Sustainability or Limitless Expansion: A Paradigm Shift and Changes in HRD Academic Curricula

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Abstract (200 words)

In this paper I argue that to prepare HRD specialists for the workplace of the future HRD academic programs need to embrace the new paradigm that is becoming a dominant trend in society and in organizational practice: Sustainability and sustainable development, as opposed to limitless economic expansion. A review of recent HRD and HRM literature revealed several topic areas discussed in academic and practitioner-oriented writing about sustainability: the role of HRM/HRD in embedding sustainability in organizational cultures; training and development methods, aimed at increasing sustainability awareness and at developing related skills and behavioral patterns; and sustainable leadership and development of related leadership skills. However, HRD graduate programs rarely incorporate sustainability-focused courses and topics within courses. In this paper I argue that there are at least three main areas where corresponding changes in HRD curricula are needed: a) Economic foundations of HRD (to demonstrate the economic necessity of the paradigm change and explain the role of HRD in achieving the Triple Bottom Line results); b) Systems theory (to provide a solid understanding of the systemic nature of inter-relationships between the economy, environment, and society); and c) Self-leadership and individual moral development as related to individual employees’ role in promoting sustainable organizations.

Keywords: sustainability; HRD; sustainable organizations; economic growth; future of HRD; HRD curriculum

1. Introduction

Research on HRD’s role in developing sustainable organizations and societies has been gaining momentum in recent years. In 2010, a special issue of the Advances in Developing Human Resources was devoted to the discussion of the role of HRD in CSR, sustainability, and organizational ethics. In 2011, sustainability was the central theme of the annual European HRD conference (Cheltenham, UK). An important idea emerging from the debate in the HRD literature is that there is a need for a paradigm shift away from the fixation on fast economic and organizational growth and expansion towards sustainable practices and philosophy. And this shift needs to happen not only in the realm of business strategies, but also in HRD and HRM work (Ardichvili, 2011; Garavan & McGuire, 2010; Tome, 2011).

In this paper I will focus on the following important for the future of HRD question: To enable the shift from the expansionist to sustainability paradigm, what changes need to occur in HRD academic programs? My argument is based on a selective review and interpretation of the relevant literature in HRD and related fields of social science,
including HRM, sustainable development, corporate social responsibility, and business ethics. The argument is developed in the following four parts of the paper: a) Changing economic realities and the corresponding paradigm shift in organizational practices; b) A brief overview of sustainability-related literature in HRD and HRM; c) Three changes, needed in HRD graduate program curricula; f) Conclusions and implications.

1. Sustainability and Economic Growth: Changing Realities and a New Paradigm

In his paper on the role of HRD in sustainability and corporate social responsibility, Tome (2011) pointed out that modern societies tend to equate success with limitless economic expansion. Challenging this fascination with growth he suggested that HRD can play a central role in ensuring that societies, organizations, and individuals change from a “mentality, in which the success … is measured by … annual increases in wages, profits and the GDP” to a completely new mindset. Under this mindset people are satisfied after achieving a certain level of prosperity and do not feel the need to constantly pursue economic growth and ever increasing levels of income.

Schumacher (1973) was one of the first scholars to point out that more is not always better, and constant economic growth cannot be sustained in the long run. According to Schumacher, perpetual expansion is incompatible with the systems view of economics and society; it leads to depletion of environmental resources and results in the loss of collective wisdom, degradation of moral standards, and cultivation of greed, inequality, and oppression.

In an attempt to provide a balanced perspective on this debate, Cavagnaro and Curiel (2012: 13) pointed out that society’s fascination with economic growth was not always a negative and destructive factor: it brought the levels of economic prosperity in most countries to unprecedented levels, helped to lift millions of people out of poverty, and helped us to escape from the Malthusian trap of stagnation and mismatch between population growth and diminishing returns from scarce resources. However, economic expansion of the magnitude that was achieved in the last two hundred years is not sustainable in the long run due to gradual exhaustion and degradation of the natural environment. As the MIT’s Limits to Growth group argued more than thirty years ago, constant expansion of a subsystem cannot continue indefinitely without eventually causing a collapse of the whole system (Meadows et al 2005).

