

GREEN HUMAN RESOURCE PROCUREMENT AND SUSTAINABILITY OF QUOTED MANUFACTURING COMPANIES IN SOUTH-SOUTH NIGERIA

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ABSTRACT

This paper investigated the relationship between Green Human Resource Procurement and Organizational Sustainability of Quoted Manufacturing Companies in South-South Nigeria. The proxies of organizational sustainability in this study were economic sustainability, social sustainability, environmental sustainability. The study was a quasi-experimental design and structured questionnaire was used for data collection. Validity and reliability test was conducted for the data collected, which was analysed using Pearson Product Moment Correlation Coefficient with the aid of Statistical Package of Social Sciences. 120 copies of questionnaires were distributed and 112 retrieved and used. From the fact gathered and analysed, it was discovered that Green Human Resource Procurement positively influenced the sustainability of quoted manufacturing companies in south-south Nigeria.

Keywords: Green human resource procurement, sustainability, economic sustainability, social sustainability, environmental sustainability

INTRODUCTON

The escalation of global business challenges and the imperative of sustainability have compelled numerous businesses worldwide to actively pursue more effective methods for identifying and implementing the most current strategies to achieve sustainability within the dynamic business landscape. One of the techniques that organizations might use is green human resource management (GHRM), which encompasses the

organization's commitment to its business environment. The concept of companies being motivated by profit-driven endeavours is undergoing rapid transformation. In contemporary times, there is a growing recognition within the commercial and corporate spheres that individuals have a central role in all organizational endeavours (Goffee & Jones, 2013). The emergence of this phenomenon has significantly impacted the business sector, leading to the establishment of organizational sustainability practices aimed at generating enduring value for many stakeholders, including customers and workers. This is achieved via the implementation of environmentally conscious strategies, as highlighted by Shah (2019). The approach under consideration places emphasis on the natural environment by taking into account all aspects of corporate operations and their corresponding social, cultural, economic, and environmental consequences (Yong, Yusliza, Ramayah & Fawehinmi, 2019). Organizational sustainability refers to the evolution of conventional terminology that characterizes ethical and equitable practices inside an organization. While conventional terms like corporate social responsibility (CSR) and corporate citizenship remain prevalent, there is a discernible shift towards the use of the more encompassing and complete concept of corporate sustainability. Previous studies have shown a correlation between sustainability and several positive outcomes, such as enhanced income generation, decreased waste production, reduced consumption of materials, water, and energy, as well as total cost reduction.

Previous research has shown that organizations that engage in GHRM to achieve a balance between industrial progress and preservation are more likely to experience profitability, as noted by Daily and Huang (2001; quoted in Murari & Bhandari, 2011). Consequently, the examination of environmental considerations within the realm of human resource management (HRM) has given rise to the concept of green human resource management (GHRM) (Chowdhury, Sanju & Asaduzzaman, 2017). This encompasses the many aspects of an organization's operations, such as the use of sustainable practices in recruiting procedures, onboarding, training, remuneration, and fostering positive relationships with employees, with the aim of minimizing any adverse impact on the environment (Mathapati, 2013). It was maintained that the push for sustainability within the organization is the operation of the human resources

functions which should be in alliance with its practices and procedures with sustainability goals. However, where the right human resource does not conform to the sustainable green initiative or goal of the organization, their objectives will be defeated. It is on this proposition that this study sets out to investigate Green Human Resource Procurement and Organizational Sustainability of Quoted Manufacturing Companies in South-South Nigeria.

