

## THE IDEA OF SUSTAINABLE DEVELOPMENT AND HUMAN RESOURCES MANAGEMENT

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The aim of the article is the analysis of the relation between sustainable development and human resources management in companies. The first step in the analysis is to compare these two theories and to point out the similarities as well as the differences between them. The next step of the author is to show how personal management supports the handling of balance between interests of employers and employees. It is also necessary to show that personnel procedures, i.e. selection, evaluation of employees, development and motivation systems, are created not only for the employer's but also for the employee's satisfaction. The author is going to show that human resources management is used to reconcile interests of employers and employees. Finally, human resources management provides a tool of applying the idea of sustainable development in the area of employment.

**Key words:** sustainable development, human resources management, employee satisfaction, partnership

### Introduction

Recently the issues related to human resources management in a company as well as entrepreneurship or innovativeness have constituted one of the areas of greater importance for managers who incessantly seek new opportunities for the development of business. Seeking new prospects for development takes place in every changing environment which dictates specific conditions and more often imposes very demanding requirements. One of such requirements is the necessity of incorporating the features of sustainable development into the development of a company, which exerts a significant influence on the area of human resources management within a company.

The aim of the article is to analyze the links between human resources management and the idea of sustainable development, the similarities and differences between these theories. The author strives to substantiate the theory that human resources management is a tool of implementation of the idea of sustainable development into the area of employment. The tools applied in human resources management fulfil the function not only of the improvement of the organization at work and an increase in efficiency but also quality improvement in life of the staff and the reconciliation of the interests of employers and employees.

### 1. The theory of human resources management and the idea of sustainable development

In order to explain the essence of human resources management one could use the definitions applied by various authors. L.E. Boone and D.L. Kurtz understand human resources management as a process of acquiring, training, developing, motivating and evaluating the objectives of an organization as well as undertaking specific activities and creating a proper climate for an organization, which is favourable to the increase in the employees' satisfaction and their efficiency [2]. Human resources management defined by M. Armstrong is a strategic and coherent approach to the management of an organization's most valued assets – the people working there, who individually and collectively contribute to the achievement of its objectives [1]. Also Polish authors present a similar approach. For instance T. Listwan defines personnel management as a set of activities related to people, aimed at achieving the objectives of an organization and satisfying the employees' needs (employees' development) [12]<sup>1</sup>.

In the presented interpretations it was explicitly emphasized that human resources management constitutes a tool of achieving the objectives of an organization. However, this area of company management should not be viewed

<sup>1</sup> It could be assumed that in the interpretation of T. Listwan the terms of personnel management and human resources management have the same meaning because the author uses the term "personnel management" to define the modern approach to the personal function. A similar, more elaborate though, interpretation of human resources management is presented also by A. Poczowski, [8]

only from one vantage point, from which only business goals can be perceived and attained. After all, a series of arguments can be put forward, which testify that in the theory of human resources management much appreciation is given to the vital role of an employee in achieving company's goals and to the necessity of the subjective treatment of the specific type of capital – the human capital.

Such an approach to an employee is indicated by the characteristics of human resources management identified by authors who study these issues. According to M. Armstrong the characteristics of human resources management are as follows [1]:

- diverse,
- strategic, with an emphasis on integration,
- commitment-orientated,
- based on the belief that people should be treated as human capital,
- unitarist rather than pluralist, individual rather than collective, with regard to employee relations,
- a management-driven activity – the delivery of HRM is a line management responsibility,
- focused on business values.

Apart from business values in human resources management also ethical, moral values are of importance: the treatment of employees not as a production factor but as human capital and the management of such capital in a responsible way. Although an inexhaustible source of controversy as to their actual practical application in management [1], these propositions establish certain principles, according to which tools of the management of people in companies are created. It is worth observing that such an approach is the corollary of the evolutionary changes in management, which, according to W.F. Cascio, occurred in three stages [3]:

- file maintenance stage – at this stage the human resources department performed the tasks in the scope of people management, which consisted mainly in the recruitment and the selection of employees and the administration of employment,
- government accountability – at this stage changes in legal regulations in the scope of the protection rights of the employees and the transformations in

the social environment resulted in the extension of the scope of activities concerning the workers and the efficiency of people management was evaluated from the point of view of the whole company,

- gaining and sustaining a competitive advantage – at this stage the tasks in the scope of human resources management come within the joint responsibility of experts from the human resources department, who are units closely cooperating with managers implementing HRM principles in the area of their activity.

