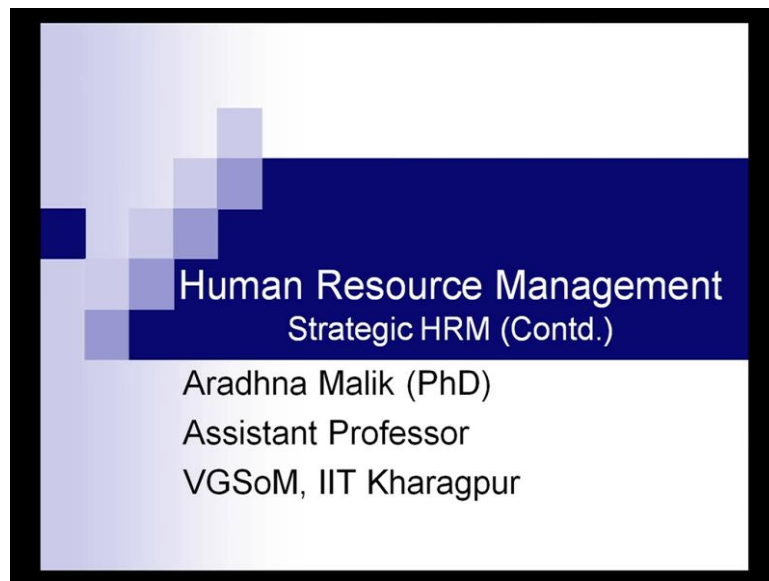


**Principles of Human Resource Management**  
**Prof. Aradhna Malik**  
**Vinod Gupta School of Management**  
**Indian Institute of Technology -Kharagpur**

**Module No. #07**  
**Lecture No. #27**  
**Sustainable Human Resource Management**

Welcome back, to the class on, Human Resource Management. I am Aradhna Malik.



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I am helping you, with this course. We have been talking about, strategic human resource management. I have shared, several different angles of strategic human resource management, with you. Now, today, i will be talking about, in this lecture, i will be talking about, a few things.

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## Sources

- Gerpott, F. H. (2015). The right strategy? Examining the business partner model's functionality for resolving Human Resource Management tensions and discussing alternative directions. *Zeitschrift für Personalforschung*, 29(3-4), 214-234.
- Kramer, R. (2014). Beyond strategic human resource management: Is sustainable human resource management the next approach? *The International Journal of Human Resource Management*, 25(8), 1069-1089.

The sources of the papers, that i have referred to here, are these. I have referred to a paper by, Gerpott, and another paper by, Kramer. I am sorry, about the mistake in spellings. This is K R A M A R. And, i will just show you the papers, here.

Fabiola H. Gerpott\*

**The right strategy? Examining the business partner model's functionality for resolving Human Resource Management tensions and discussing alternative directions\*\***

A large number of organizations restructured their Human Resource Management (HRM) departments according to their interpretation of Ulrich's (1997) business partner model into strategic business partners, centers of expertise and shared service centers. I argue that this approach could gain widespread acceptance in organizational practice because of its functionality in addressing tensions inherent in HRM. I relate to paradox research and categorize contradictory HRM demands into tensions of (1) identity, (2) learning, (3) performing and (4) organizing. The implementation of the business partner model resolves these tensions in the short-term by addressing the opposing forces separately. Yet, these resolution strategies are not sustainable and threaten the long-term impact of HRM. I discuss the shortcomings of the business partner model and explore how organizational actors can reframe HRM work to embrace the multifaceted nature of HRM.

Key words: business partner model, paradoxes, tensions,  
Human Resource Management (JEL: M10, M12, M14)

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So, this is the paper, by Gerpott. I hope, i am pronouncing the name, right. This paper is called, The right strategy, Examining the business partner model's functionality, for resolving Human Resource Management tensions, and discussing alternative directions.

