



Nurturing Sustainability Commitment: Exploring the Nexus of Employee Relations, Human Resource Management (HRM) and Micro, Small and Medium Enterprises (MSME) Sectors

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Abstract

Purpose: The purpose of the research is to comprehend how enterprises in India evaluate their commitment to sustainability in connection to employee relations and HRM practices. This paper introduces a theoretical framework called “awareness, action, comprehensiveness, and excellence (AACE)” to convey the remedies and practices as embraced by MSME industries in achieving their sustainability initiatives. **Methodology:** This study employed a cross-case study approach to analyse workers and owners’ opinions in MSME units in Kolkata and adjacent regions in order to determine how industrial relations and HRM practises foster the level of sustainability commitment. **Findings:** The purpose of this research was to assess the existing HRM landscape and employee relations adopted by MSME firms to provide better support their aim of strengthening the commitment towards sustainability. The research proposed a framework with four stages—“awareness, action, comprehensiveness, and excellence”—that captures HRM practises as embraced by MSME enterprises to cultivate their commitment towards sustainability. **Social Implications:** MSME sector units are making a vibrant contribution towards the emerging Indian economy. When it comes to the question of safe employment and sustainability, quality jobs, inclusiveness, productive employment, safe and secure work conditions, opportunities to work, and quality of work life seem to be driving parameters of employee growth. They have a major impact on both long-term viability and employees' quality of life. This study attempts to make a mark in this course. **Conclusion:** According to the study's findings, HRM practices that emphasize informal leadership toward workers are essential for forging a company's commitment to sustainability.

Keywords: AACE; HRM; Quality Job; Inclusiveness; MSME; Sustainability

Introduction

Over the past decade, ‘commitment to sustainability’ has been the subject of extensive academic investigation. The meaning of this term has been examined from several angles and explained in several ways (Schrettle *et al.*, 2014). This study has adopted the “commitment to sustainability” idea provided by Jansson *et al.* (2017). The economic, social, and environmental aspects of this idea in relation to all essential business activities have been examined (Hahn & Figge, 2011). The term ‘Triple Bottom Line (TBL)’ is used to describe these three facets of sustainability (Hahn & Figge, 2011; Laszlo & Zhexembayeva, 2011). TBL highlights the philosophical and strategic approach of companies that seek sustainable consumption and regeneration of resources (Laszlo & Zhexembayeva, 2011). For TBL, such a business outcome appears realistic, but it needs enterprises to match their business procedures, culture, and people pool—essential for any viable organisation (Ehnert & Harry, 2012).

16	Bally-Jagacha	Jute Rope	The organization is reinforcing commitments to sustainability goals and steps towards transforming the mechanical organization into organic and learning organization.
17	Janbazar Leather Artisans Cluster	Leather Footwear	The organization's priorities and sustainability-related actions.
18	Janbazar Leather Artisans Cluster	Leather Footwear	The organization focuses on implementing decent work indicators among their workers.
19	Kolkata	Dal Milling	Focuses on Sustainable HRM.
20	Kolkata	Dal Milling	A lack of awareness is noticed in connection with the SDG concept and its application in the real world.
21	Kolkata	Dal Milling	The organization's priorities and sustainability-related actions.
22	Kolkata	Dal Milling	The organization is reinforcing commitments to sustainability goals and steps towards transforming the mechanical organization into organic and learning organization.

Discussion

Theoretical contributions

The research confirms what the literature already knew: that informal ties (employer-employee) are common and that they are mostly the product of leaders' distinctive approaches to management. They are deemed crucial in establishing procedures and practises that drive the new sustainability-oriented business strategy (Trienekens & Zuurbier, 2008). The findings highlight the critical role performed by informal MSME leaders who employ a variety of people management strategies to exercise authority over and steer business operations in accordance with established goals. The interaction of job demands and job resources played a moderating role in the connection between employee engagement (EE) and employee performance (EP) (Nkansah *et al.*, 2023). There is a significant positive relationship between employee engagement and employee commitment. Employees of private organizations have a higher level of employee engagement and organizational commitment than employees in public organizations, and long-tenured and short-tenured employees did not differ in commitment (Agyemang, 2013). A noteworthy finding is the presence of a significant, inverse relationship between job stress and job performance, indicating that heightened job stress leads to a substantial decrease in an individual's performance. These results offer valuable insights to the organization, emphasizing the importance of fostering a healthy, collaborative, and amicable team environment to enhance overall performance (Ahmed & Ramzan, 2013).

This research suggests a theoretical framework for understanding how employee interactions and human resource management (HRM) influence MSME enterprises' dedication to sustainability.