If W.F. Cascio focuses on the practical dimension of human resources management, the evolution in the philosophy of the approach to employees is also visible in the classification based to a large extent on the theory of management, in which also three stages were distinguished: the traditional model, the model of the relations of interactions and the model of human resources [10]. This particular perspective visibly demonstrates the transformation from the treatment of an employee as „an element of the production process” who focuses on satisfying his existential needs, then as a member of a group who is oriented toward satisfying social needs and finally as a person who finds self-fulfilment in work and by means of work seeks opportunities for self-development.

Therefore, the analysis of the theoretical principles of human resources management allows to state in general terms that it is the area of management, the main purpose of which is seeking “the golden mean” between the interests of employees and employers; it is a tool of shaping the social balance in a company. This very aspect constitutes the main nexus between the human resources management and the idea of sustainable development.

The sustainable development of companies thanks to pro-ecological inspiration is frequently associated with the concept of eco-development. According to Agenda 21 sustainable development is a social and economic development which ensures the satisfaction of the needs of contemporary societies without denying the possibility to satisfy the needs of future generations [5]. The fundamental aspect of such a development is to seek balance and to harmonize diversities, which will allow to reconcile three goals: economic (material), environmental (nature) and

social (human) [11]. As a consequence, all these efforts are supposed to boost prosperity but rather as an improvement of the ecological conditions of life. This means that the main goal of sustainable development is the increase of the level and, first of all, the quality of life [7].

From the microeconomic point of view a company becomes the subject of development and sustainable development and can be defined itself according to A. Witek-Crabb as a social and economic development of companies, which allows current achievement of aspirations and attainment of goals without denying the possibility to achieve aspirations and attain goals in the future [11]. It is this author's opinion that such a development is only possible if a company takes into consideration all the circumstances, in which it operates, if it can resist the temptation to gain short-term benefits and if it adheres to basic principles of sustainable development:

- Acquiring the knowledge of the complexity and diversity of the activities concerning both internal and external environment, i.e. understanding their circumstances in a very general sense. The rationale behind is that a long-term development of a company depends on numerous essential factors and it is the task of managers to follow any changes in the environment, to do research into the needs of various groups of stakeholders, to fathom the interrelations between diverse factors and to predict changes.
- Harmonizing the complexity and diversity, which means opening the owners and managers to participation, partnership, negotiations and building long-lasting relations based on trust and honesty. The search for compromises prevents conflicts, which could hamper the development of a company.

The comparison of the principles of the theory of human resources management and the concept of sustainable development allows to draw the conclusion that human resources management is a concept, which allows to implement the idea of sustainable development in the area of personal function. As part of human resources management various tasks are carried out and procedures are prepared, the aim of which is to acquire knowledge about the internal environment segment, the management of the employees, to do research into the interrelations

and links and then to harmonize the complexity and the diversity typical of this area. It is a tool, which allows the reconciliation of interests, finding "the golden mean" in the employee-employer relations but also in the relations between employees themselves.

## **2. The practice of human resources management and sustainable development**

Sustainable development of the whole company requires the implementation of its principles and its philosophy in all the areas of the operation of the company, in the marketing department, the financial department, logistics or in the scope of human resources management [4]. At present in the literature of the subject one can encounter a series of concepts, which fit into the philosophy of sustainable development, including the social responsibility of business, business ethics, eco-development of a company, triple bottom line or stakeholder analysis. Each of them constitutes a certain proposition, which serves the purpose of understanding and harmonizing the complexity and diversity, encountered by companies in various areas of their activity.

Human resources management can also be such a tool, the purpose of which is to introduce the philosophy of sustainable development. Actions and procedures from this scope allow to obtain and provide information indispensable for proper personal decisions but also give the opportunity to look for compromise between the employees' and the employers' interests, competing as they very often may turn out to be. The personnel procedures can support the philosophy of sustainable development in the following ways presented in the table 1.