Conceptual Framework

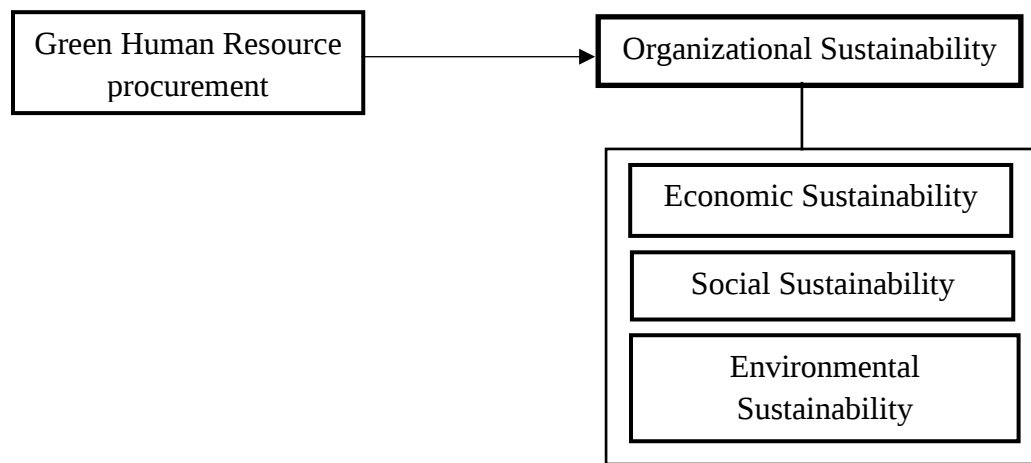


Figure 1: Green Human Resource Procurement and Organization Sustainability.

Source: Desk Research (2023).

The following objectives were considered in this study:

- i. Determine the relationship between Green HR procurement and Economic sustainability of Quoted Manufacturing Companies in South-South Nigeria.
- ii. Determine the relationship between Green HR procurement and Social sustainability of Quoted Manufacturing Companies in South-South Nigeria.
- iii. Determine the relationship between Green HR procurement and Environmental sustainability of Quoted Manufacturing Companies in South-South Nigeria.

Consequently, the following research questions guided the study:

- i. What is the relationship between Green HR procurement and Economic organizational sustainability of Quoted Manufacturing Companies in South-South Nigeria?
- ii. What is the relationship between Green HR procurement and Social organizational sustainability of Quoted Manufacturing Companies in South-South Nigeria?
- iii. What is the relationship between Green HR procurement and Environmental organizational sustainability of Quoted Manufacturing Companies in South-South Nigeria?

LITERATURE REVIEW

Theoretical Foundation

The Resource-Based View (RBV)

The resource-based perspective of the company, first introduced by Birger Wernerfelt in 1984 and subsequently expanded upon by Jay B. Barney in 1991, has garnered significant endorsement within the realm of business literature. According to Rivard, Raymond and Verreault (2006), the Resource-Based View (RBV) was first formulated by Penrose (1959) and Wernerfelt (1984) as a framework including a set of resources and capabilities that, when integrated, foster the sustainability of organizations. The Resource Based View (RBV) framework examines and interprets the resources possessed by organizations in order to comprehend the mechanisms through which organizations attain and maintain a sustainable competitive advantage. The Resource-Based View (RBV) theory places emphasis on the notion of company traits that are challenging to replicate, which serve as the foundation for achieving better performance and gaining a competitive advantage (Barney, 1986; Hamel & Prahalad, 1996).

Conceptual Review

Green HR Procurement

In explaining the concept of Green HR Procurement, Ahmad (2015) defines it as ‘green recruitment,’ a system where the focus is on the importance of the environment and on making it a major element within the organization. Complementing this, the recruits should also be enthusiastic, and to some extent, passionate about working for an environment-friendly ‘green’ company. Ahmad elaborates by stating that recruiting candidates with a green bent makes it easy for firms to induct professionals who are already familiar with basics like recycling, conservation, and creating a more logical world. The recruitment process should be aligned with environment-friendly issues (Ahmad, 2015).

