

IMPACT OF GREEN HUMAN RESOURCE MANAGEMENT (GHRM) PRACTICES ON ENHANCING SUPPLY CHAIN IMAGE AND PERFORMANCE

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ABSTRACT: *Green human resource management (GHRM) and its implementation on supply chain management could enhance its competitive advantage and play a role in promoting its image in the marketing and branding its name Thus, the aims of this study are to propose a framework for (GHRM) and supply chain brand relationship in Egypt and to propose an image for this integration. As retail sales have shown strong growth over the past ten years in Egypt applying GRHM may support to improve the economy and control the inflation.*

KEYWORDS: Green Human Resource Management, Supply Chain Management, Environment Management

INTRODUCTION

GHRM: Green human resource management (GHRM), defined as the HRM aspects of environmental management (EM), Creating and sustaining a pro-environment organization by hiring employees who are willing to implement EM activities, Human resource professionals believes that environmental reputation is important.

Environmental knowledge base, educating and developing environmental leaders it's a part of GHRM training for the managerial staff; training employees to comprehend the threats that climate change may impact their organization is a very important need. (1)

The integration of corporate environmental management into human resource management is termed as (GHRM). According to **Renwick et al**, (2008), GHRM defined as the level of greening of human resource management practices" in terms of functional and competitive dimensions (**jabbour 2010**), GHRM practices are the actual human resource programs, processes and techniques that actually get implemented in the organization or business unit (Gerhart et al, 2000; Huselid and Becker, 2000) (2)

The Chartered Institute of Personnel and Development (CIPD) believe in applying (GHRM) may improve, company image and is a useful way to attract potential employees who have environmental orientation (CIPD, 2007).(3)

Supply chain management: Is the group of activities which handle the process of delivering finished product to the end user, its include sourcing raw materials, assembling products, storage distribution and delivery to final customer.

Green supply chain management:

Supply chain management consist of all parties who are involved in fulfilling a customer request, including the suppliers, transporters, warehouses, retailers and customers.

1-Green human resource management: a review and research agenda, Douglas Renwick, Tom Redman, Stuart Maguire jan 2012

2-Green Human Resource Management Practices: A Review A. Anton Arulrajah, Prof. H.H.D.N.P. Opatha Dr. N.N.J.Nawaratne Sri Lankan Journal of Human Resource Management Vol.5, No.1, 2015pp1-16

3- Green Human Resource Management Practices: A Review, A. Anton Arulrajah, Prof. H.H.D.N.P. Opatha Dr. N.N.J.Nawaratne, p4- Sri Lankan Journal of Human Resource Management Vol.5, No.1, 2015

Green supply chain management=green purchasing +green manufacturing /materials management +green distribution/ marketing +reserve logistics (4)

Supply chain defined as “A group of inter-connected participating companies which add value to a stream of transformed inputs from their source of origin to the end products or services that are demanded by the designated end consumer” **Sarkis** (5)

Role of (GHRM) activities in Wal-Mart supply chain

Green Human resource management at Walmart consists of organizational structure, recruitment and selection, retention and training, performance management, compensation, career development and how it contributes to the productivity of the firm’s workers.

1-Recruitment and selection:

Recruitment is attracting the best candidate to the right occupation in the right time, **john Sullivan** as a human resource expert define “the green recruitment as the same environmental commitments between the two parties the applicant which will be hired and the organization which believe of the environment respect” . One of the recruitment methods at Wal-Mart is online recruitment this method allows the firm to reach applicants who are not near Wal-Mart stores. And help the company get qualified applicants. Wal-Mart’s have continuous process of hiring and training new employee’s goal is to ensure access to qualified workers; they ensures that vacant positions are immediately filled, The nonstop recruitment process helps them access an adequate supply of human resources to match changes in demand for employees at its stores.