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**Beyond strategic human resource management: is sustainable human resource management the next approach?**

Robin Kramar\*

*School of Business, Australian Catholic University, Sydney, Australia*

Strategic human resource management (SHRM) emerged as a dominant approach to human resource management (HRM) policy during the past 30 years. However, during the last decade, a new approach to HRM has evolved. This approach has been labelled sustainable human resource management (sustainable HRM). It is an approach that seeks to link HRM and sustainability. The term sustainability is fraught with semantic difficulties, as is conceptualising its relationship to HRM. Consequently, sustainable HRM is viewed in a variety of ways. This paper examines the major features of SHRM, some of the meanings given to sustainability and the relationship between sustainability and HRM. It then outlines the major characteristics of sustainable HRM. Although there are a diversity of views about sustainable HRM, this approach has a number of features which differentiate it from SHRM. It acknowledges organisational outcomes, which are broader than financial outcomes. All the writings emphasise the importance of human and social outcomes. In addition, it explicitly identifies the negative as well as the positive effects of HRM on a variety of stakeholders; it pays further attention to the processes associated with the implementation of HRM policies and acknowledges the tensions in reconciling competing organisational requirements. Such an approach takes an explicit moral position about the desired outcomes of organisational practices in the short term and the long term. Sustainable HRM can be understood in terms of a number of complementary frameworks.

**Keywords:** approaches to HRM; links between sustainability and HRM; organisational performance; strategic human resource management; sustainable HRM

I

The concept and processes of strategic human resource management (SHRM) developed in the late 1970s and the 1980s as a way of managing employees in an increasingly

And, there is another paper, by Kramar. Robin Kramar. It is called, Beyond strategic human resource management, is sustainable human resource management, the next approach. I told you, that network human resource management is, one of the futures of human resource management. In this class, i will be sharing, some tensions with you, in human resource management

And then, following that, i will be talking to you about, sustainable human resource management, which is the human resource management model, for the future, in addition to this, networked model of human resource management. So, two future directions for HR, budding HR professionals, like you all. Okay.

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## **Paradoxical tensions in HRM** (Gerpott, 2015)

- “Paradoxes are defined as contradictory yet interrelated elements that exist simultaneously and persist over time”
- “Paradoxical tensions constitute the states & phenomena caused by the two opposing poles of paradoxes.”
- “HRM professionals are struggling with the tension between the high appreciation they feel they are eligible for because they manage employees as organizations’ most important competitive resource & the low status HRM professionals actually receive as administrative staff in companies.”

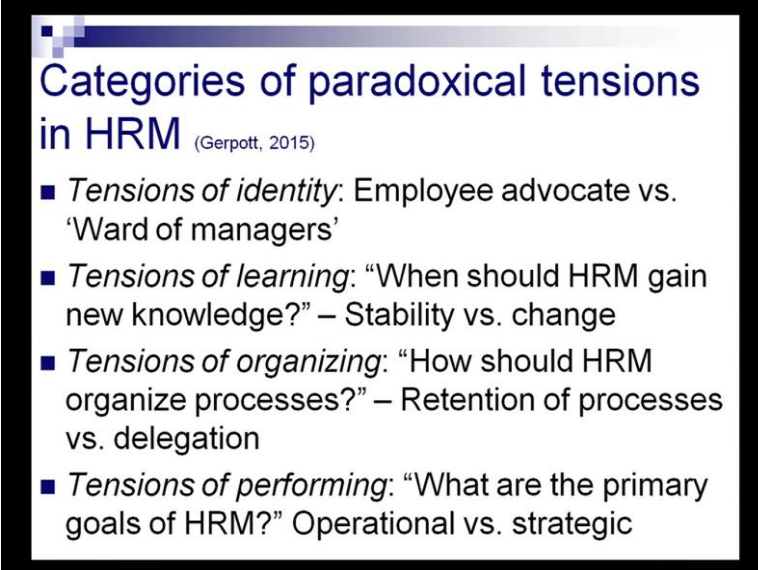
Paradoxical tensions in HRM. Why does the field, need to evolve? Why does this field of human resource management, needs to evolve. The field needs to evolve, because of certain tensions, because of certain discontents, because certain things, we can see, there are certain things, that need to be improved. Okay. Paradoxes are defined, as contradictory, yet interrelated elements, that exist simultaneously, and persist over time.