Concept of Organizational Sustainability

Amrutha and Geetha (2020) defined Organizational sustainability as a company’s ability to cooperate in a way that guarantees the continuing good condition and subsistence of the company and the economic, social, and environmental systems that are associated with it. It denotes everything about integrating the goals of sustainable development, for example, societal fairness, economic efficacy, and eco-friendly exposures, into the operating atmosphere of industries (Varsei, Soosay, Fahimnia & Sarkis, 2014). Kernel (2005) in describing of Organizational sustainability posits that it was an aftermath necessary on the basis of organizational policies and functions that placed premium on relationships, development and the environment (Roberts & Tribe, 2008). Tamunomiebi and Mezeh (2022) posits that an absolute concentration by organizations reducing the impact of business activities on the environment could be termed “green business”, meanwhile any business that emphasize on sustainable business will throw their weight three dimensions of sustainability. It has been argued and emphasized that the two aforementioned standpoints are interwoven and their dependence on each other needs to be comprehended (Hiltchcock & Willard, 2009; Elkington, 2004).

According to Tamunomiebi and Mezeh (2022), many authors have criticized the limitation of the environmental dimension as it tailored toward sustainability for private manufacturing industries. On the other hand, Kernel (2005), argues that the fundamental move toward sustainability for organizations is taking environmental initiatives with a four step model of sustainability. Tamunomiebi and Mezeh (2022) opined that numerous organizations need to continue with the combination of ecological, environmental and socio-cultural dimension of organizational sustainability. An interesting investigation of their study showed that Green Recruitment and Selection which is same as Green Human Resource Procurement has a positive relationship with corporate sustainability (Tamunomiebi and Mezeh, 2022).

Economic Sustainability

For a business, economic sustainability means it can make money to stay afloat and contribute to the local and national economies (Tamunomiebi & Mezeh, 2022). For a business to be sustainable, it must consider factors such as job creation, local wages, and its impact on the local economy. To ensure that similar standards and practices are matters of economic sustainability, this includes suppliers and engagement across the supply chain. To stay afloat and meet all its stakeholders' expectations, companies must be profitable and financially stable simultaneously (Tamunomiebi & Mezeh, 2022). The environmental economy began in advanced countries in the 1970s as a response to environmental destruction and overuse of natural resources, relating concepts of the economy and ecology (Su-Haimis, 2011).

Social Sustainability

The meaning of social sustainability is numerous because it includes explanations of society, culture, and community. In a nutshell, social sustainability concerns how people interact socially with their relationships, behaviors, and values (Saeed *et al.*, 2019). For businesses to be sustainable, they must maintain a respectful relationship with their host communities, involve locals, and recognize the importance of traditions and culture in their experiences and activities (Saeed *et al.*, 2019). Personal and social needs must be balanced with nature's ability to sustain human life and environments. An increase in public

suspicion of business practices, exemplified by scandal, demonstrates the social dimension of sustainability. The conflict between business and society is evident in this dimension, but there is also the convergence of welfare when businesses react to sustainability.

Environmental Sustainability

The environmental aspect of sustainability has garnered the most attention in the scientific literature. An abundance of environmental information is available to those working in manufacturing, including the reduction of energy and water usage and how to recycle waste. A study of London manufacturing shows that almost all respondents are acting on environmental issues, as shown by the survey results (Saeed, Afsar Hafeez, Khan, Tahir & Tahir, 2019). Others have found that most companies (especially those in product-based industries like manufacturing) are aware of their negative environmental impacts. Resource depletion, such as energy, water, and other nonrenewable resources, calls for environmental intervention (Adjei-Bamfo, Bempong & Kusi-Sarpong, 2019).

Empirical Review

Green HR Procurement and Organizational Sustainability

Tamunomiebi & Mezeh (2022) examined Green human resource management and corporate sustainability of oil and gas companies in Port-Harcourt, Nigeria. Their goal of the study was to determine the level of responsiveness of Green Human Resource Management (GHRM) among Human Resources (HR) Managers and HR personnel at various levels in the Nigerian oil and gas industry. To gather data, a cross sectional design using quantitative research methodology was used. Data were gotten from 180 HR managers and HR personnel in the selected study organizations. Theory of green economy reinforced the study. The descriptive data analysis was used in relation to the level of relationship between the variables, and a regression analysis was used to determine the predictability of the corporate sustainability using the independent variables (GHRM). The discoveries of the study presented significant relationships between the independent variables (green recruitment and selection, green training and green rewards management)

