

# GREEN HUMAN RESOURCE MANAGEMENT (GHRM) TOWARDS SME'S: A CONCEPTUAL VIEW

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**Abstract.** The main purpose of this paper is to deepen and to understand the concept of green management that is now getting the attention in the community. Currently, climate changes dramatically adverse impact on the population of the world. Events such as hurricanes, rising sea levels and global warming give an impact to human lives. Various parties are now demanding that each entity should play their role in the problems to overcome these phenomena. Thus, scholars in the field of management have begun to turn their attention to look forward to into sustainability. The rising of research and studies shown that these issues attracting researcher's mind. Green management is seen as one of the best methods to solve this problem. Large companies start to promote their actions to save the environment and implementing green management in their daily operation but most of Small Medium Enterprises (SMEs) seen still in the low level of their involvement heading over towards sustainability. This paper will look some aspects of green management and highlighted the previous studies that have been conducted to see the issue debated in green management. In addition, this paper also checking out the issues inherent to SMEs in implementing green management to achieve sustainability in their business.

**Keywords:** Green management, Green Human Resource Management, Small Medium Enterprises (SMEs), Environmental

## 1.0 Introduction

The concern of the environment already started a long time ago. A deep respect and also tribute towards the environment has already been told in many religions and also the ancient cultural tradition's believers all around the world [1]. But yet people still don't care about the environment and keep on destroying the environment to get the benefit from it. All people around the world are now talking and mentioning about the environment due to the climate change. Typhoon, tsunami, global warming and many disasters that happened recently have given new dimensions to people, politician, organisation, businesses and even a country to open their eyes to look into environment. The buzz words such as "green," "sustainable," "organic," "carbon footprint" and whatever word that means to protect our environment is now popped up in the media, the Internet, books, journal and even in the packaging of the product shown that people now wake up from their sleep to look forward to into taking care of the environment. Due to the awareness for environment, the green concept was arisen into several concerns such as green cities, green food, green education, green ethics and philosophy, green consumer, green health and also green politics. For the last two decades, worldwide decided that there is a need for proactive environmental management [2]. Environmental management seemed to be an effective solution to control the phenomena that happen to bring the disaster to human kind. Due to that, these issues seem to become a popular topic for a researcher to dig deepens about environmental management and comes out with a new solution and recommendation. As mention by Radkau (2011) cited by Jackson, et al. [3] in Germany, early 1980's the environment movement has been high in the political agenda. As the result, strictly rules and regulations for business as well as government subsidies for "green product" likes solar energy. Therefore, there has been a strong increased in demand for green jobs, particularly in renewable energies.

## 2.0 Green management (GM)

Nowadays, the challenging that comes from environmental issues like recycling, landfill, pollution and climate change give the new dimensions in management. Communities all around the world now are facing this challenges [4]. Due to that the concept of GM emerged. Based on Taylor [5] define that GM is a management concept the needs the commitment of all members in the organizations from top management down to the lowest level of the organization. In this concept, it involves viewing the organization as a whole, managing the organization for the long term target, a commitment to being the top, committing the quality in all activities, listening close to customer, sustaining enthusiasm and finding solution trough commitment to employees and always remembers that company is part of community. According to Kurland and Zell [6] they provided 10 principles to managers in order to adopt and promote GM in organizations. The principles as presented in Table 1:

| No | Principle  | Description   |
|----|--|---|
| 1  | Establish company's green values                             | The first step is manager needs to set up a company's green value. Values are divided into two consist of core personal value and core company values. This two values must contain an environmentalism elements to promote green values.   |
| 2  | Implemented the green value                                  | Company needs to provide green facilities like solar energy. Besides that, manager should lead their product and services into green.   |
| 3  | Set up sustainability metrics to make sure compliance        | Focus on product life cycle. Investigate products from birth (raw material) until death (reuse, recycling, waste) and the impacts up and down the value chain   |
| 4  | Green business case  | Sustainability manager must be able to make the 'business case'. Show the calculated ROI if implemented green management. The improvement in operational that can achieve sustainability and also company can make a profit from it.  |
| 5  | Change management  | Resistance to change requires attitudes, belief and behaviour in individual level. To manage it manager should understand the source of this problem. Manager should show strong and passionate leadership. Other than that manager should try to influence the upper level until the lowest level to influence them. Try to educate, led by example and give an incentive to make it the acceptance increased. |
| 6  | Strengthen sustainability practices and value                | Sustainability manager must reinforce sustainability practice and value inside organization through staffing, employee empowerment, training, formal and informal networking.   |
| 7  | Supplier   | Manager can use their power to influence the supplier for their company. Other than that, manager can collaborate and communicate with to encourage them to involve in innovation towards green.  |
| 8  | Build connections with customers and competitors             | Customers consist of fans, audience, consumers, attendees, industrial purchasing agents and anyone that use product or service from company. Managers must engage with them to promote and educate them about green. Manager also should collaborate with competitor to build up the industry that focuses on environmentally practices.  |
| 9  | Build connections with NGOs, law enforcement and the general | NGOs, regulators and general public are the main shareholders that will help promoting green concept.   |

|                 |   |
|-----------------|---|
| public          | Manager should engage with this entity in because each of them will play their roles into influencing and regulate community to green concepts.   |
| 10 Keep visible | Sustainability managers will become the face of their company's effort to be green. Managers play important roles to give a speech, attending conference and also trade shows to keeping Company's name with respect to sustainability. |