So, paradoxes are two, very opposing, very pertinent views, that exist at the same time, that pull the issue in, two different directions. Paradoxical tensions constitute the states and phenomena, caused by the two opposing poles of paradoxes. There have to be, two different angles. There have to be, two different poles. There have to be, two different, very strong opinions, about an issue.

Or, two very strong sides to an issue, that pull something, pull that issue, in two different directions, for it to be called a paradox. HRM professionals are constantly struggling with, the tension between the high appreciation, they feel, they are eligible for. Because, they manage employees as, organization's most important competitive resource, and the low status HRM professionals, actually received as administrative staff, in companies.

So, i am talking about, the life of HR professionals. This is what, this paper talks about. This is something, very relevant to your lives.

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**Categories of paradoxical tensions in HRM** (Gerpott, 2015)

- *Tensions of identity*: Employee advocate vs. 'Ward of managers'
- *Tensions of learning*: "When should HRM gain new knowledge?" – Stability vs. change
- *Tensions of organizing*: "How should HRM organize processes?" – Retention of processes vs. delegation
- *Tensions of performing*: "What are the primary goals of HRM?" Operational vs. strategic

Some categories of, paradoxical tensions in HRM. As far as, the HR professional, HR managers are concerned, the first tension here is, tensions of identity. Where the employees feel, whether they are advocates for the clients, or wards of managers. We talked about this, in the previous lecture. There are tensions of learning.

When should human resource managers, gain a new knowledge. Stability versus change. Do i know, enough. Do i need, to learn more. Do i need, to administer more training, to my staff. Do i need the, do the employees need, more training. Are they okay, with what they are doing. How does this fit, into the strategic goals of the organization? Where do, i draw the line.

How much, do i invest. When do i decide, to evaluate the progress of whatever, has happened. All of this is, part of strategic HRM. Tensions of organizing. And it just puts a lot of burden, on the HR manager. Because, the HR manager has to find out, or has to assess these needs, on an ongoing basis. The third tension is, tension of organizing. How should HR managers, organize processes, retention of processes versus delegation.

How much should they do, on their own? What should, they delegate. What should, they outsource. How much should, other employees do. Who should do, what. All of this is something, that is constantly causing, some sort of tension. Okay. Tensions of performing. What are the primary goals of human resource managers, and the department of human resource management, as a whole?

Is it operational, or administrative, or is it strategic. Strategic means, something that is aimed at, the future. Operational means, something that is happening, today. Keeping today's work, going on. Keeping today's work, functioning. So, what is the work of the human resource professional. And, where does, one draw the line, over here. I mean, how much of it is operational, and how much of it is strategic, what needs to be done, today.

And, what can wait, till tomorrow. Sorry. What needs to be done, in preparation for tomorrow. What needs to be done, to make today, to help today, run the best. And, what needs to be done, in order to help tomorrow, become better. And, that is what, HR professionals, constantly struggle with. Okay.

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## Coping strategies (Poole & Van de Ven in Gerpott, 2015)

- “Spatial separation: Allocating the different poles of a tension across different organizational units”
- “Temporal separation: Choosing the poles of a paradox one after another in different time periods”
- “Synthesis: Reducing tensions verbally through abstraction or actively through the accommodation of the opposing poles”

Some coping strategies, that have been suggested in this paper are, spatial separations. When, as HR managers, you face these tensions, what you can do is, allocate different poles of attention, across different organizational units. So, you can categorize, you can compartmentalize, these different tensions. You can say, okay, with reference to this particular activity, this is what, i needs to do, at this point in time.

And, that will help you, bring down that tension, or that will help you, resolve that dilemma. So, you compartmentalize. You look at things, within the context, that they are a part of. Temporal separation decides, what needs to be done immediately, and what can wait. Okay. And then, take a decision. Which of these two poles of the paradox, which of these two sides, has an immediate need, to be done, now.

What is more important, now, right now, in time. And, what can be looked at, later. And then, you can take a decision. Synthesis is reducing tensions, verbally through abstraction, or actively through accommodation, of the opposing poles. So, you can come to a middle ground. These are some of the ways of coping with this, in your role as an HR manager. Okay.

