



A study on the impact of HRM sustainable practices on organizational performance in Madayn.

Abir Salim AL-Saidi

Supervisor Dr. Blossom Christina

Middle East College

Knowledge Oasis Muscat

June, 2022

This project cover the impact of sustainable HRM (SHRM) practices on organizational performance, and the relationship between sustainable HRM and organizational performance, and employee's awareness about sustainable HRM. The project used the secondary data to gather qualitative data and primary source like survey to gather quantitative data. The project results that sustainable HRM has indirect impact on organization so, since it HR so, it's directly impacts employee's performance, and everything effects human capital obviously impacts organizational performance financially, and operationally so, sustainable HRM increases the organizational performance. Madayn should increase employees awareness and engage them in decision making to increase their performance.

Keywords: “sustainability, HRM, sustainable HRM, organizational performance, employee awareness, employee performance”.

Introduction

The research will discuss how sustainable HRM on organization's performance and measure employee awareness about sustainable HRM concept. The development that the world is living now is impacting negatively in nature so, company must

reduce their waste and do more towards environment and society. Sustainable HRM is when HRM department adopt sustainable practices, implementing sustainable HRM practices allow organization to achieve social, environmental and organizational objectives at the same time for long term.

Sustainable HRM practices are a competitive advantage for an organization. Sustainable HRM practices has an impact on employee's retention, attitude, loyalty and productivity which appears on organization's performance.

- **Literature review**

Sustainable HRM

According to (Mohiuddin, M., Hosseini, E et al. 2022) sustainable HR is a punch of skills, motivation, values and trust built to avoid damaging nature. It is essential to be embraced by companies to be able to compete globally and to meet current generation's need without effecting next generation to meet their needs.

BizManage.info. (2020) comment that's sustainable HRM practices is planning HR strategies and methods to achieve financial, social and environmental objectives while building HR base over tome. Sustainability in HRM is to focus on promoting humans, environment approaches and society benefits regardless the financial outcome.

COHE, E., TAYL, S., & MULLER-CAM, M. (2004) said sustainable HRM is to use the available tools in HR to enhance sustainability strategies in the organization, and it creates a system leads to sustainable

performance. Sustainable HRM is a motivation and increases employees skills, organization's values, increase employees trust in organization and ensure long term objectives.

Relationship between sustainable HRM and organizational performance

Maletič, M et al(2015)wrote that a lot of studies agreed that organization can benefit from implementing sustainability practices in term of reducing cost, increase innovation and productivity, and organization's financial performance, internal performance, external performance (organization's performance in market), competitive advantage, strengthen organization's reputation, create good relationship between different stakeholders. There are many manager who don't understand or know how to benefit from sustainability practices, and that leads to negative impact on organization's financial performance because company pay to implement sustainable practice but they don't benefit from it.

Murphy.J (2019) said that HRM has many practices like training and selecting etc. HR professionals ensure that sustainability is implemented in workforce that will reduce waste of the procedures and set a base for sustainable culture. Sustainability brings benefits to organization like positive workforce atmosphere, through sustainability practice the collaboration between the workers will increase and the team work also equity. Sustainability helps in building ethics and values of the organization HRM responsible about coordinating ethics so, HRM can enhance ethics that related to protecting environment as well as protecting humans, another benefit is creating competitive advantage through improving and implementing the sense of social environment in workplace, HRM have to embrace sustainability to reduce sources utilization, and increase events and process flow and create comfortable cutler to work in.

Magnussen.E (2014) wrote about ways that HRM can improve a business sustainability, hiring to values and investment, promoting within the organization and creating long term leadership solution are the ways Magnussen.E discussed in his article. Hire values means to hire people fit the organization's values, whatever the values are whether it is compassion or innovation the hired people should fit the values to increase retention. Investing in employee to improve skills and prepare them for future positions, they can be the best candidates for future

leadership positions in the organization. Promoting within if organization recruited the right people in the right place and invested in them the next CEO or leader will be in the company no need to search out. Long term leadership solutions bringing talent and put plan to develop them and offer a career path this ensure that the company will have excellent leader in the future.

Factors effects sustainable HRM

According to sakwa, s. m. (2018) government policies is the main factor that effect on companies implementing sustainable HRM, second factor is communication to ensure that all information related to sustainable practices are delivered properly, communication sensitize shareholders about company sustainable practices approaches and sustainable HRM importance, communication create and increase employees and shareholders awareness about sustainable HRM plans and objectives, training and development is crucial factor that drives SHRM to succeed their plans, top management support is the key factor of successful SHRM, top management should put sustainability approach in their vision and provide

support to HRM to do more efforts on sustainability practices and policies. Saeed, B. B., Afsar et al. (2018) said the employee's behavior is an important point that effect sustainability, how much are the employees tend to be sustainable, it's to have proenvironmental behaviors among the employees that increase the effectiveness of HRM sustainable practices, in this article the writers mentioned that it difficult to enhance sustainability in HRM policies, it's not possible but hard because it to control behaviors, it's hard to control people behaviors.

