that in the current situation, organizations must deal with economic issues as well as ecological issues, to attain profit for the shareholders and improve the economic performance of the organization, companies need to take various ecological initiatives simultaneously with economic initiatives. (birou, 2019)
- Bombiak & Kluska, 2018 (13) It is the integration of environmental management with traditional human resource management (HRM). Green HRM is using HRM policies in order to promote sustainability. It can also be referred to as those policies and practices that can create a green workforce in order to benefit individuals, businesses, and the natural environment. GHRM is considered a broader framework of corporate social responsibility. (kluska, 2018).
- Chams & Blandón, 2019 (10) Green initiatives consist a major part of corporate social responsibility in HRM. Green HRM is comprised of two major elements, one is HR practices and other is knowledge capital. Many researchers have explored that the implementation of green policies motivates employees and increases their loyalty and productivity which result in high overall business efficiency and productivity. (Blandon, 2019)

PERCEPTION OF GREEN HUMAN RESOURCE MANAGEMENT

After reviewing the information gathered by the HR managers of Nirma Ltd., the researcher has explored that most of the HR managers of FMCG companies perceive Green Human Resource Management as a combination of HR policies, practices, and initiatives taken with the help of HR functions (Recruitment, training and development, compensation, and performance management and retention), incorporating the element of green environment in every function. Also, some of the participants share their viewpoint by quoting that “Green HRM is the same as conventional HRM, but the main difference is that conventional human resource focuses on the cost-effective to maintain the internal quality of their department while Green HRM focuses on the same, but by encouraging the efficient use of resources”. However, after communicating with the HR professionals, the researcher of the proposed study has analyzed that the concept of green HRM is vague among the HR professionals of Nirma Ltd., especially when it comes to the FMCG sector. Most of the participants consider green HRM as a part of CSR activity instead of assuming it as a modern HRM based on efficient use of resources organizational which helps the functional managers to hire the right person for the green initiatives.

IMPLEMENTATION OF GREEN HRM STRATEGIES AND POLICIES

Since the HR professionals of Nirma Ltd. visited by the researcher do not have a clear concept of Green HRM except a few of the participants; therefore, their preference is more inclined towards the conventional HRM. Green HRM is not a common topic. It'll require some more years to implement Green HRM strategies. When researchers went to the company, they studied that people are interested in bringing change but are not really contributing much to the same. There is a lack of awareness among employees about Green HRM. Very few FMCG organizations are striving to implement Green HRM strategies in India. Some of the participants from global organizations agreed on the implementation of green policies and strategies. It was observed by the researcher while taking their interviews that they are implementing green HR policies and strategies because their internal policies are based on the global standards which are followed by every branch in the world. Due to this reason of globalization, they were implementing some green HR strategies which include green compensation, green performance evaluation, and green recruitment. The companies implementing green compensation use to award monetary or non-monetary rewards to the employee taking any initiative which is in the favor of the internal organizational environment as well as the external environment. These initiatives include efficient use of resources such as saving energy in the office, minimizing the use of paper, encouraging the use of disposable utensils made from bio-degradable materials, and also the initiatives taken by the operational staff (including supply chain professionals and engineers) to find sustainable alternatives for the existing vulnerable processes and procedures and also making efforts in reducing the carbon- footprints generated by the logistics activities are compensated by the management after recognizing their contribution to the environment and to the profitability by the HR concerns of an organization.

CONCLUSION

The proposed research is exploring the influence of green HRM policies and practices on organizational image and profitability by focusing on Nirma Ltd. The main focus of the study was to explore the green HRM strategies and practices implemented by Nirma Ltd. and to investigate the awareness regarding green HRM among the HR professionals of Nirma Ltd. The study indicates that the concept of green HRM among the HR professionals of FMCG companies in Nirma Ltd. is a bit vague as people are not much aware of the concept, HR managers are not aware of the benefits that they can gain in terms of employee retention, satisfaction, productivity, and overall organizational profitability by implementing green strategies and establishing an image of the sustainable organization in the industry which will ultimately exert a positive impact on the brand equity and lead to increased customer base. Therefore, according to the HR managers, it's not much effective strategy to attract and retain employees with the help of green initiatives; however, all agreed upon the need for greening for the betterment of the environment especially to minimize the impact of extreme climate and increasing scarcity of resources.

Subsequently, it can also be concluded that if an organization strive to implement green strategies by integrating the HR managers and functional managers, then it will not only affect the environment but it will also lead the company to save expenses as well.

RECOMMENDATION

After conducting in-depth interviews with the HR managers of FMCG manufacturing companies, the researcher has observed that managers are least interested in incorporating green practices and initiatives in their conventional HR functions because of the various reasons, as discussed in the study. Also, HR professionals are not aware of the advantages of green HR; therefore, the following are some of the recommendations which might help and motivate the organizations to successfully implement green HR policies; Firstly, legislative bodies should enforce environmental laws in Pakistan and strict actions should be taken by the government for distortion of the laws. Secondly, organizations that believe in long- term profitability should invest in green activities as it assures a positive influence on brand equity and on fresh talent attraction. Thirdly, the managers should strive to organize awareness campaigns for the employees and market those campaigns through various marketing tactics which will help them attract green talent. Fourthly, integrating with functional managers will help to better find out the solution for the efficient use of resources. Fifthly, compensating the employees for the green initiatives will be the most effective way of motivating the employees to engage in green activities which also influence their organizational citizenship behavior (OCB).

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