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## Sustainable HRM (Ehnert 2009, in Kramar, 2014)

- “Sustainable HRM is the pattern of planned or emerging human resource strategies and practices intended to enable an organizational goal achievement while simultaneously reproducing the HR base over a long-lasting calendar time and controlling for self induced side and feedback effects on the HR systems on the HR base and thus on the company itself.”
- “Sustainable HR assumes that an organization is an open system that needs to develop & regenerate its HRs at least as fast as it consumes them.”

Sustainable HRM. This is in a different paper. And, this is what, i will talk about to you, in much greater detail, today. Sustainable HRM is the pattern of planned or, emerging human resource strategies and practices, intended to enable an organization. It should not be, a organizational goal. This should be, an organizational goal. Right here, okay.

An organizational goal achievement, while simultaneously reproducing the HR base, over a long-lasting calendar year, and controlling for self-induced side, and feedback effects, on the HR systems, on the HR base, and thus on the company itself. So, how do you, keep the show running, while still adhering to the strategic goals, while still contributing to the strategic goals, of the organization.

This is the long drawn out definition. Let us come to a simple explanation. Sustainable HR assumes, that an organization is an open system, that needs to develop and regenerate, its human resources at least, as far as, it consumes them. So, we are. And, this is linked to the paradoxes, that i was talking about, earlier. So, this is a, you know, we are constantly struggling with, where we are, where we need to go, what needs to be done now, what needs to be done next.

So, sustainable HRM assumes, that you are constantly replenishing, whatever you are using. You are constantly keeping with the times, in order to achieve, your strategic objectives.

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## Objectives of sustainable HRM

(Ehnert, 2006, in Kramar, 2014)

- “To balance the ambiguities & duality of efficiency & sustainability over a long-lasting calendar year
- To sustain, develop & reproduce an organization’s human & social resource base, e.g. help the mutual exchange relationships, &
- To evaluate & assess negative effects of HR activities on the HR base & on the sources for HR”

Objectives of sustainable HRM, with the fast-paced world of today. It is very, very, important for us to have, sustainable human resource management systems. Because, human beings are the primary resource, that organizations have. And again, i recently received an article from, one of our collaborators, Professor Farooq Mithry, about, how robots may be taking over the world, at some point in time.

But, i am sure, that human beings will never be out of, completely out of business. So, you know, it is how, you keep the show, running. How do you keep people, engaged? How do you keep people? How do you develop the capabilities of the people, who are engaged in doing the work, in such a way, so that the outgoing is balanced, with the incoming pool of skills, and talent, and motivation, and satisfaction, and all of that?

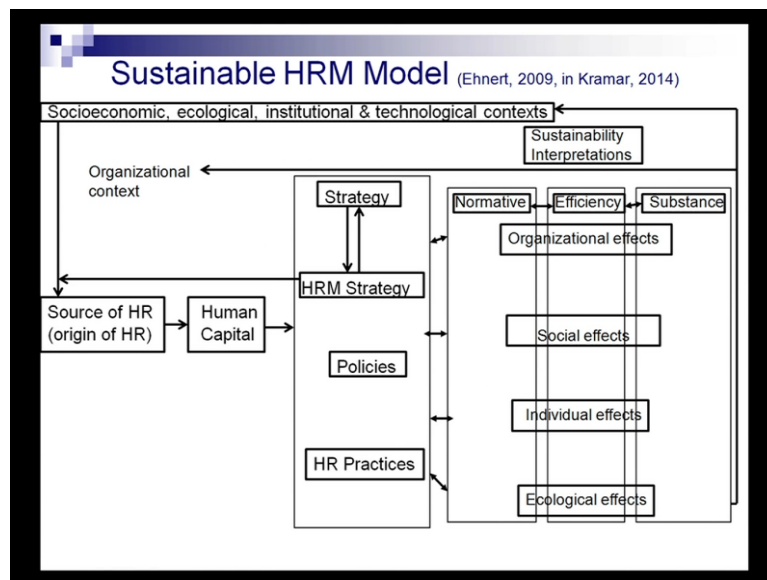
Okay. So, the objectives are to balance, the ambiguities, and duality of efficiency and sustainability, over a long-lasting calendar year. Balancing the ambiguities, the uncertainty in the future. And, duality of efficiency and sustainability. So, i mean, how do you draw, balance between, efficiency, and sustainability.