• **Research results:**

employees who have no idea about sustainability and the same percentage 13.3% is for employees that may have an idea or heard about sustainability. **Q2.** 73.3% of the employees answers yes and 6.7% answered maybe and 20% said no they are not an environment friends. **Q3.** 86.7% of employees agreed that sustainability has an impact on organization's performance and 13.3% of employees are not sure about that. **Q4.** 83.3% of employees confirmed that Madayn have sustainable practices and 16.7% said maybe it has or maybe it has not like they are not a part of Madayn. **Q5.** 73.3 of the employees are aware of Madayn sustainable practices and 13.3% are not aware about those practice and the other

No.	Question / option	Yes	Maybe	no
1	Are you aware about sustainability?	73.3%	13.3%	13.3%
2	Are an environment friend person?	73.3%	6.7%	20%
3	Does sustainability impact the organization performance?	86.7%	13.3%	-
4	Does Madayn have sustainability practices?	83.3%	16.7%	-
5	Are you aware about Madayn sustainable practices?	73.3%	13.3%	13.3%
6	Are you engaged in Madayn sustainable practice?	70%	16.7%	13.3%
7	Does Madayn provide training for sustainability?	70%	26.7%	3.3%
8	Do you need a training to the implemented sustainable practices?	83.3%	10%	6.7%

Table1

Table1 focuses on employee's awareness about sustainability practices and if they are engaged in these practice and if they practice sustainability in their levies. **Q1.** 73.3% of the answers were yes that the employee is aware about what is sustainability, and 13.3% percentage of

13.3% of the answers neither yes nor no, that means there is a practices but the employees can't identify if it is a sustainable practice or normal practices for the company. **Q6.** 70% of the employees are engaged in Madayn's sustainable practices and 13.3% of the employees said no they

are not engaged and 16.7% are not sure about the practices that they are doing if it is sustainable practices or ordinary practices. **Q7.** 26.7% for the employees don't know if the training that Maday provide is for sustainability practices or for other practices, 3.3% said that no Madayn doesn't provide training for sustainability practices and the highest percentage is 70% of employees who said yes Madayn does provide training for sustainability. **Q8.** 10% of the employees said maybe they need training or they do, those who said maybe they are for sure don't

it will less actually I thought everyone will be aware about sustainability at least now days, because of the importance of the sustainability and the same percentage are not sure if sustainability has an impact on organizational performance, also the same percentage 13.3% are not aware about sustainable practices adopted in Madayn, 13.3% are not engaged in Madayn's sustainable practices and there is 16.7% of the are no sure if Madayn has sustainable practices, that because they maybe not engaged in Madayn's sustainable practices

No.	Question / option	Extremely effective	Very effective	Somehow effective	Not so effective	Not at all
13	How do you think sustainability impact the organization performance?	26.7%	50%	16.7%	16.7%	-
14	Does it make difference in your professional life to be environment friend?	26.7%	46.7%	13.3%	3.3%	10%
15	Does it make difference in your personal life to be environment friend?	23.3%	53.3%	13.3%	6.7%	3.3%
16	Is training for sustainable practice important?	36.7%	43.3%	16.7%	3.3%	-
17	Does Madayn sustainable practices benefits or effect you?	16.7%	40%	10%	13.3%	16.7%
18	Does sustainable practices effect your productivity?	20%	43.3%	23.3%	10%	3.3%
19	Does sustainable practices effect your performance?	16.7%	46.7%	16.7%	13.3%	6.7%
20	Does sustainable practices effect your absenteeism rate?	26.7%	40%	13.3%	13.3%	6.7%
21	Does sustainable practices effect your attitude?	26.7%	50%	10%	3.3%	10%
22	Does sustainable practices effect your loyalty towards the organization?	23.3%	50%	23.3%	-	3.3%
23	Rate how affected are you by sustainable practices that embraced in Madayn?	16.7%	56.7%	26.7%	-	-
24	Rate how much Madayn implements and care about sustainability?	26.7%	43.3%	30%	-	-
25	Does it make difference in workforce when implementing sustainable practices?	30%	46.7%	16.7%	6.7%	-

know and are not engaged in Madayn's sustainable practices, 6.7% of the employees are able to do the practices without training and 83.3% of the employees said yes they need training to perform better in the implemented sustainability practices. Unexpectedly the 13.3% of the employee are not aware about sustainability I thought

or they are not aware about sustainability, in both cases Madayn must put more effort in educating employees about the practices and chances that the company provides and increase employee's awareness about sustainability and organizations achievements in this field.

