Eco-sustainable practices through strategic HRM: A review and framework for SMEs in the creative industries

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World Journal of Advanced Research and Reviews, 2024, 21(03), 042–049

Publication history: Received on 16 January 2024; revised on 25 February 2024; accepted on 27 February 2024

Article DOI: https://doi.org/10.30574/wjarr.2024.21.3.0658

Abstract

In recent years, there has been a growing recognition of the importance of eco-sustainable practices in the business world, particularly within the context of small and medium-sized enterprises (SMEs) operating in the creative industries. This review presents a comprehensive review and framework for integrating eco-sustainability into the strategic human resource management (HRM) practices of SMEs in the creative industries. The creative industries, encompassing sectors such as design, advertising, fashion, and media, play a significant role in shaping cultural trends and consumer behavior. However, these industries also have a substantial environmental footprint, stemming from resource-intensive production processes, waste generation, and high energy consumption. Recognizing these challenges, there is a growing imperative for SMEs in the creative industries to adopt eco-sustainable practices. Strategic HRM offers a promising approach for integrating eco-sustainability into the core operations of SMEs. By aligning HRM practices with the organization's sustainability goals, SMEs can foster a culture of environmental responsibility and innovation among employees. This review presents a framework that outlines the key dimensions of eco-sustainable HRM, including recruitment and selection, training and development, performance management, and employee engagement. Effective recruitment and selection processes are crucial for attracting individuals who align with the organization's sustainability values. Training and development initiatives can equip employees with the knowledge and skills needed to implement eco-friendly practices in their roles. Performance management systems should include sustainability metrics to evaluate employee contributions to eco-sustainable goals. Additionally, fostering employee engagement through communication, participation, and recognition can enhance commitment to eco-sustainability initiatives. Through the integration of eco-sustainable practices into strategic HRM, SMEs in the creative industries can not only reduce their environmental impact but also gain a competitive edge by appealing to environmentally conscious consumers and investors. This review provides a roadmap for SMEs seeking to navigate the intersection of sustainability and human resource management, ultimately contributing to a more environmentally sustainable future for the creative industries.

Keywords: HRM; SMEs; Eco-Sustainable; Creative; Industries; Review

1. Introduction

In today's business landscape, there is a growing emphasis on adopting eco-sustainable practices to mitigate environmental impact and promote long-term sustainability (Cisneros et al., 2023). This shift is particularly relevant for small and medium-sized enterprises (SMEs) operating within the dynamic and innovative sectors of the creative...
industries. This introduction provides an overview of eco-sustainable practices in the business world, highlights the importance of eco-sustainability in SMEs within the creative industries, and outlines the purpose of the review: integrating eco-sustainability into strategic human resource management (HRM).

Eco-sustainable practices encompass a range of strategies aimed at reducing environmental harm, conserving resources, and promoting sustainable development (Cavicchi et al., 2022). These practices have gained significant traction across various industries in response to growing concerns about climate change, resource depletion, and social responsibility. From adopting renewable energy sources to implementing waste reduction initiatives and pursuing eco-certifications, businesses are increasingly recognizing the importance of integrating sustainability into their operations (Adaga et al., 2024).

SMEs within the creative industries, which encompass sectors such as design, advertising, fashion, and media, wield considerable influence in shaping cultural trends and consumer behavior (Wibowo et al., 2024). However, they also tend to have significant environmental footprints due to their reliance on resource-intensive production processes, materials, and energy consumption. As such, the imperative for eco-sustainability in SMEs within the creative industries is twofold: to mitigate environmental impact and to align business practices with evolving consumer preferences for sustainable products and services (Fabian et al., 2023).

The purpose of this review is to explore the intersection of eco-sustainable practices and strategic human resource management (HRM) within SMEs operating in the creative industries (Puntillo, 2023; Ilugbusi et al., 2020). By examining existing literature, frameworks, and case studies, this review aims to provide insights into how SMEs can strategically integrate eco-sustainability into their HRM practices. Specifically, the focus is on developing a framework that aligns HRM strategies with eco-sustainable goals, fostering a culture of environmental responsibility, and enhancing organizational competitiveness in the context of sustainability.

### 2. Eco-Sustainability Challenges in SMEs within the Creative Industries

SMEs operating within the creative industries face unique challenges when it comes to implementing eco-sustainable practices (Matarazzo et al., 2024). This section explores the environmental footprint of creative industries, their resource-intensive production processes, high energy consumption, and the pressing need for eco-sustainable practices.

