# HR and Environmental Policy Management Strategies to Create a Sustainable Organization that Improves Company Performance

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#### ABSTRACT

Organizational sustainability is now a main focus in the fast-developing business world, where Human Resource (HR) management and environmental policies play an important role. In order to create a sustainable organization, companies must manage these two policies in a mutually supportive way. HR policies based on sustainability can influence employee engagement in environmentally friendly practices that further improve the performance and operational efficiency of the company. It is important to understand how HR policies can be mobilized to support sustainability and how these two policies can be interconnected. This research aims to explore how to integrate HR policies and environmental policies to create a more sustainable company that can improve long-term performance. Based on the literature study, a strategy is needed that engages the reinforcement of sustainability values in HR policies, as well as a clear management commitment to environmental sustainability. Thus, organizations can adapt to changing global trends that increasingly demand sustainability in business and simultaneously improve operational performance and company reputation.

#### **INTRODUCTION**

In recent years, companies have increasingly recognized the importance of sustainability in their operations. HR management plays a key role in ensuring that environmental policies implemented effectively, as HR serves as a bridge between company strategy and its implementation at the operational level. Companies are now starting to link sustainability aspects with HR policies to create greater impact, whether in terms of energy efficiency, waste reduction, or broader social responsibility. The adoption of environmental policies that directly engage HR can support the achievement of more ambitious sustainability aims, as well as contribute to sustainable building (Garg, 2014).

Not all companies have developed strategies that harmoniously combine HR management policies with environmental policies. Some still face difficulties in aligning these two aspects. This is often due to a lack of awareness or understanding of how HR policies can support environmental initiatives. Environmental policies adopted often focus more on technical or operational aspects and less on engaging employees in the decision-making and implementation of policies.

This leads to limited employee engagement and participation, potentially reducing the effectiveness of environmental policies in the workplace (Cherian & Jacob, 2012). The success of environmental policies is strongly influenced by the extent to which organizations are able to internalize sustainability values into work culture and managerial processes.

Understanding how HR policies environmental policies can complement each other and function synergistically is emphasized in order to ensure the implementation of the plan. The implementation of policies that integrate these two aspects requires a paradigm shift within the company, from one that focuses solely on economic aspects to a company that is more oriented towards social and environmental sustainability (Ghimire, 2022). This makes HR not just a workforce manager, but a strategic actor in shaping organizational behavior towards sustainability. It is important to explore the relationship between HR policies and environmental policies to find the best ways to integrate them to achieve broader sustainability aims, including in more specific sectors and in larger organizations.

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While many companies are beginning to realize the importance of integrating HR management policies and environmental policies, most still face obstacles in execution. One of the main problems is the lack of understanding and effective communication between HR managers and environmental managers. The absence of a collaborative framework means that sustainability initiatives do not strategically touch on the human resources aspect, even though HR has great potential in influencing employee behavior through recruitment, training, and environmentbased performance evaluation. This leads to a lack of understanding regarding how HR can directly contribute to environmental conservation efforts and the achievement of sustainability aims. Some companies also do not sufficiently engage employees in the planning process of their environmental policies, so sustainability is not always an integral part of the company culture (Agarwal & Kapoor, 2022).

Companies often struggle to measure the effectiveness of integrating HR policies and environmental policies. Many companies do not have an evaluation system that can link the contribution of HR to the achievement of environmental goals. The lack of clear indicators to evaluate this success makes companies unable to optimize both policies simultaneously. In fact, even if there is an environmental policy integrated in HR, without proper supervision, its implementation is often neglected or becomes a formality without having a significant impact on the sustainability of the company itself (Piwowar-Sulej, 2021). This leads to a gap between the strategy on paper and the actual implementation on the ground. There is an urgent need to create better measurement tools to evaluate the performance of these integrated policies.