and corporate sustainability ($r = 310, .469, .417$; $p < .01$) respectively; and $F(3, 176) = 30.43$, $p = .000$, with R^2 of .342 showed that GHRM is a good predictor of Corporate sustainability. The study suggested that to accomplish outstanding corporate sustainability, organizations should implement the essential GHRM practices. Institutes should embrace Green activities in their prospectus so as to instill and absorb the culture of green practices. Finally, the government should fit in GHRM methods into Nigerian Labour law and promote firms that adopt green HRM.

The outcome of their finding gives the room for this study as it is geared towards investigating the relationship between Green Human Resource Procurement and Organizational Sustainability of Quoted Manufacturing Companies in South-South Nigeria. Therefore, this study hypothesizes as follows:

H₀₁: There is no significant relationship between Green HR procurement and Economic sustainability of Quoted Manufacturing Companies in South-South Nigeria?

H₀₂: There is no significant relationship between Green HR procurement and Social sustainability of Quoted Manufacturing Companies in South-South Nigeria?

H₀₃: There is no significant relationship between Green HR procurement and Environmental sustainability of Quoted Manufacturing Companies in South-South Nigeria?

METHODOLOGY

This study adopted a cross-sectional survey method, which generated data at a specific point in time. The study focused on Directors and managers at various cadre in 12 manufacturing companies quoted in the Nigerian Stock Exchange. Looking at the unit of analysis, the research was conducted at the macro-level. Primary data for this study was sourced using the structured questionnaire instrument. The questionnaire was designed to generate data which addressed the variables of the study. The questionnaire was structured into two main sub-sections. Each variable is to be measured using appropriate and approved models and indicators with each scaled on the 5-Likert scale.

The validity of the questionnaire was tested using the content validity technique, and the reliability of the instrument was ascertained using the Cronbach Alpha coefficient. All the items scored above 0.70. For a test of the scale's reliability, the following Cronbach's alpha coefficients were obtained: Green Procurement (0.896), Economic Sustainability (0.885), Social Sustainability (0.796), and Environment Sustainability (0.871). Following Nunally's (1978) model, which suggests a benchmark of 0.70, as shown in table 1.

Table 1: Reliability results

Variables	Dimensions/Measures	Items on Scale	Reliability coef.
Organizational Sustainability	Green Procurement	10	0.896
	Economic Sustainability	3	0.885
	Social Sustainability	4	0.796
	Environment Sustainability	5	0.871

Source: Survey result, 2023

DATA ANALYSIS AND RESULTS

120 (100%) questionnaire copies initially distributed, and in line with the sample size for the research, 112 (93%) copies were successfully retrieved. However, after the cleaning and the assessment for error on the retrieved copies, all 112 (93%) copies were considered as admissible in the analysis of the study. This is as 8 copies were not retrieved from the field due to the inability of some staff to complete theirs; however, all retrieved copies were utilized in the study. As such a total of 112 copies of the questionnaire were considered as suitable and thus utilized in the research.

Table 2: Green procurement and organizational sustainability

			Procurement	Economic	Social	Environment
Spearman's rho	Procurement	Correlation Coefficient	1.000	.859**	.797**	.953**
		Sig. (2-tailed)	.	.000	.000	.000
		N	112	112	112	112
	Economic	Correlation Coefficient	.859**	1.000	.850**	.786**
		Sig. (2-tailed)	.000	.	.000	.000
		N	112	112	112	112
	Social	Correlation Coefficient	.797**	.850**	1.000	.786**
		Sig. (2-tailed)	.000	.000	.	.000
		N	112	112	112	112
	Environment	Correlation Coefficient	.953**	.786**	.786**	1.000
		Sig. (2-tailed)	.000	.000	.000	.
		N	112	112	112	112

** . Correlation is significant at the 0.01 level (2-tailed).

Source: Survey result, 2023

Table 2 illustrates the result on the relationship between green HR procurement and the measures of organizational sustainability. The results signify a positive relationship between green procurement and the measures of organizational sustainability.