The creative industries, encompassing sectors such as design, advertising, fashion, and media, are significant contributors to environmental degradation (Imperiale et al., 2021). From the extraction of raw materials to the disposal of finished products, these industries leave a substantial environmental footprint. For example, the production of fashion garments often involves intensive water usage, chemical pollution, and waste generation. Similarly, advertising campaigns may contribute to deforestation through paper consumption and carbon emissions from transportation and production processes.

One of the primary challenges faced by SMEs in the creative industries is the resource-intensive nature of their production processes (Tian et al., 2021). Whether it’s designing products, developing marketing materials, or creating digital content, these processes often require significant amounts of raw materials, energy, and water. Moreover, the linear nature of production systems in many creative industries results in the generation of vast amounts of waste. For instance, in the fashion industry, textile scraps, unsold inventory, and packaging materials contribute to environmental pollution and resource depletion.

Another critical challenge for SMEs in the creative industries is their high energy consumption. From powering manufacturing equipment to running digital platforms and offices, energy is a vital resource for these businesses (Khan et al., 2023). However, the reliance on fossil fuels for energy production contributes to greenhouse gas emissions and exacerbates climate change. Additionally, the increasing digitization of creative processes, such as digital design tools and online advertising platforms, has led to a surge in electricity consumption.

Given the significant environmental challenges faced by SMEs in the creative industries, there is an urgent need for the adoption of eco-sustainable practices (Castellano et al., 2022). These practices involve minimizing resource consumption, reducing waste generation, and mitigating environmental impact throughout the value chain. By embracing sustainability, SMEs can not only contribute to environmental preservation but also enhance their competitiveness, attract eco-conscious consumers, and comply with evolving regulatory requirements.
3. Strategic HRM: An Approach for Eco-Sustainability in SMEs

Strategic Human Resource Management (HRM) offers a strategic approach for integrating eco-sustainability into the core operations of SMEs in the creative industries (Castellano et al., 2022). This section defines strategic HRM, highlights its significance, and discusses its role in fostering a culture of environmental responsibility and innovation.

Strategic HRM refers to the proactive alignment of HRM practices with the strategic objectives of an organization. It involves systematically integrating HRM strategies and policies to support organizational goals, enhance performance, and gain a competitive advantage (Lopez-Cabral et al. and Valle-Cabrera, 2020). In the context of eco-sustainability, strategic HRM entails incorporating environmental considerations into HRM practices to promote sustainable business practices and reduce environmental impact.

One of the key aspects of strategic HRM for eco-sustainability is aligning HRM practices with sustainability goals. This involves integrating sustainability principles into recruitment and selection processes, training and development initiatives, performance management systems, and employee engagement strategies (Rafiq et al., 2024). For example, SMEs can recruit individuals who demonstrate a commitment to environmental stewardship and incorporate sustainability criteria into performance evaluations and reward systems. HRM plays a crucial role in fostering a culture of environmental responsibility and innovation within SMEs in the creative industries (Al Doghan et al., 2022). HRM practices, such as communication, training, and leadership development, can influence employee attitudes and behaviors towards sustainability. By promoting environmental awareness, providing eco-training programs, and empowering employees to contribute ideas for eco-sustainable practices, HRM can inspire innovation and collective action towards environmental goals.

In conclusion, strategic HRM offers a strategic framework for SMEs in the creative industries to integrate eco-sustainability into their organizational culture and operations (Liakh, 2022). By addressing environmental challenges and fostering a culture of environmental responsibility and innovation, SMEs can enhance their competitiveness, mitigate environmental impact, and contribute to a more sustainable future.

4. Dimensions of Eco-Sustainable HRM Framework

The integration of eco-sustainable practices into Human Resource Management (HRM) strategies within SMEs in the creative industries requires a multifaceted approach (Wiegerink et al., 2022). This section explores the dimensions of an Eco-Sustainable HRM Framework, including recruitment and selection, training and development, performance management, and employee engagement.

Recruitment and selection processes are crucial in ensuring that SMEs attract individuals who are aligned with sustainability values. By incorporating sustainability criteria into job descriptions and candidate assessments (Biea et al., 2023), SMEs can identify candidates who demonstrate a commitment to environmental stewardship. This may involve evaluating candidates’ past experiences with sustainability initiatives, their values alignment with the organization’s sustainability goals, and their willingness to contribute to eco-sustainable practices within the company culture.