2-Training and development:

The training and development courses should be given to all level and all departments in the organization, includes the green strategies adopted by the organization, green training should prepare the employees about environmental management knowledge. Wal-Mart’s human resource managers use analysis to check if employees satisfy the firm’s green needs and requirements

-Performance measurement for green supply chain management Aref A. Hervani and Marilyn M. Helms, Division of Business Administration, Dalton State College, Dalton, Georgia, USA, and Joseph Sarkis Graduate School of Management, Clark University, Worcester, Massachusetts, USA, Vol. 12 No. 4, 2005 pp. 330-353, Emerald

-The Impact of the Green Supply Chain Management on Environmental-Based Marketing Performance, Suleiman A. Al Khattab^{1*}, As’ad H. Abu-Rumman², Ma’n Mustafa Massad² Journal of Service Science and Management, 2015, 8, 588-597

3-Compensation and rewards:

Walmart adopt compensation program to encourage employees to change their conduct towards green performance and ecological activities, Special leaves, family recognition programs, considered as non-financial incentives which help increasing company loyalty.

4-Employee relation:

At Walmart employee must be involved in the process of quality circle decisions for the sake of the organization, when employees seat voluntarily to discuss organization problems and get up with innovative ideas and solutions

5-Performance management

Green reward scheme should be present for motivating all employees' levels towards company green strategy (6) .Wal-Mart uses an HR software product that analyzes individual and team performance levels.

Wal-Mart stores have different interpretations of the corporate human resource plan. The variations indicate that actual human resource planning occurs at different levels of Wal-Mart's organization

They use automated software to analyze changes in the workforce. The data is fed to the central database, organized and processed to reveal trends in the company's human resources, Wal-Mart forecasts possible future changes in the workforce, such as changes per season or per region. Through this forecasting system

Green human resource management benefits:

- Employees who works in green environment they become more innovative, they are inspired in problem solving
- Green human research management increase desire in employees to join green work place
- Employees in green work place are more flexible to low cost budget
- Employees in green work place they like to continue in the place due to environment activities , this mean it improve employees turn over (7)

-Impact of green HRM practices on organization sustainability and employee retention, Ms. Poonam Likhitkar¹, Dr. Priyanka Verma², INTERNATIONAL JOURNAL FOR INNOVATIVE RESEARCH IN MULTIDISCIPLINARY FIELD, Volume - 3, Issue - 5, May - 2017

-The Benefits of a Green Workforce and Sustainable Human Resource Policies, Lisa Swallow, ecomiii, February 22, 2018

To achieve HR effectiveness, HR should be aligned with the organization strategic goals; the organization excerpts an effort to influence and shape the skills, attitudes, and behavior of its employees to do their work and to achieve organizational goals (Collins and Clark, 2003). Previously, businesses assumed that incorporating 'green 'into their business strategy would

cost money, but they now realize that ignoring negative impacts on the environment will be costly in the future (Van der Zee, 2008).

Green HRM practice in Wal-Mart supply chain:

Wal-Mart founded in 1962 by **Sam Walton**, it's the largest grocery retailer in the United States with 20% market share; it serves 100 million customers per year

Wal-Mart succeeded to turn its tangible strategies to a success results, Wal-Mart is supplied 100 % by renewable energy, creating zero waste and sale products that sustain people and employees, Wal-Mart has a volunteer associate sustainability program, its aim to involve everyone to make a difference in terms health, community or the natural environment, Wal-Mart has successfully engaged half of its U.S. associates and more than half its associates in other markets such as Brazil and Canada. That's at least 500,000 people around the world focusing on their community wellness, by preserving the environment. One of the benefits of Wal-Mart program is discovering new leaders among volunteering associates

What made Wal-Mart succeed that it always has a clear mission which is to save customer money and enable him to live better

Wal-Mart human resource practice aligned with its mission statement:

Team believes and behavior: at Wal-Mart people work as a team, they are convinced that working together able them to work more extraordinary, they can grow more better together than if they work individually

Leadership:

Wal-Mart tries to create a diverse work environment and culture to encourage and promote diversity in the organization, to manage a huge numbers of stores a lot of store managers have free decisions over the store operations to ensure customer satisfactions

Wal-Mart established an Employment Practices Advisory Panel which works with senior management to develop and implement progressive enhancements to equal employment opportunity and to encourage promote diversity in the organization.

In term of organizational size, business value and financial performance Wal-Mart used to ensure that the organization activities is well supported by human resource to ensure employee high performance

METHODOLOGY

Research Outline

Theoretical frame work: the theoretical frame work starts by introducing definitions of green human resources, supply chain management, and green supply chain management followed by discovering GHRM effects on Walmart supply chain as they are one of the successful international chains apply the GRHM strategies.