How do you draw, balance between, doing the best you can, and maintaining that speed of doing the best you can, and maintaining it over, you know, being consistent with it over longer periods of time? To sustain develop and reproduce, an organization's human, and social resource base. For example, to help the mutual exchange relationships.



So, that is the other objective, that the relationships also, needs to be maintained. The output input ratio, needs to be maintained, over a long period of time. And, to evaluate the, and assess negative effects of human resource activities, on the human resource base, and on the sources for human resources. So, how and getting a constant inflow of resources, for the human resources base. You know, keeping their skills updated.

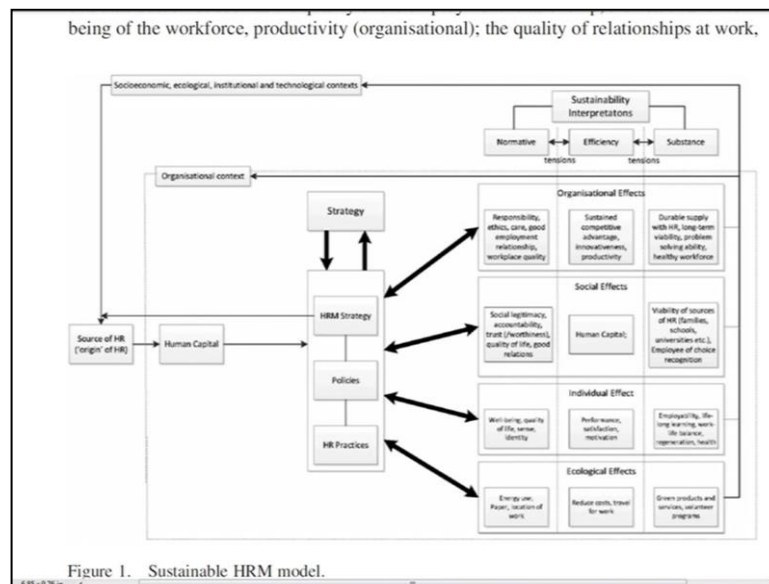
Getting newer people, when older ones, leave. Succession planning. All that, we have done till now, adds up to this whole concept of, sustainable human resources management. Okay. Keeping the inflow, in balance with the outflow. Keeping people, in motivated enough, so that their productivity, and getting them to be, as productive as possible. So, you know, these balances need to be achieved, through sustainable HRM, which is the future of strategic



HRM. (Refer Slide Time: 12:15)

Okay. Which is the future of HRM, not strategic HRM. I am sorry, okay. This is the sustainable HRM model, which i have borrowed from. And again, this is not the detail. This is not the complete detail. The actual model is in the paper. I have just tried to recreate, a part of this model, over here. Let me show you this, this model in the paper. Since, it is in this paper, i do not think, anyone will object to it.

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But, maybe, i can use the model in the paper, to explain it. So, it is not on the slide. Just a second. I will just scroll down. And, right here. Yeah. This is, so, okay. I think, you can see it, a little bit. Okay. So, this is the model. So, according to this model, there is a source of human resource, which is the origin of human resource, that feeds into the human capital, what human beings can do.

And, that in turn, feeds into this mix of, human resource management strategy, policies and practices, which are dependent on, and feed into the strategy of the organization, the overall strategy of the organization. This in turn, relates to the sustainability interpretations. Now, the interpretations of sustainability, can be normative, can be efficiency-related, and can be substance-related. Normative relates to, what should be done. Efficiency relates to the productivity. Okay.

So, normative relates to the, house. Efficiency relates to the, what is the outcome. And, substance material, so the, tangibility of the situation. Normative and efficiency are, there always in tension with each other. Because, how things should be done, may not be in line with the efficiency. If you want to do things in a certain way, if you do not want to cut corners, your efficiency could go down. I am not saying, it is good to cut corners.