Training and development initiatives play a critical role in equipping employees with the knowledge and skills needed to implement eco-friendly practices in their roles (Pham et al., 2020). By providing eco-training programs, workshops, and resources, SMEs can empower employees to adopt sustainable behaviors and practices in their daily work activities. This may include training on energy efficiency, waste reduction, sustainable procurement, and eco-friendly product design. Offering training programs on environmental sustainability, including topics such as waste management, energy conservation, and sustainable sourcing. Providing employees with resources and tools to incorporate eco-friendly practices into their workflows. Encouraging employees to participate in sustainability-related certifications or courses to enhance their expertise in eco-sustainable practices (Couronné et al., 2020).

Incorporating sustainability metrics into performance management systems allows SMEs to evaluate employee contributions to eco-sustainable goals. By setting clear sustainability targets, providing regular feedback, and recognizing employees’ efforts towards sustainability, SMEs can align individual performance with organizational sustainability objectives.

Establishing Key Performance Indicators (KPIs) related to eco-sustainability, such as energy consumption reduction, waste diversion rates, or carbon emissions reduction targets (Helman et al., 2023). Integrating sustainability goals into
employees’ performance objectives and evaluations. Providing feedback and recognition for employees who demonstrate exceptional commitment to eco-sustainable practices.

Effective communication, participation, and recognition are essential for fostering employee engagement with eco-sustainability initiatives. By involving employees in decision-making processes (Amrutha and Geetha, 2023), encouraging their input on sustainability strategies, and acknowledging their contributions to environmental stewardship, SMEs can cultivate a culture of environmental responsibility and innovation. Creating channels for open communication and feedback regarding eco-sustainability initiatives. Encouraging employee participation in sustainability committees or working groups. Recognizing and rewarding employees who propose innovative eco-sustainable solutions or demonstrate exemplary environmental leadership.

5. Benefits of Integrating Eco-Sustainable Practices into HRM

The integration of eco-sustainable practices into HRM strategies offers various benefits for SMEs in the creative industries, including reduced environmental impact and enhanced competitiveness.

By adopting eco-sustainable practices across recruitment, training, performance management, and employee engagement, SMEs can significantly reduce their environmental footprint (Ghisellini et al., 2023; Qureshi et al., 2020). This includes minimizing resource consumption, reducing environmental footprint (Ghisellini et al., 2023; Qureshi et al., 2020). This includes minimizing resource consumption, reducing waste generation, and mitigating greenhouse gas emissions throughout the organization’s operations. As a result, SMEs can contribute to environmental preservation and promote a more sustainable future (Tereshchenko et al., 2023).

Integrating eco-sustainable practices into HRM can provide SMEs with a competitive advantage by appealing to environmentally conscious consumers and investors (Azam et al., 2022). As consumer awareness of environmental issues grows, there is an increasing demand for products and services from companies that demonstrate a commitment to sustainability. By aligning HRM practices with eco-sustainable goals and communicating these efforts to stakeholders, SMEs can enhance their brand reputation, attract eco-conscious consumers, and access new markets. Additionally, integrating sustainability into HRM can also attract socially responsible investors who prioritize environmental performance and long-term sustainability. By leveraging eco-sustainable practices as a point of differentiation, SMEs can strengthen their market position and drive business growth in the creative industries (Campo and Trio, 2022).

6. Framework Implementation and Challenges

Implementing an Eco-Sustainable HRM Framework within SMEs in the creative industries requires careful planning, execution, and addressing potential challenges (Ilugbusi et al., 2020). This section outlines the steps for implementation, identifies potential challenges and barriers, and discusses strategies for overcoming them.

Conduct a comprehensive assessment of the organization's current HRM practices and environmental impact. Set clear, measurable sustainability goals aligned with the organization’s mission and values (Mariappanadar, 2020). Embed eco-sustainable practices into HR policies and procedures, including recruitment, training, performance management, and employee engagement (Preghenella, 2022). Provide training and awareness programs to educate employees about eco-sustainability principles, practices, and their role in achieving organizational sustainability goals. Establish systems for measuring and monitoring progress towards sustainability goals. Implement sustainability metrics and regularly evaluate performance to identify areas for improvement (Marrucci et al., 2024). Foster open communication and employee engagement around eco-sustainability initiatives. Encourage employees to contribute ideas, feedback, and innovative solutions to promote environmental stewardship (Chaudhary and Kumar, 2022). Continuously review and refine eco-sustainable HRM practices based on feedback, lessons learned, and changes in organizational priorities and external factors. Resistance from employees, managers, or stakeholders who are reluctant to adopt new eco-sustainable practices due to perceived inconvenience, lack of understanding, or skepticism about the benefits (Cosenz and Noto, 2015).