Another problem is related to limited resources and different priorities between HR policies and environmental policies. Many companies still consider environmental policies as something more ancillary, rather than a top priority (Kodua et al., 2022). HR managers tend to be oriented towards human capacity development and organizational efficiency, while environmental managers focus on compliance, resource efficiency, and ecological impact reduction. Without strong cross-functional understanding and coordination, the policies evolve in isolation and lack synergy. The absence of a collaborative approach also weakens HR's potential as an agent of environmental change within the organization. With limited budgets and time, HR policies often receive greater attention. This leads to environmental policies not receiving comparable attention, even though both have a close relationship in achieving sustainability aims.

The importance of observing the relationship between HRM policies and environmental policies is that both have a major impact on the sustainability of the company. Without a clear integration between the two policies, companies risk losing the potential to create sustainable value, both for the environment and society. Companies that successfully combine HR policies with environmental policies will gain a significant competitive advantage in a market that is increasingly concerned with social environmental issues. Further research into how best to integrate these two policies will provide useful insights to encourage more positive change in a sustainability-oriented business world.

The aim of this research is to identify ways in which companies can more effectively integrate HR management policies with environmental policies. The research aims to understand how HR management can support environmental initiatives, as well as how such policies can be implemented within a company to support long-term sustainability and improve future organizational performance.

#### **RESEARCH METHOD**

The literature study approach for this topic aims to dig into existing concepts related to the integration of HRM policies and environmental policies, as well as ways of effective implementation. This literature study utilizes a variety of academic and practical sources to understand the relationship between the two policies in sustainability efforts. In this method, the author will conduct a systematic analysis of previous research on related topics, including reports from international organizations, journal articles, and books on environmental and HR management policies. This method will allow for a comprehensive overview of how companies can better integrate both policies to support sustainability aims and achieve more optimal organizational performance. The main emphasis of the literature study is to compile and compare existing findings to find inequality and opportunities in the management of HR policies and environmental policies in companies (Podgorodnichenko et al, 2021).

The sources used in this literature study will include relevant journal articles, reports from international institutions, as well as other literature related to HR policies and sustainability. By analyzing existing research, it is expected to find trends, approaches, and best practices that have proven effective in linking HR management policies with environmental policies in companies. The study will follow a qualitative analysis procedure that engages categorizing and synthesizing information,

as well as providing insights on this topic. The analysis conducted in this literature study will also address factors that influence the effectiveness of these policies in organizations, such as company culture, employee motivation, and long-term sustainability.

#### **RESULT AND DISCUSSION**

In the face of global sustainability challenges, companies around the world are increasingly recognizing the importance of integrating HR management policies and environmental policies (Saifulina et al., 2020). The integration of these two policies is an important strategy to ensure long-term business continuity and more responsible resource management. HR as a key element in the organization has a significant role in the success of sustainability initiatives, which is directly related to overall company performance. HR policies that support environmental sustainability initiatives are essential for companies to move in a more environmentally friendly and resource-efficient direction (Gupta, 2017).

Implementing environmental policies that support sustainability in the workplace has a positive impact on the environment, and can improve productivity and operational efficiency (Nyameh, 2013). Employees engaged in such policies feel a greater sense of aim and become more motivated to contribute to the sustainability of the company. Companies that manage HR and environmental policies simultaneously have a great opportunity to enhance their reputation in the eyes of customers, stakeholders and society at broader. This is increasingly relevant amid improving consumer and government demands for more transparency and accountability in sustainable business practices (Gutiérrez-Rua et al., 2019).

Integrating HR policies and environmental policies is not an easy thing to do. Various factors, ranging from differences in priorities between shortterm and long-term policies to difficulties in managing change, can be barriers to achieving this aim (Mtembu, 2018). Successful integration depends not only on the design of the policy, but also on the capacity of the organization to manage change systemically. It is important for companies to develop strategies that allow them to work synergistically and support each other. With the right measures in place, companies can advance sustainability aims, and can achieve sustainable long-term success. This approach can strengthen the organizational culture based on sustainability, increase employee engagement, and strengthen the company's reputation.