But, in some places, it might be necessary. I do not know. So, okay. And then, efficiency is dependent on the substance, the inputs. And, this always, tension here. Okay. Now, this in turn, the normative interpretations have, there are some organizational effects of, normative

interpretations of sustainability. And, these are responsibility ethics, good employment care, workplace quality, etcetera. So, these are the organizational effects. If you do things right, then people feel, you know, all of these things, can be catered to.

There are some organizational effects of efficiency. And, they are sustained competitive advantage, innovativeness, productivity. So, if you are being productive, if your efficiency is high, your competitive advantage is maintained. And, you are able to innovate, and the productivity is higher. So, the organizational effects of substance related interpretations of sustainability, which means, keeping things, going.

I am again, stressing on sustainability, to mean that, the output is balanced, by the input. So, the substance angle. Again, the organizational effects are, the durable supply with human resources, long-term viability, problem-solving ability, and healthy work force. Okay. So, this is what you need, in order to produce, this. And, this is what you need to, in order to keep this, right.

Now, the social effects. The social effects of, the normative interpretations of sustainability are, social legitimacy, accountability to the stakeholders, accountability to anyone, who is put efforts in trust, and trustworthiness, quality of life, good relations. So, all of these are, normative interpretations of sustainability, the social effects of normative interpretations of sustainability. The social effect of the efficiency interpretations are, human generation of human capital.

The social effects of the, substance interpretations of sustainability are, viability of resources of HR families and schools. And, i mean, these are the material things, that are required to produce human capital. Okay. And, that in turn feeds into, and is dependent on, this. So, this is how, these boxes are related to each other. Employee of choice, recognition. So, all of this. Then, the individual effects. There is well-being.

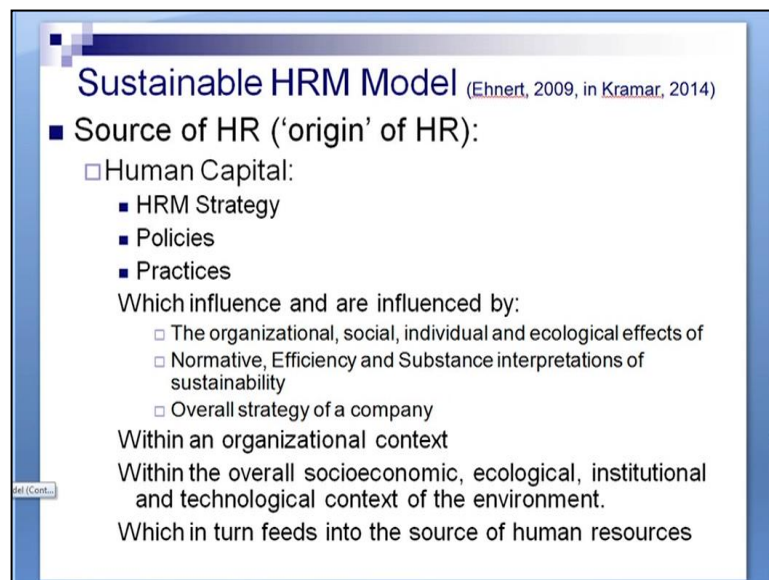
Normative individual effects of normative interpretations of sustainability are, wellbeing, quality of life, sense of identity. So, at the individual level, that leads to, and is in turn influenced by, performance, satisfaction, and motivation. Which leads to, and is in turn and influenced by, employability. Who takes you. Who gives you a job. Employability, lifelong learning, work life balance, regeneration, and health.

Employee health, as you see, is sort of percolating down. We have talked about it, earlier. But, it is very important, to be healthy, both mentally and physically, and even socially. Ecological effects. Here are, energy use, as far as, normative are concerned. Optimal energy use. The usage of paper, location of work, etcetera. This results in, and is affected by, reduction of costs, travel for work, etcetera.

Now, this is in turn affected by, and results in, green products and services, and volunteer programs. And, all of this, is then feeding into is, influenced by HRM strategy policies and practices, and is being influenced by HRM strategies policies and practices. And, all of this, is in turn, happening in an organizational context. And this is in turn, feeding into the source of HRM strategy, is feeding into the source of HR origin.

