

# Environmental efficiency, innovation and corporate performance in management human resources

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**ABSTRACT:** The aim of this study was to investigate human resource management on organizational performance, efficiency and environmental efficiency of innovation. Human resource management, personnel management, differentiated approach which seeks to achieve competitive advantage through the strategic development of highly efficient and committed workforce. Now repeat the practical methods of human resource management as a catalyst for the formation of human capital in firms, organizations can lead to competitive performance. Hence, industrial managers get a better understanding of the role of human resource management methods to improve sustainability, to promote efficiency, innovation, environmental performance and subsequent organizational performance.

**Keywords:** human resource management, performance, innovation, environmental performance, organizational performance.

## INTRODUCTION

One of Sciences essential for managing human organizations, human resource management (HRM) is the development of programs to improve the abilities of their staff, as well as individual and organizational objectives are achieved. In fact, human resource management, human resources development and training, and maintaining the organization's objectives. Human resource management, personnel management, differentiated approach which seeks to achieve competitive advantage through the strategic development of highly efficient and committed workforce (Mondy, Noe And Premeaux, 2002), some researchers (1990) The role of human resource management practices to improve organizational performance ((Intan Osman, 2011 and organizational performance (Huselid, 1955) were reviewed. These studies suggest a significant relationship between HRM practices, performance, innovation and environmental performance. Good design and planning of human resource management is expected to continue to foster creativity in lead generation companies (Hoong Lam, 2011). Yet another competitive advantage through the implementation of an environmental activist arise. In order to achieve environmental efficiency, business leaders practical ways to reduce costs, overcome technical problems as well as possible through innovations in technology are doing. Repeat the practical methods of human resource management as a catalyst for the formation of human capital in firms, organizations can lead to competitive performance. According to the proponents of the resource-based view, human resources scarce and valuable assets of an organization is evident. The top-level managers to human resource management are considered. Organizations in the fields of human resource management used by productive force necessary to achieve the economic goals of the organization (Stone, 2009). Related functions of human resource management including recruitment process (planning, recruitment and selection) Human resource development (education, efficient planning and development, performance appraisal), compensation and rewards, employee and labor relations, health and safety is efficient (Mondy, 2010). Hence, methods useful to facilitate the integration of HRM practice on employee activities that contribute to the intellectual capital in achieving competitive advantage is economic organizations (Wright, 2001).

### ***Innovation performance***

Innovation is a process that involves the creation, adoption, and implementation of new ideas or ways of organization (Wan, 2005). Organizations that focus on innovation, better ability to change their environment to their show. Researchers in innovation studies have investigated three different perspectives: 1-administrative and technical innovation 2- results-oriented and process innovation 3- radical and incremental innovation. Improving the quality of products, services and production processes provide technical innovations, while innovations in the management structure of administrative resources and administrative procedures. (Lund, 1996) results-oriented innovations, new products and services referenced are offered. While the innovation process refers to how the product manufacturing process (Laursen, 2003). Improvising the central core of economic activity, called a radical innovation, while innovation is often slow and gradual changes of current activity (Wan, 2005). Creating competitive advantage through innovation is essential for long-term stability (Prajogo et al, 2003). Accordingly, human resources and strategic processes can be considered as factors that can induce innovative activities are. Because these procedures will allow the company to potential strategic human resource exploration and exploitation of knowledge and expertise within their own organization (Scarbroug, 2003).

### ***Environmental performance***

The emergence of an environmental management environmental sustainability of economic leaders of the need to protect the natural environment and conserve natural resources. Environmental management, decision-making process in order to adjust those human activities that have an impact on the environment, so that the capacity of the environment for sustainable human development is not impaired. And the Rio summit in 1992, BCSD<sup>1</sup> Council emphasizes that the activities and performance of manufacturing and service organizations and their impact on the environment are controlled. Efficient approach towards environmental stewardship of the environment and the ecology, policy, planning and social development will merge. Environmental management are objectives :

prevent and resolve environmental issues;

Determine the Scope;

Efforts to establish effective institutions of research, environmental monitoring and management support;

identify environmental threats and warning;

Protect and enhance existing resources;

Enhance biological resources;

identify effective policies and technologies.