Research Approach

This research focuses on (GHRM) practice in supply chains, an application on Walmart as the supply chain in Egypt doesn't apply (GRHM) practices.

Research Design:

The research will focus on qualitative approach to described reality and provide results. (Merriam, 1988).

Research Sample

Our research is limited to (GHRM) in supply chain of food retails companies; we used one single case study to be more effective taking into consideration limited resources. (Lervick, 2011).the interviews were conducted from employees of different managerial positions in the supply chain (Walmart)

Data Collection:

The empirical data had been collected through interviews, more than 20 respondents in the supply chain were interviewed formally, to deep our understanding we also used informal interview, both formal and informal interview conducted with managers and responsible in the company using mails and skype

Before composing the questions for the interview, company website was read and its sustainability report as well, the questions were chosen according to company background the interview concentrated on company strategies internally and externally taking to consideration the importance green human resource role in company performance

The interviews had been conducted in English the interview was held via skype with the head mangers, and we sent to the employees in different departments the questions by mail of the HR department.

Validity and empirical gathering:

We interviewed more than one person in the same work area; we held follow up interviews in order to clarify questions that appeared during the research, the use of various data sources, methods and data collecting increase validity (skates, 2004)

Research Question

We perused this research to answer how an organization can enhance its image by integrating green human resource management in their supply chain.

Research Gap:

Applying the practices of (GHRM) could help the supply chain for better change in performance and image or not is the gap the research aiming to answer; especially in Egypt.

We adopted the case of Walmart as the (GHRM) practices are not applied in Egypt, the research may help the supply chain management in Egypt to improve its performance and image.

FINDINGS

A-Organization priority issues

1. What are the major strategic challenges facing the organization concerning the application of environmental aspects and green human resource management process

The main goal at Walmart is to achieve zero waste, operate with 100% renewable energy and sell products that sustain resources and the environment

Weather, policy, price ,behavioral and technology changes are challenges facing the organization, weather cannot be controlled as renewable energy systems depends on natural flows, which can be changed over year and the result is variable rates of energy production . Walmart doesn't have freedom to source electricity from project developers or independents produces according to US policies, the more Walmart expand and the more facilities it creates a battle in reducing carbon emissions, Reducing emissions requires continuous changes in technology and in employees which it call hem associates behaviors.

2. Outline initiative of how Walmart dealt with obstacles concerning applying environmental aspects and green human resource management process

Walmart energy use concentrated on four main areas: lighting; heating, ventilation and air conditioning; refrigeration; in each of these areas they are focusing on energy efficiency in the way they design, procure, operate, monitor and maintain systems. Their investment in energy efficiency has reduced energy use per square foot by 12 percent since 2010

3. What is Walmart vision for green human resource strategy?

At Walmart , human resource is a very important factor so they always work on policies to manage the huge amount of employees to make them feel a part of the business , they called them associates , at Walmart they are sure that without employees they will never accomplish the mission , associates benefits with a lot of benefits like health care , technology use as some operations such as the cash registers can shut down automatically so it permit the employee to take his break and relax , at Walmart there are a very open culture where people are encouraged and come up and resolved business problems

4. Are they any sustainability organizational goals at Walmart? And how the company measures its sustainable result?

Strengthen whole systems. Walmart aspires to reshape and strengthen organization whole systems to achieve significant improvement in social, environmental and economic outcomes. By empowering women and supporting worker safety and dignity.

Creating societal benefit: Walmart continues to believe that it will make the most impact on social and environmental issues important to the company and stakeholders when initiatives the business undertake create a shared business and social value.

Environment and social bonds are priorities. Walmart focuses on integrating its social and environmental priorities into routine business activities, including leadership practices, organizational roles and operational structures.

Community support activities. Through cash gifts, Walmart Foundation gives over \$1 billion annually to projects that create opportunity, enhance sustainability and strengthen community. In 2016, Walmart and the Walmart Foundation gave grants totaling \$39 million in support of the retail opportunity initiative, which aims to increase upward mobility of frontline retail and workers sector in the U.S. Walmart and the Walmart Foundation also made a \$25 million commitment to disaster response and preparedness in the wake of the 10-year anniversary of Hurricane Katrina.