Now, all of this is being determined, by the socio-economic ecological institutional and technological context. And, this is the framework, that i really want you to think about. I mean, this is such a detail, such a brilliant, such a beautiful framework of, how different aspects of human resources, help the human resources function, become sustainable. Let us, get back to the presentation, here.

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So, human capital. So, all of this, i have discussed with you.

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**Sustainable HRM Model (Contd.)**  
(Ehnert, 2009, in Kramar, 2014)

- **Normative interpretations of sustainability:**
  - Organizational effects: Responsibility, ethics, care, good employment relationship, workplace quality
  - Social effects: Social legitimacy, accountability, trust (/worthiness), quality of life, good relations, etc.
  - Individual effects: Well being, quality of life, sense of identity
  - Ecological effects: Energy use, paper, location of work

Now, these are the different interpretations of sustainability.

**Sustainable HRM Model (Contd.)**  
(Ehnert, 2009, in Kramar, 2014)

- **Efficiency interpretations of sustainability:**
  - Organizational effects: Sustained competitive advantage, innovativeness, productivity
  - Social effects: Human capital
  - Individual effects: Performance, satisfaction, motivation
  - Ecological effects: Reduce costs, travel for work

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## Sustainable HRM Model (Contd.)

(Ehnert, 2009, in Kramar, 2014)

- **Substance interpretations of sustainability:**
  - Organizational effects: Durable supply with HR, long-term viability, problem solving ability, healthy workforce
  - Social effects: Viability of sources of HR (families, schools, universities, etc.), employee of choice recognition
  - Individual effects: Employability, lifelong learning, work-life balance, regeneration, health
  - Ecological effects: Green products & services, volunteer programs

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## Factors influencing the formulation & implementation of HR policies

(Kramar, 2014)

- Appropriateness in the context of economic, social and ecological outcomes
- Relevance to current needs and future needs
- Support from the management
- Resources
- Perception regarding fairness
- Visibility and ease of understanding
- Perception of consistency among decision makers
- Employee support
- Clear and action oriented communication (including indication of desired behavior of employees)

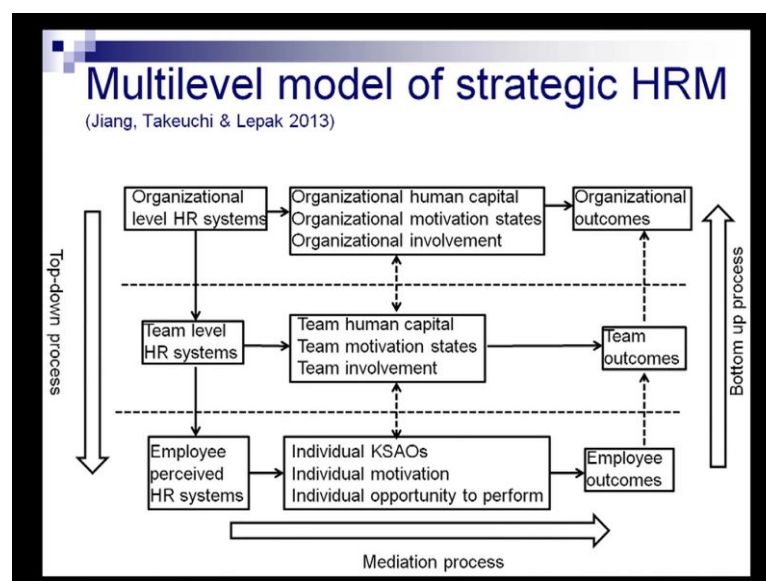
Some factors, that influence the formulation and implementation of the HR policies, in order to help the HR function, become more sustainable, or the appropriateness, in the context of economic, social, and ecological, outcomes. Whatever you are doing, needs to be appropriate, needs to be tailored to, needs to fit into the context of, the economic, social, and ecological, outcomes of whatever it is, that you do.

Relevance to, current needs, and future needs, future anticipated needs. You do not know, what the future holds. But, you need to be, able to plan, for the future. And, this anticipation has to be, done now. And, you need to figure out, what you need, and your need to get it,

now. Okay. Support from the management is, critical support from the, is crucial support from the top management, involvement of the top management, in defining the policies, and implementing the policies, is critical to the success of the, sustainable human resources management program.