Obviously, to achieve the goals of environmental management will be faced with numerous problems. No doubt that short-term goals for environmental management in the context of a general attitude come into force. Without having a general attitude, it is hard to avoid the flawed decisions., Or a long-term policy in advance and cannot be attempted to set priorities and identify responsibilities. The environmental management involves making decisions about the goals and limits of performance or area navigation. The only issue is the scope of an environmental management can begin their environmental performance, this is an issue that is often neglected environmental management (Barrow, 1380).

Since 1990, the company began awareness about environmental management and the creation of value for the company's voluntary action to reduce waste, pollution and environmental activities were harmful. As a result, various methods and systems for corporate environmental performance through innovation in product design, use of materials compatible with nature, using less packaging material and energy savings created. The resource-based view, the company's strategy to create a synergy of resources for value creation are better than their competitors. (Ployhart, 2012) indicate the degree of success of a company's environmental performance in implementing programs to minimize the environmental impact of manufacturing process, the removal natural environment (Klassen, 1996).

### ***Human Resources Management and Innovation Performance***

Human resource management and development organizations to effectively manage the innovation enabling capabilities (Heritage, 2006). Manufacturing companies extend their activities when they need to innovate new and inventive employees have the features of flexibility and risk taking (Jen Chen, 2007).Therefore, organizations need to put more emphasis on the recruitment of these features. When the creative aspect as recruitment and selection criteria are used, employees are likely to create a variety of ideas. And will lead to more

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<sup>1</sup> - Business Council for Sustainable Development

innovative behavior. Based view of knowledge as a valuable resource for the organization sees that a diverse range of knowledge and innovative ideas for staff to facilitate easy adoption. Organizations may create new knowledge and capabilities in line with the broad educational innovation or capacity to provide new employees. Through education, innovation, enterprise organizations can develop expertise (Weisberg, 2006). Human capital is the most valuable and irreplaceable that no duplication is a key source of innovation performance (Boxall, 2003). Many empirical studies have proven the effectiveness of human resource management to maintain a competitive advantage, innovation and firm performance. One study (Yuan 2006) found that human resource management influence innovation in technology surpasses the company's performance. Motivation, creativity and innovation are positively related to moral education. In addition, training in human resources management directly with product and process innovation is related to Administrative (Cheng Ling, 2010). Environmental performance on corporate strategy, human resource management methods are expected to humanitarian culture of environmental assets, by hiring a company to help environmentalists. In general, a positive relationship between HRM<sup>2</sup> and organizational performance has been found in previous studies (Dalaney, 1996). However, little attention to teaching methods in human resource management in recent years has been to improve environmental performance. In 2008, a green approach to environmental management has a clear classification of human resource management, including recruitment, performance management, performance appraisal, training and development, employee relations, and compensation and reward is (Renwick, 2008). Following the above findings, the net production environment by reducing material consumption, waste and pollution effect associated with environmental efficiency are complementary to the results for (King, 2001).

#### ***Innovation performance and environmental efficiency***

Environmental efficiency in a parallel line with the company's innovation and technology deployment is to reduce excess material (Schmidheiny, 1992). New and innovative methods known the educational environment, such as changes in industrial processes or acquiring new equipment for preventative solutions organizations have grown. Moreover, we also need to introduce the methods of pollution reduction strategies exploit knowledge, know-how, innovation is also included. For example, ISO 14001 documentation preservation and dissemination of knowledge in corporate environmental protection. A study of some methods for accelerating innovative solutions for corporate environmental performance, including environmental, environmentally friendly product, product management, clean technologies, waste management, reuse of packaging, etc. (King, 2001). Innovation plays a central role and influence in the process of environmental efficiency. Hence, the performance of innovation as a key component of the approach is based environmental organizations.