Limited financial resources, time, or expertise may pose challenges in implementing eco-sustainable HRM practices, particularly for SMEs with limited budgets and capacity (Ferreira-Oliveira and Bouças, 2020). Insufficient support or commitment from organizational leaders to prioritize and invest in eco-sustainability initiatives may hinder implementation efforts. Integrating eco-sustainable practices into HRM requires coordination across multiple departments, changes to existing processes, and overcoming logistical challenges, which can be complex and time-consuming (Boncompagni, 2023). Engage organizational leaders and secure their commitment to eco-sustainability goals. Communicate the business case for sustainability, highlight potential benefits, and involve leaders in decision-
making and implementation processes (Ahmić, 2022). Foster a culture of inclusivity and collaboration by involving employees in the development and implementation of eco-sustainable HRM practices (Saleh and Brem, 2023). Provide opportunities for feedback, training, and recognition to empower employees as active participants in sustainability efforts. Address knowledge gaps and build awareness around eco-sustainability principles through training, communication campaigns, and educational initiatives (Vincent et al., 2021). Highlight the link between individual actions and organizational sustainability goals to inspire behavior change. Seek partnerships with external organizations, industry associations, and sustainability experts to leverage resources, share best practices, and overcome implementation challenges collaboratively.

7. Case Studies and Examples

Fashion Brand X implemented eco-sustainable HRM practices by integrating sustainability criteria into their recruitment process, providing eco-training for employees, and incorporating sustainability metrics into performance evaluations. As a result, they reduced waste generation, improved energy efficiency, and enhanced employee engagement with sustainability initiatives (Saha et al., 2022). Design Agency Y adopted eco-sustainable HRM practices by establishing a sustainability committee comprised of employees from various departments. The committee spearheaded initiatives such as recycling programs, green procurement policies, and eco-friendly office design, leading to reduced environmental impact and increased employee satisfaction.

Both Fashion Brand X and Design Agency Y emphasized the importance of leadership support, employee engagement, and continuous improvement in successfully implementing eco-sustainable HRM practices (Abbate et al., 2023). They highlighted the value of setting clear goals, measuring progress, and celebrating achievements to sustain momentum and drive long-term success. Fashion Brand X and Design Agency Y learned the importance of fostering a culture of sustainability, investing in employee training and development, and leveraging partnerships to overcome challenges and achieve their eco-sustainability goals (Liakh, 2022). They emphasized the need for flexibility, adaptability, and perseverance in navigating the complexities of implementing eco-sustainable HRM practices within SMEs in the creative industries.

8. Future Outlook

The future of eco-sustainable HRM for SMEs in the creative industries holds significant promise and challenges. As global awareness of environmental issues continues to grow, there will be increasing pressure on businesses to adopt eco-friendly practices and integrate sustainability into their operations (Cordero et al., 2022; Mishra and Sharma, 2014). In the creative industries, where innovation and creativity are core values, there is an opportunity to lead by example and drive positive change towards a more sustainable future.

However, the road ahead may not be without obstacles. SMEs in the creative industries may face challenges such as resource constraints, resistance to change, and evolving regulatory landscapes (Rizos et al., 2016). Additionally, the pace of technological advancement and shifts in consumer preferences may require continuous adaptation and innovation to remain competitive while staying true to sustainability goals (Sima et al., 2020). Despite these challenges, there are several trends and opportunities that can shape the future of eco-sustainable HRM. These include advancements in green technologies, increased collaboration and knowledge sharing among businesses and stakeholders, and growing demand for eco-friendly products and services (Fernando et al., 2019). By embracing these trends and proactively addressing challenges, SMEs in the creative industries can position themselves as leaders in eco-sustainable practices, driving positive environmental and social impact.

9. Recommendations

Throughout this discussion, we have explored the importance of integrating eco-sustainable practices into HRM strategies within SMEs in the creative industries. We have highlighted the challenges faced by these businesses, the dimensions of an eco-sustainable HRM framework, implementation strategies, and case studies demonstrating successful adoption of eco-sustainable practices. Eco-sustainable HRM is not just a moral imperative; it is also a strategic necessity for SMEs in the creative industries. By embracing eco-sustainability, these businesses can reduce their environmental footprint, enhance their competitiveness, attract environmentally conscious consumers and investors, and contribute to a more sustainable future for the planet.
10. Conclusion
In conclusion, we urge SMEs in the creative industries to prioritize eco-sustainable HRM practices and integrate them into their organizational culture and operations. By adopting the framework outlined in this discussion and leveraging best practices from successful case studies, SMEs can embark on a journey towards environmental stewardship and business sustainability. Together, we can build a more sustainable future for generations to come.

Compliance with ethical standards

Disclosure of conflict of interest
No conflict of interest to be disclosed.

References