Integrating HR management policies and environmental policies is a strategic step towards creating a more sustainable organization. Effective HR management requires attention to long-term sustainability aims that focus on profit, and on better environmental management. Essentially, management focuses on developing and maintaining employee competencies, which can be seen as a key factor in the implementation of sustainability policies 2019). Through (Chams et al., employee development equipped with an understanding of sustainability, organizations can create a work environment that is more friendly to environmental policies. HR management can be a driving force in integrating this policy (Emerson et al., 2016).

HR policies that support sustainability include training and development to improve environmental awareness among employees. Through training and development programs, companies can improve employees' understanding of environmental issues, such as the impacts of climate change, the importance of resource conservation, and sustainable work practices. Employees who understand sustainability aims are likely to have a greater commitment to green practices in the workplace, such as reducing carbon emissions and efficient energy use. Creating a company culture that supports sustainability is also key, where employees are given an active role in the company's environmental initiatives (Prakash et al., 2022). Organizations that leverage HR policies to align environmental aims will have a competitive advantage as they can improve operational efficiency while reinforcing the company's image as a sustainability-responsible organization (Gomathy, 2022).

Environmental policies implemented companies are limited to reducing negative environmental impacts, and to encouraging environmentally friendly innovation. These policies may include waste reduction, efficient management of natural resources, and implementation of clean technologies. For example, many companies have implemented sophisticated energy management systems to reduce energy consumption in their headquarters and production facilities. Companies that are able to link these environmental policies with HR management policies will gain the dual benefits of better HR management and more effective implementation of environmental policies (Tekulova et al., 2019). This integration not only improves compliance with environmental policies, but also strengthens the sustainability-oriented culture of the organization. Companies not only become more operationally efficient, but also more resilient and socially and ecologically responsible.

Employee engagement in environmental policies can be strengthened by providing incentives or rewards for those who participate in sustainability programs. Such rewards or recognition will improve employee participation in sustainability activities, and can strengthen their sense of social responsibility towards environmental sustainability. Along with that, company leaders need to communicate the vision and aims of sustainability in a clear and structured manner employees. Good to communication between management and employees will create a sense of ownership of the environmental policies implemented by company (Dragomir, 2020).

Integrating HR policies and environmental policies is not easy. One of the challenges is the inequality between short-term and long-term aims. Organizations often focus more on results that can be achieved in a short period of time, such as improved profits or efficiency, without paying attention to sustainability aspects that require long-term investment. There needs to be alignment between HR policies and environmental policies that can support long-term sustainability aims. Without proper integration between the two, companies may face challenges in achieving effective sustainability aims (Staniškis & Staniškienė, 2019).

In integrating the two policies, companies must address potential conflicts of interest that may arise. For example, an environmental policy that demands investment in clean technology and waste reduction may require greater expenditure, while an HR management policy based on cost efficiency may emphasize reducing expenditure (Olson et al., 2018). It is important to find a balance between these two policies by designing strategies that can optimize both, so that sustainability aims can be achieved without compromising company performance.

Technology implementation also plays a major role in integrating HR policies and environmental policies. Technology can be used to monitor and measure the environmental impact of a company's activities in real-time, and provide analysis that can be used to plan further policies. This information is essential for evaluating the effectiveness of environmental policies and determining necessary corrective measures. Through the sophisticated software and digital systems, organizations can identify areas for improvement to repaired environmental impacts and improve operational performance (Polosin & Grachev, 2018). Technology is one of the main drivers in realizing sustainability aims through HR policies and environmental policies.

Companies committed to sustainability must ensure that their HR and environmental policies can accommodate the rapid changes in the business world. Climate change, increasingly stringent government regulations, and consumer demands for more environmentally friendly products require companies to adapt quickly. In the face of these changes, companies need to develop flexible and adaptive policies. HR policies that support this flexibility will allow employees to innovate and adapt to changes (Adova & Artyushina, 2019).