Or, the policies, that help you make, your human resources function, sustainable. Perception regarding fairness. Cannot stress on this enough. Employees. You may try our best, to make the policies, fair. But, as you know, till the employees, see them as fair, they will not, till they perceive them as fair, they cannot be considered, fair.

And, if the employees feel, that the policies are fair, their motivation will go up, their involvement will go up, their contribution to the overall objectives of the organization will go up. So, all of this is sort of, it all ties in with each other. And, i will just go back to, what we discussed in the lecture on multi- level, here, the multilevel model of strategic HRM.



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Now, if the employees trust you, if the employees have faith in the system, their motivation, their willingness to perform, will go up. And, that will in turn, add up and result in, the formation of the human capital, at the stage of the team, at the stage of the organization. So, all of this is, very, very, essential here. The faith, that they have, the perception of fairness, that they have, regarding the process, is absolutely crucial here. Okay.



Visibility and ease of understanding the policies. You formulate a policy. But, if the employees do not understand the policy, they will not be able to contribute. They will not be able to, use those policies. And, they will not be able to, follow those policies, at the way, they would like to. So, that is absolutely essential. Perception of consistency among decision-makers. The policies need to be, made by a, you know, different people will be contributing, to the formulation of different policies, at different stages.

But, the policies need to be formulated, in consultation with the group of people, that are putting them together. For the simple reason that, you know, when you get different inputs from different senior people, occasionally, if they do not talk to each other, the way the policies are worded, they may sound as if, they are contradicting each other.

That means that, there is, or this could be perceived as, inconsistency between decision-makers. For example, your HR person says that, or your team manager, or your supervisor says that, flexi-hours are okay. And then, your HR head, or the HR department says, okay. Flexi-hours are okay, as long as you do not cross, a maximum of say, 20 hours per week.

So, you need to have, 20 core hours of working, and 20 hours, that can be used for flexible, you know, timings. And, that is, so your immediate supervisor says, flexible hours are okay, and does not give you, these details. HR manager says this. And, then suddenly, you get note or a memo, from the Senior VP, who says, too many people are coming to office, very early in the morning.

And, too many people are coming, the late at night. And, this is, or maybe, you know, and this is resulting in, high operational costs, in terms of, running of AC's, the guard, lights, computer's, etcetera. So, we cannot have a maximum, you know, more than, maybe, 10 hours of flexi-time in a 40-hour work week. And, you say, what is going on. Why is there, no consistency. Or, this person says, whatever you want to do, please do it within the, say 8 am to 6 pm range, not outside of it.

So, you say, why could these people, not talk to each other, and let us know, what exactly is expected. So, there is inconsistency, or, suddenly the HR department says, no flexible timings. If you come late, you will, you know, there will be a penalty, for coming in late. And, you say, okay, flexi timings, and then late coming, i mean, where do i go. So, this kind

of confusion arises, if consistency is not there, among decision-makers. Then, employee support is another one, in formulation of policies

We need the employees, to be involved in the formulation of policies. Employees need to agree, to the formulation of policies. Because, they are the ones, who are actually going to implement them. If their consent is not there, then it becomes very difficult to implement policies, that are being made for them. I would recently taught, a case on DRW Technologies, to my students. And, this is the very issue, that they dealt with.

So, if you can lay your hands, on that case study, it just might be helpful for you. The case studies are available, through Howard Business review. I cannot share the case study, with you. But, i have given you the name. The clear and action oriented communication, including indication of desired behavior of employees. Very, very, crucial. Employees need to know, what is expected of them, by when.

They need to know, where they are going wrong. They need to know, what they need to do. And, we need to take, all of these things into account, and then decide, how they want to work.

And then, of course, they need to know, what the repercussions of, not following these policies are. All that, has to be crystal clear. Any vagueness, can be held against the organization, in a court of law.

So, please do not open yourself, up to that can of worms. But, on the whole, this is how, you know, some of these are, some of the factors, that influence the formulation and implementation of HR policies. So, that is all, i have for you, today. And, we will move on, to another aspect of human resources management, in the next class. Thank you.