Activities performed as part of human resources management can constitute a tool for implementing the concept of sustainable development in the area of employment, where they will facilitate mutual recognition and understanding. From the point of view of an employer it seems extremely important at the very beginning of cooperation to get to know not only the qualifications, skills of the employee but also his plans and aspirations. On the other hand the candidate for a job should be aware of the opportunities that are created for him by the company he wants to work for. First of all, the expectations as to the character of the job, promotion opportunities and the rules of cooperation

**Table 1. Personnel procedure and sustainable development**

<b>Procedure</b>	<b>Tools</b>	<b>Relation with the philosophy of sustainable development</b>
Recruitment and selection	The tools of selection: questionnaires, interviews, references, psychological contract, legal basis for the employment	Looking for a person not with the best qualifications but a person who meets the expectations of the employer but also a person whose expectations concerning the job can be met by the company; the tools used in the selection should be used for mutual recognition of expectations and the negotiations of terms which facilitate long-term cooperation.
Development of employees	Trainings, the creation of organizational culture	Increase in the competitiveness of the employees – this means the development of an employee, an opportunity of self-fulfilment and an advantage for the company; in the organizational culture the promotion of values consistent with the philosophy of sustainable development (in the economic, social and ecological aspect)
Evaluation of employees	Techniques of evaluation, psychological contract, research into the expectations of employees	The opportunity to recognize the changes in the mutual expectations and renegotiations of psychological contract, monitoring of mutual expectations of the employer and the employee
Motivation	salaries, material motivation/non-salary benefits, research into the satisfaction of employees	Decent salary, which provides the employee with social security, conditions for development, the recognition of the needs and expectations of the employees, the choice of motivation tools adjusted to the potential of a company and the employees, motivating the employees to develop; motivating the employees to adopt pro-ecological attitudes and conduct; compliance with legal regulations as the prerequisite of trust and honesty in mutual relations, monitoring of the employees' satisfaction
Dismissals	outplacement, the research into the opinions of employees	Help to the dismissed employees, compliance with legal regulations by both parties,

Source: Own analysis

are concerned here. A long-term, mutually favourable cooperation facilitates agreements concerning the most important expectations of both parties. This agreement gives voice to not only the terms and conditions stipulated in accordance with legal regulations in the employment agreement concerning e.g. the amount and the conditions of earnings, the extent of working time. The conclusion of an agreement is usually accompanied by an agreement concerning other aspects of work (prospects for development, promotion, the conditions of work, the rules of cooperation), which are called a psychological contract. It is vital to balance this contract in order to strengthen and harmonize the relations between the employer and the employee and the breach of the agreement means that the parties to the contract do not have (or have never had) common set of values or goals [9].

An important aspect of work, both for the employees and the organization is training and development. The very fact of performing work provides the employee with experience thus improving his position on the job market. The employer investing in training pays attention to the

updating his employees' knowledge and to their better work results. On the other hand, he creates favourable conditions for satisfying the need for self-fulfilment, the development of employees or their self-esteem. In the aspect of sustainable development this element of human resources management concerns first of all the improvement of the quality of the lives of the employees and constitutes a prerequisite for a harmonious, long-term cooperation. It is worth mentioning that this very idea should also be the subject of training to instill into the employees' minds a way of thinking in the categories of sustainable development.

For the employee the procedure of employees' evaluation provides feedback concerning the evaluation of his work, whereas for the employer it is an important source of information about the potential of the employed workers. It is also an opportunity to get to know the changes in the mutual expectations of the employee and the employer. As a result, from the perspective of the concept of sustainable development the evaluation of employees is a tool of getting to

know the employees and creates conditions for harmonizing the cooperation.