- i. On the relationship between green procurement and economic sustainability, the test revealed a significant and positive relationship where $\rho = 0.859$ and $P = 0.000$. The null hypothesis was rejected based on the evidence presented.
- ii. On the relationship between green procurement and social sustainability, the test revealed a significant and positive relationship where $\rho = 0.797$ and $P = 0.000$. The null hypothesis was rejected based on the evidence presented.
- iii. On the relationship between green procurement and environmental sustainability, the test revealed a significant and positive relationship where $\rho = 0.953$ and $P = 0.000$. The null hypothesis was rejected based on the evidence presented.

All null hypothetical statements linked to the assessment for the relationship between green procurement and the measures of organizational sustainability were thus rejected on the basis of the evidence presented.

Results point to significant as well as positive relationships in all three instances. Thus, the following results are stated:

- i. There is a significant relationship between green procurement and economic sustainability of Quoted Manufacturing Companies in South-South Nigeria.
- ii. There is a significant relationship between green procurement and social sustainability of Quoted Manufacturing Companies in South-South Nigeria.
- iii. There is significant relationship between green procurement and environmental sustainability of Quoted Manufacturing Companies in the South-South.

DISCUSSION OF THE FINDINGS

On the relationship between green procurement and organizational sustainability, this research affirms that the benefits for any organization going green are to retain and satisfy customer specific needs, improve resource efficiency and reconfigure value chain (Ford & Despeisse 2016; Stindt 2017). According to Pazirandeh and Jafari (2013), SMEs implementation of sustainable practices into procurement or supply chain processes can enhance efficiency improvement in customer relationship management, long-term benefits through increased market shares and higher profit margins.

With this, the number of green businesses globally, especially within the developed economies, continues to increase, to enhance value added product to customers (Fritz, Schoggl & Baumgartner 2017; Rajeev, Pati, Padhi & Govindan 2017). Therefore, along with globalization and modern technology as competitive strategy for customer relationship management, green business is also a competitive strategy for managing and creating value for both the organization and its customers (Coltman, Devinney & Midgley 2011; Demo & Rozzett 2013)

Another critical component of green procurement for success in SMEs is reverse supply chain. Reverse supply chain is defined as the management of all the activities involved in the flow of goods, demand

information and money in the opposite direction to the primary logistics flow; a reduction in the generation of waste, and the management of the collection, transport, disposal, and recycling of hazardous as well as non-hazardous waste in a way that maximizes the long-term profitability of the business (De Villiers, Nieman & Niemann 2017).

The environmental implications of reclamation, reuse and recycling to save landfill space, fuel and costs are becoming more important for organizations as emerging dimensions for sustainability (Wang & Song 2017; Xu, Elomri, Pokharel, Zhang, Ming & Liu 2017). As the greenest part of any sustainable strategy, SMEs should develop a reverse supply chain strategy to physically handle returns such as stock selection, transportation, centralized collection, data collection, refurbishing or remanufacturing and disposition for competitive advantage and also to enhance both return on investment and overall firm performance (Batarfi, Jaber & Aljazzar 2017; Shaharudin, Govindan, Zailani, Tan & Iranmanesh 2017).

CONCLUSION AND RECOMMENDATION

The findings and as such position of this research on the relationship between green human resource procurement and organizational sustainability is a positive one and as such identifies green human resource practice as an imperative for improved outcomes of organizational sustainability within the context of manufacturing firms in South-south Nigeria. The adoption and focus on green HR procurement enhances related organizational functions and operations in a way that contributes toward improved outcomes of economic, social and environmental sustainability in manufacturing firms in South-south Nigeria.

It is recommended that the management of the manufacturing firms in South-south Nigeria in the development of green human resource procurement by workers in their respective organizations focus on an integrated process that aligns with the various units and functions of the organization; thus enabling of a more harmonized approach toward purchases and expenditure within the manufacturing firms.

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