Table2

Table2's questions focus on the impact of HRM sustainable practices on employees.

Q13. 50% of the employees thinks that sustainability is very effective for organizational performance, 26.7% of employees believes that sustainability extremely effect organization's performance, 16.7% it the percentage of employees who thinks that sustainability somehow and not so effective, that they believe it has affection but not a massive affection. **Q14.** The highest percentage 46.7% of the employee sees that very effective in their your professional life to be environment friend, 26.7% say is extremely effective and 13.3% it is somehow effects their your professional life and 10% sees that not effects their professional life at all so, those10% sees no relationship between being professional and being sustainable.**Q15.** 53.3% of the respondents sees that being sustainable is very effective in their personal life, and 3.3% sees it has no effect at all in their personal life, 13.3 say it is somehow effects and 6.7% says it is no very effective to be sustainable in personal life, in the other hand 23.3% of the employees sees that is extremely effective to be sustainable. **Q16.** The majority of the employees answered that is training very effective method to enhance sustainability,

36.7% agreed that training is extremely important, 16.7% said that is training is somehow is important, and the lowest percentage is for people who said it is no so important.**Q17.** most of the employees said that Madayn's sustainable practices are very effective, and 16.7% are extremely effected by the sustainable practices, 10% were somehow effected and 13.3% were not so effected, 16.7% which a good percentage are not effaced at all by Madayn's sustainable practices.**Q18.**most of the employees agreed that sustainability effect their productivity 20% said extremely effects and 433.3% said very effective, 3.3% of the employee their productivity is not effected at all, and there is 23.3% who their productivity were somehow effected, and 10% of employee that their productivity where not so effected. **Q19.** The majority of employee's performance were effected by sustainability 16.7% were extremely effected and 46.7% were very effected and 16.7% where somehow effected and 13.3% are not so effected but still effected in total 93.4% employee is effect in other hand there is only 6.7% who are not affected at all.**Q20.** the highest percentage is 40% for employee who their absenteeism rate where very effected by sustainability, the lowest

percentage is 6.7% for employees who are not effected at all, the employees who their absenteeism rate is somehow and not so effected has the same percentage which is 13.3%, 26.7% are the extremely effected absenteeism rate. **Q21.** 50% of employees attitude where very effected by sustainability and 26.7% were extremely effected, and 10% of employee said that somehow their attitude is affected, and the same percentage for employee who said they were not affected at all, 3.3% of the employees said their attitude were not so effected by sustainability. **Q22.** 96.6% is the total of employees were their loyalty towards company because of sustainability practices, 50% were very effected and 23.3% were extremely effected the same for the somehow effected, 3.3% their loyalty not effected at all. Employees rated Madyan's sustainability practices, 16.7% said it extremely effective practices, and 56.7% said it is very effective, and others said 26.7% said that practices are somehow effective, their no employee rated the practices that is not effective or no so no effective and that a good point for the company practices that effect employees in a good way. **Q24.** Most of the employees 56.7% rated that Madyan have very good and effective concerns and implementation

about sustainability, 26.7% of the employees said that Madyan's sustainable implementations are extremely effective and 30% of employees said that Madyan somehow have a good implemented sustainable practices, there is none of the employees has rate Madyan has no sustainable implementations, or that Madyan has no good practice that means the employees are satisfied with what Madyan provide in aim to enhance sustainability. **Q25.** 30% of the employees sees that extremely make a difference in workforce when company implements sustainable practices, 46.7% it make a good difference, 16.7% said it somehow make a difference, 6.7% said it make difference but not a big difference, the good thing is no employees said that sustainable practices has no effect on workplace and that an evidence that sustainability has a good impact on employee and company.

In result all employees agreed that sustainability effects them even if the level of affection is different they are effected, weather extremely, very, somehow effects, or not so effected. Sustainability effects their company and workplace, affect them in personal life and professional life, sustainability positively Impacts employees attendees rate, productivity, performance

attitude and loyalty, all of these factors that effects the employee performance are positively effecting the organizational performance. When employee's performance get better and increase the organizational performance will increase and the organization will perform well as the figure below shows.