Organizations need to ensure that their policies cover all employee groups, without exception. This means paying attention to diversity. Diversity in a work team can be a strategic strength if managed well. Diversity in the team can encourage fresh ideas and innovations that can enrich the organization's approach to achieving sustainability aims. This diversity should be utilized to create more inclusive and sustainable solutions in various aspects, from natural resource management to more environmentally friendly internal policies (Sukalova & Ceniga, 2020). Organizations that actively promote the participation of all groups in the formulation and implementation of environmental policies tend to build a more cohesive and impactful work culture. Organizations need to continuously evaluate and adjust their policies to empower diversity as an asset in achieving long-term sustainable goals.

Measuring company performance in terms of sustainability is also very important. Companies should develop performance indicators that measure economic performance, and social and environmental performance. Clear sustainability indicators will enable companies to evaluate the extent to which the HR policies and environmental policies implemented contribute to sustainability aims (Jha et al, 2018). The development and implementation of an effective measurement system is needed to assess the impact of these policies on overall company performance.

By integrating HR management policies and environmental policies, companies can create more sustainable organizations and improve overall performance. This approach allows companies to pay attention to operational efficiency, employee welfare, and environmental responsibility. Organizations that successfully implement these two policies well will benefit in terms of cost efficiency, reduced negative impacts on the environment, as well as improved corporate image in the eyes of the public and other stakeholders (Podgorodnichenko et al., 2020). It is important for HR managers and company leaders to ensure that HR policies and environmental policies are mutually supportive and well-integrated.

The process of integrating HR management policies and environmental policies requires more than just policies on paper. It requires a comprehensive and planned approach, engaging all parties in the organization, from top management to employees. Success in linking these two policies depends on how the organization aligns sustainability aims with the competencies and values brought by employees (Rashel et al., 2017). Companies that successfully implement this policy will be better able to adapt to changes in the developing business environment.

Companies that successfully integrate HR and environmental policies will experience long-term benefits, both in terms of reputation and operational performance. Good implementation of these policies will lead to improved efficiency, reduced operational costs, and better resource management. Moreover, the organization will also be able to maintain its competitiveness in an increasingly competitive global market (Naranjo-Gil, 2016). Herein lies the importance of creating a more sustainable organization, one that is oriented towards environmental sustainability and optimal performance.

In the face of an increasingly sustainable world, organizations must place HR management and environmental policies as top priorities. In this way, companies will support global environmental aims, and ensure the long-term sustainability of the organization itself. As the sustainability trend grows across sectors, organizations that can properly integrate HR and environmental policies will be better prepared to face future challenges and establish themselves as role models in sustainable business practices.

#### **CONCLUSION**

This whole description shows that organizational sustainability cannot be achieved without the active engagement of HR management policies and environmental policies that support each other. To realize a sustainable organization, companies need to align sustainability aims with HR policies that focus employee developing competencies, environmental awareness, and implementing environmentally friendly practices. HR management that supports sustainability initiatives will improve company performance, and strengthen the company's reputation as an environmentally and socially responsible organization. Successfully managing these two policies has the potential to generate significant long-term benefits, especially in the face of global market demands that increasingly focus on sustainability and social responsibility.

To achieve this aim, companies need to strengthen their commitment to HR policies that are based on sustainability values. This includes adjusting HR policies to not only focus on human resource efficiency, but also directly support environmental goals. One important step is to ensure that these policies are linked to environmental policies in terms of planning and execution. Organizations should embed sustainability principles in the company culture and convey this message clearly to employees. Companies should set up monitoring and evaluation systems to ensure that these policies are effectively implemented. This includes collecting data related to employee behavior and participation in sustainability programs, as well as periodic assessments of the achievement of environmental targets related to HR activities. Through an effective and planned approach, companies will be able to create a more sustainable organization and improve overall performance.

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