Investing and strengthen its assets: For Walmart, strengths and capabilities include its 2.3 million associates globally, supplier relationships, buying power in categories like food, physical assets and capabilities in logistics, marketing, operations and merchandising.

Collaboration with others: Through Walmart's ongoing work with the Environmental Defense Fund, the company has successfully eliminating 20 million metric tons (MMT) of GHG emissions from its supply chain. Additionally, as part of its participation in the Consumer Goods Forum and effort to achieve zero net deforestation, Walmart achieved its goal to sustainably source 100 percent of its private brand palm oil by the end of 2015, in accordance with the certification standards of the Roundtable on Sustainable Palm Oil. From making a \$25 million commitment to disaster preparedness and convening members of the nonprofit, business and government sectors to discuss new ways to work together to respond to future disasters, to making a \$1 million grant to the Institute for Veterans and Military Families (IVMF) to start a three-year pilot to identify new ways to serve veterans, Walmart is constantly striving to lead the retail sector when it comes to driving collective impact to do good.

B- Environmental aspect place in organization structure

1. Where the environmental aspects are taking place in the organization structure?

As one of the world's largest retailers, Walmart is working to reduce the environmental impacts all along the supply chain, their strategies include

- A. Enhancing the environmental sustainability of key agricultural commodities
 - Supporting sustainable production; Working with producers; to reduce water and fertilizer use.
 - Supporting sustainable animal agriculture; sustainability dairy farming improving
- B. Working with suppliers to improve factories efficiency
- C. Getting zero no frosting
- D. Reducing food and product waste

2. What are the factors taking in Walmart to increase Employee engagement in the green human resource management process?

At Walmart they have sourcing offices and agronomic specialists in all regions all around the world who are responsible to improve agricultural practices and deliver high-quality products to customers to feed them with fresh and healthy products daily

3. Are there any negative factors in not adopting green business?

Wal-Mart imports approximately 20% of their goods from foreign countries. Most of it is shipped on ocean liners; one large ocean vessel spews more pollutants than 2,000 diesel trucks. Safety precautions should be taken into considerations

4. Is Walmart applying the concept of green in all human resource activities?

According to **Candace Taylor**, Sustainability head Walmart has a volunteer associate sustainability program, the aim of the program is to be sure that their associates are making difference in terms of health, community and natural environment, Walmart has successfully engaged approximately half of its U.S. associates That's at least 500,000 people around the world focusing on wellness, of their community and its environment.

5. How do you see Walmart GHRM strategy?

Adopting a sustainability program it's implementing human resources activities going green plus its turning teams to adopt green behaviors and green teams will turns to be green leaders.

CONCLUSION

Key finding from the interview process

The purpose of this research is clarify the importance of applying the GRHM practices and its impact on supply chain we conclude that There is a good relation between applying GRHM practices in the supply chain and enhancing its performance and image taking into consideration the following aspects :

- Pro-environment commitment should be in all work areas of the organization
- The organization culture is responsible of implementing the environment commitments
- There is a strong relation between HRM, sustainability and green practices
- The environment aspect is one of the important aspects for the organization
- Leaders should act as a role models to achieve a true environment impact
- The organizations should allow a lot of training and education concerning the pro-environment to all employees
- The green environment should be implemented in all organization activities
- Organization corporate responsibility should include members of all HRM functions

- Managers should be aware of developing green business and they should be after accomplishing sustainable goals

RECOMMENDATION

We can't ignore the changes in the Egyptian consumer behavior as they are beginning to expect cleanliness, quality, and a wider variety of products.

The finding may help to implement the experience of Walmart on supply chain in Egypt as the (GRHM) practices is not applied in this area , taking into consideration that the retail sales in Egypt showed growth over the past ten years, While the global financial crisis has reduced the growth rate of the catering business by about 15-20 % , applying the (GRHM) may help the growth of supply chain in the country due to the expansion of international chains.,(Sherif Yehia, Thai Trade Center, Cairo retail sales, Retail Business in Egypt,2012)

Limitation of the study:

The case adopted was case outside Egypt, the managers and employees we interviewed were not Egyptians, to adopt the answers fully from outside we should take into considerations the difference in culture and the flexibility of system acceptance

Unfortunately there is no previous research considering (GHRM) practices on Egypt, maybe further research on this area will help for better supply chain performance and image in Egypt