- **Future research**

Sustainability topic is getting more popular now and in the future will be a compulsory subject for organizations success. This research cover the impact of HRM sustainable practices on organizational performance in general, future research can be more specific like the impact of HRM sustainable practices on organizational financial performance, or market performance, or operation performance or can be about the past, present and future HRM sustainable practices as a comparison specially the future sustainable practices because it wasn't discussed in current research enough, the future research also can cover the impact of sustainability on customers and stakeholders, the phase of the research can change from sustainable HRM to the role of HRM in sustainability. For this research more

respondent and an interview will be more accurate and answering more questions in details, interview will give more information. The distributed questionnaire can be more specific and focus on the impact of HRM sustainable practices on employees and what are the practices that implemented in the company.

- **Conclusion**

To conclude this research, the responses shows there is an good percentage of workers who has no idea about HR sustainability and its practices so, company needs to increase employees awareness about HR sustainable practices so, employees can understand and engage also to more effected by the practices. The analysis shows that sustainable HRM has a huge impact on employee's performance, attitude, loyalty, productivity, workplace, and professional life in positive way, in other words sustainable HRM increases employee performance and productivity, make the their workplace and professional life better, improves their attitude and loyalty towards organization ion which will increase customer satisfaction. Overall the sustainable HRM impacts positively on organizational performance, it increases organization's performance through effecting the employees.

- **Acknowledgment**

Writing this research was a little bit more complicated harder than I thought,

and I wouldn't have done this research without a help and gaudiness from my supervisor so, I am grateful to Dr. Blossom Christina, who was directing and advising me do the project in proper way, and make sure all submission was on time, and she helped me in choosing the topic and put objectives, also I would like to thank Mr. I must thank all employees who participate and take time to solve the online survey thank to them and their feedback is mentioned in this report.

• References

1. Aburahma, I. M., Abu Amuna, Y. M., & Aqel, A. M. (2020, April). International Journal of Academic Management Science Research (IJAMSR). *The Relationship between GHRM Practices and Organizational Performance "Case study: Gaza University"*, 4(4), 1-8. doi: https://www.researchgate.net/profile/Youssef-Abu-Amuna/publication/341043666_The_Relationship_between_GHRM_Practices_and_Organizational_Performance_Case_study_Gaza_University/links/5eaaaac945851592d6ac2bb7/The-Relationship-between-GHRM-Practices-and-Organizational-Performance-Case-study-Gaza-University.pdf
2. BizManage.info. (2020, April 20). In *sustainable HRM practices* . Retrieved from <https://www.bizmanage.info/articles/sustainable-hrm-practices>
3. Colorado School of Mines. (2022). In *WHAT IS SUSTAINABILITY?*. Retrieved from <https://www.mines.edu/sustainability/what-is-sustainability/>
4. COHE, E., TAYL, S., & MULLER-CAM, M. (2004). SHRM Foundation's Effective Practice Guidelines Series. *HRM's Role in Corporate Social and Environmental Sustainability*. doi:<https://www.shrm.org/hr-today/trends-and-forecasting/special-reports-and-expert-views/Documents/Corporate-Social-Environmental-Sustainability.pdf>
5. cherian, j., & farouk, s. (2017, August). International Journal of Management and Applied Science. *IMPACT OF SUSTAINABLE HUMAN RESOURCE PRACTICES ON ORGANIZATIONAL PERFORMANCE*, 3(8), 34-39. doi: http://www.iraj.in/journal/journal_file/journal_pdf/14-393-150849846034-39.pdf
6. Cha, W. (2022). *human resource management (HRM)*. In TechTarget. Retrieved from <https://www.techtarget.com/searchhrsoftware/definition/human-resource-management-HRM>
7. Goleman, D. (2022). Korn Ferry. In *A Sixth Sense for Reading Your Company*. Retrieved from <https://www.kornferry.com/insights/this-week-in-leadership/organizational-awareness-leadership>
8. HEATHFIELD, S. M. (2021, February 28). *What Is Human Resource Management?*. In *The Balance Careers*. Retrieved from <https://www.thebalancecareers.com/what-is-human-resource-management-1918143>
9. In hirebook. (2022). *Organizational Performance: What You Need to Know*. Retrieved from <https://www.hirebook.com/organizational-performance>
10. Manzoor, F., Wei, L., Bányai, T., Nurunnabi, M., & Abdul Subhan, Q. (2019, April 11). An Examination of Sustainable HRM Practices on Job Performance: An Application of Training as a Moderator. *Sustainability*, 11, 1-19. [file:///C:/Users/w%20shop/Downloads/sustainability-11-02263-v2%20\(1\).pdf](file:///C:/Users/w%20shop/Downloads/sustainability-11-02263-v2%20(1).pdf)

11. Madayn (2018) [/IndividualNews.aspx?Id=246](https://madayn.om/sites/KOM/EN/Pages/IndividualNews.aspx?Id=246)
<https://madayn.om/sites/KOM/EN/Pages>
- 12.

© GSJ