### 3.0 Green Human Resource Management (GHRM)

Since 1990s, the awareness about environmental management is increased from the eyes of firm, organization, businesses and enterprises. They believe that this will create value for their businesses and to that matters; firms voluntarily take action to reduce waste, pollution and environmental harmful activities. They start to establish approaches and system for environmental management like product design initiative, use fewer pollution materials, less packaging and minimize the energy usage [7]. Several studies [7-11] that focus on human resource management and human capital towards sustainability and environmental issues. Human resource management and human resource development are the important aspect in order to build the environmental culture in any organisation. Due to the environmental issues, companies are looking forward to focusing on environmentally issues in order to build a sustainable in terms of business operation. As mentioned by Beard and Rees [12], organisation needs to train their employees to adopting the management structure and process to produce new ideas, to invent new innovation and also to create the creativity in companies. Several studies [13-18] are focusing into green human resources as their main focus of research. There are several definitions of GHRM provided by the scholar. Based on Prasad [18], GHRM is a part of the green management that consists of philosophy, policies and practices that been followed by a firm for the environment management. GRHM is a combination all activities that related in helping out the achieve environment management that will reduce the carbon footprint and earn carbon credits in areas that concern on boarding and acquisitions of human resources, performance management, learning and development, compensation and reward management. GHRM is the use of human resource management policies to encourage firms, businesses, enterprises to promote environmentalism and to improved employee morale and satisfaction toward environment. As a result of this, GHRM can create greater efficiencies, lower cost and better employment engagement and retention that will create activities that will reduce the employee carbon foot print such as electronic filling, car sharing, teleconferencing, virtual interviews, recycling, online training and energy efficient office space [19]. Based on the review paper done by Cherian and Jacob [20], they focus on human resource management principle that related to environment issues. The principles are rewards and compensation, recruitment, training and development, employee empowerment, employee training, employee teamwork and managerial environmental training. GRHM practise is very important in order to promote employee morale, and this may help company to achieve a great benefit for both parties the company and employee [20].

### 4.0 SMEs and the environmental growth

Climate change gives an impact not only to the natural environment but the impact also changes the business. Environmental concern starts to become as a main factor that need to be considered by organization. According to Yacob, et al. [21] the increasing of awareness to the environmental issues, the demand for the environmentally friendly business has been increased, and SMEs can be a part of the business community to significantly implemented the green concept as their main focus on product, services and even their production. Environmental issues have become the important social factors that required more attention from all sides like educate people about how important environmental are, how to operate businesses that can maintain the environmental and to build up the culture that concern about environment. Therefore, as mentioned by Chendo [22], sustainability is the stepping stones in order to pursue the economic development and growth at the same time can prevent the environment degradation,

biodiversity collapse and the unsustainable natural resources use. Moreover, companies or enterprises need to start a revolution to reduce the pollution that will destroy our environment and at the same time generate profits.

### **5.0 Debates and issues**

Firstly, there are many owners and also business leader have debated and argues that the environmental protection, corporate social responsibility and also economic success were fundamentally incompatible goals. They believe that a sustainable business or green business demanded that manager should make a choice in order to meet economics needs but without compromising the ability of future generations to meet their own needs [23]. Green business becomes an emerging concept in the business world, but the implementation of green business practise faces a lot of dilemmas. The implementation needs start from the top level of management until the lowest level and also the employees to make sure they can deal with their concern [23]. Nowadays, all businesses that are well known or not well known by the customer throughout the world have dedicated their organizations consider protecting the planet's resources such as forest, water and also land due to the impact of climate change. The term sustainability becomes an important to every organization in order to make sure their business can survive in the future. Above that, to live in the sustainable within the planet, we must create a sustainable future that all people can have the opportunities to have a satisfying live [24]. According to Philipsen [25] for the last 40 years, the term sustainability has been widely used and develop as an important concept. The main idea in sustainability was, future generations must have the same rights to find the opportunities and resources as were provided to the current generations. Implementing the GM into SMEs is very crucial part to develop the environment policy issues [26]. But there are issues and debates that SMEs are struggling to implemented GM, green technology into their businesses [27-29]. SMEs seem to have a problem into implementing the green concept because of several issues, for example, cost and also infrastructure and this is not a problem for big companies. According to Loucks [30] in order to engage the SMEs into the sustainability, we need to look several characteristics that arise between small companies and larger companies. The characteristics are ownership structure, capital and business culture organization, employee knowledge, values, skill and experiences, role of external personnel relationship and social capital, business network, relationship with government and the last one is visibility.

### **6.0 Conclusion**

A main agenda that brought out in this paper was the implementation of GM and also GHRM into SMEs to achieve the sustainability in their operation and business. The paper has pointed out the discussion and the definition of GM and also GHRM. Besides that, this paper also discussed about the environmental growth in SMEs. The paper has trigged to define deepens how to implement the environmental management into SMEs in order to pursue and grow simultaneously with the big company such as Coca-cola and Tesco. Environmental has challenged ourselves and give an impact globally to respond critical issues such as climate change. As the result, attitudes toward environment are changing and its encourage the innovation of enterprises to start from micro until large companies [31].

## 7.0 References

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