It seems that motivation is one of the most important aspects of introducing the idea of sustainable development in the area of employment. Starting from the salary, which not only motivates employees but also determines their level of life because for most employees it is the only source of income. The motivating instruments applied by the company give the employees the opportunity to satisfy various needs thus influencing their quality of life. Therefore the system of motivation should be built on the basis of the research into the expectations of the employees and that is why it will be an efficient system, which performs its function well and, on the other hand, which increases the satisfaction of the employees. In this way the conditions for sustainable development are fulfilled.

The last stage of the personnel process, i.e. the dismissal of the employees, can also serve the purpose of application of the ideas of sustainable development. At this stage the mutual cooperation ends and that is why the goal of long-term cooperation is not important any more, but it is still vital to pay attention to the quality of relations and the responsibility of both parties, the employee and the employer. Companies use here the surveys of the employers' opinions in order to get to know and understand some processes and to be able to deal with them. Moreover, companies offer help to the dismissed employees in the form of outplacement schemes.

Every action being the part of human resources management is strictly regulated by the provisions of labour law, which specifies the scope of the freedom of negotiations between the employer and the employee. Starting from the choice of the type of an employment agreement, which to a bigger or smaller degree guarantees the security of the employee's employment and by means of salary conditions (the minimal pay), the guarantee of safe and hygienic work conditions, working time or work conditions (e.g. the prohibition of discrimination) to a great extent influences the quality of the employee's life.

The procedures form the scope of human resources management and can be used for implementing the concepts of sustainable development but even here some problems cannot be avoided. At the stage of looking for a new employee, the candidates very often pass over their expectations or choose not to speak openly

about them because their main aim is to get a job, this being their most urgent need at that moment. At times, the intentions and goals in the scope of occupational development of an employee do not overlap with the direction of the development of the company. The research on the training needs may be useless so as a perfectly organized procedure of employee training. In each of these personnel procedures it has to be taken into consideration that we deal here with a person who, on the one hand, is driven by the calculation of benefits and contributions but, on the other hand, emotional factors play the decisive role in his choices.

### Conclusion

For managers one of the most important and at the same time the most burdensome features of the contemporary business environment is indefiniteness and uncertainty. "Stormy times" as they were defined by P. Drucker bring with themselves not only a fast pace of changes but also their character is difficult to predict. It is connected with the fact that the uncertainty to a lesser extent comes from the world of nature and to a greater extent from the social world, which is the creation of man. It seems that the concept of sustainable growth constitutes a proposition how to deal with the uncertainty of the environment. Human resources management provides tools, which can limit the uncertainty and unpredictability characteristic for the social capital of a company. Getting to know the mutual expectations, understanding the limited capabilities and the consensus between the employee and the employer are possible with the support of human resources management.

The scope of human resources management is an especially difficult area because of the changeability of the human nature. The expectations, aspirations very important for an employee at the stage of searching for a job or at the very beginning of employment may change after some time. And the company cannot change that. What lies within the scope of capabilities of managers is the issue of following the changes in such a way that they can suitably change what they are able to.

Some reservations as to the usefulness of personnel procedures in the implementation of the idea of sustainable development may be put forward because of the quality of these procedures and their scale of use. Formal personnel procedures function in big, developed compa-

nies, which act on a large scale. The majority of companies from the SME sector<sup>2</sup>, which constitute a significant percentage of business entities, do not have such procedures. It concerns mainly small business entities and micro companies, where the tasks from the scope of personnel management come within the duties of the owner, who also performs the duties of a single-person personnel manager. In such situations, the application of the idea of sustainable development in the area of employment depends exclusively on the awareness and the policy of the owners. In companies, where personnel procedures function, their quality is not always at the highest level and the principles of the theory of human resources are often not properly adhered to.

Economic circumstances are a barrier to the implementation of the idea of sustainable development in the area of employment. The economic conditions of companies to a large extent exert influence on the amount of expenditures on personnel service and all the financial problems are usually solved first and foremost by means of cost-cutting in the area of employment. That is why another barrier appears, i.e. the knowledge, the awareness and the motivation of managers. They are the first to decide whether the ideas of sustainable development should be used as the criteria of taking decisions or whether should be considered another utopia, to which only scant attention should be paid.

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<sup>2</sup> In Poland companies which employ more than 250 people are only 0,2% of all the employers, [6, p.13]