#### ***Efficiency, innovation and corporate performance***

Innovation as a competence that leads to competitive advantage and organizational performance (Gaynor, 2002). Results from research studies suggest that the relationship between innovation and performance is ambiguous (Yun Lin, 2007). Some of the studies found a positive association, some negatively and some others have reported no association (Capon, 1990). These conflicting results may be due to different ones of the innovation performance of organizations (Damanpour, 1990). Technological innovations tend to improve the competitiveness of organizations that are seeking to increase the value (Pratali, 2003). While innovations in the market, organizations are able to provide appropriate opportunities and make more money (Johne, 2000). Performance and process innovation, continuous way to become profitable in the short term (Birchall, 1996). Basis of our innovative work on a gradual continuum, including four known radical: manufacturing, marketing, and strategic management (Yun Lin, 2007).

#### ***Environmental performance and organizational performance***

Some researchers have examined the relationship between environmental efficiency and organizational effectiveness (Cohen, 1995). However, there is no definite relationship between environmental efficiency and organizational effectiveness, and this relationship may be due to the influence of organizational characteristics and other properties (Russo, 1997). Environmental efficiency with actions such as reducing pollution, and to reduce costs and debt, increase staff productivity (Porter, 1995). Moreover, the returns of corporate environmental performance is positively associated with (Russo, 1997). Further studies on the correlation of cause-effect relations light show (King, 1995). While some studies show that pollution due to changes in organizational effectiveness (in dollars), but the measured value is still poor environmental performance (King, 1995). So the question is: Is this the costs of improving environmental conditions?

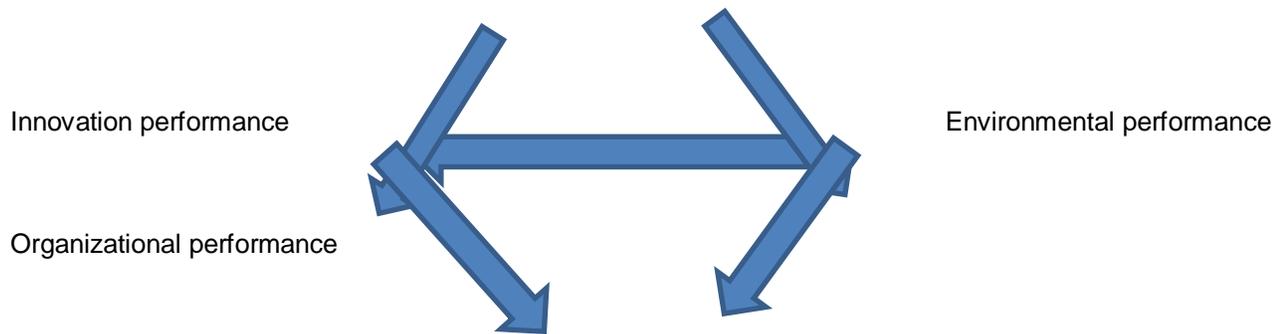
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Studies cited milestone reflects the fact that there is a positive relationship between environmental efficiency and organizational effectiveness. However, the causal relationship is unclear. However, in our opinion, ultimately leading to improved environmental performance, organizational performance is also closely associated with the organization.

Figure 1 . High-cycle model of human resource management in promoting organizational effectiveness in dealing with the effectiveness and efficiency of environmental innovators.

Human Resource Management



## CONCLUSIONS

Human resources are a critical element for enterprises to achieve innovation in advanced and stable operating environment is always changing. This mechanism leads to improved attitudes, capabilities and behaviors of employees to achieve organizational goals to play an important role in fostering the necessary conditions to accelerate and lead to the development of innovative activities to play. Strategic actions of organizations such as Human Resource Management, recruitment, training, performance appraisal, employee motivation, commitment and participation as a means to use them in creative thinking and innovation. Thus, the role of strategic human resource management performance capacity of innovation through acquisition, sharing and application of knowledge to practice. According to HRM innovation and environmental efficiency performance will lead to organizational effectiveness for companies that maintain stability of the company, followed by protection of the environment (source) is normal. Furthermore, the model also strong awareness of researchers to understand the role of human resource management on organizational performance through enhanced environmental performance and efficiency of innovative offers.

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