Cowen (2011) discussed the reasons for the severity of the recent global economic crisis and argued that, while failures of our systems of finance, governance, and business ethics were also to blame, the most important reason was our continued reliance on outdated economic models, designed for what he called the era of the ‘low hanging fruit of economic growth’ (p. 5). Cowen showed that the unprecedented economic expansion in the Western world was mostly driven by the exploitation of three abundant sources of wealth: land (both arable land and extracted from land mineral resources), human ingenuity (a major source of technological innovation), and an expanding pool of young people looking for better jobs and better education. Unfortunately, in most developed countries at least two of these sources of growth have been exhausted or are on the brink of exhaustion. Therefore, economic expansion of the magnitude and pace observed over the past two hundred years is impossible, and
change in paradigms (from constant expansion to sustainable development) is not just a wish of those concerned with the environment, but an economic necessity.

2. Sustainability in the HRM and HRD Literature

The term “sustainability” is most commonly associated with such concepts as “long-term”, “durable”, “sound”, and “systematic” (Ehnert, 2006). When we hear this term the first thing that comes to mind is ecological sustainability. However, this term is also used in the context of the use and availability of a wide range of other resources, including the most relevant to HRD resource – human potential. The World Commission on Environment and Development (WCED) defined sustainability as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs" (WCED, 1987: 8).

Docherty et al. (2002: 12) argued that “Sustainability… encompasses three levels: the individual, the organizational and the societal. Sustainability at one level cannot be built on the exploitation of the others...”. According to Cavagnaro and Curiel (2012: 1), on the societal level “the ultimate goal of sustainable development is securing better quality of life for all, both now and for future generations, by pursuing responsible economic growth, equitable social progress, and effective environmental protection.” This emphasis on social, environmental and economic outcomes is based on the Triple Bottom Line model (Elkington 2006; Wikström 2010) which is grounded in the systems theory and postulates that sustainable development can be achieved only when there is a balanced and equal attention to all three main elements of the system.

In the strategic management literature the term “sustainability” is used to describe sustainable competitive advantage of organizations (Porter, 1998). One of the dominant theories in strategic management, the resource-based theory of the firm, postulates that human resources and knowledge and intellectual capital are the key sources of long-term, sustainable competitive advantage (Barney 1991). In this literature, the link between HRM and HRD and sustainability is established based on the economic and business competitiveness needs.

The central importance of HRM and HRD in sustainability is underscored by the fact that societal-level sustainability depends on the existence of sustainable organizations and individuals. According to Cavagnaro and Curiel (2012: 1-2), societal-level goals of sustainable development “cannot be achieved without organizations and individuals who are convinced of the need to be part of the sustainability project.”

The HRM and HRD literature on sustainability utilizes the Triple Bottom Line model and the concept of three levels of analysis to discuss sustainable HR practices (Colbert and Kurucz 2007; Jabbour and Santos 2008). The application of the Triple Bottom Line principle to HRM “means championing the integration of social, environmental and economic goals for the organization over the long-term through HR and human capital policies and practices.” (Becker, 2011: 19). Some HRM academics explored the link between HR and long-term economic sustainability of firms (Boudreau and Ramstad 2005; Wright et al. 1994). Boudreau and Ramsted focused on sustainability as the strategic advantage of the firm, and positioned talent management as the main HRM intervention, leading to sustainable competitive advantage. Doherty et al (2002) contrasted High Intensity Work Systems with Sustainable Work Systems.
While in the first case high intensity of work and attempts to maximize productivity and return on existing resources could lead to burnout and high turnover (and, ultimately, to wasted resources), the SWS focuses on balanced and sustainable in the long term development of resources. Under SWS, “Human resources to be fostered include skills, knowledge, co-operation and trust, motivation, employability, constructive industrial relations, and also broader institutional/societal prerequisites, such as training systems” (Docherty et al 2002: 11).

In the HRD literature on sustainability several major themes can be traced. First, a number of authors criticize HRD for abandoning its original mission of advancing the wellbeing of people in organizations through developing human potential, and becoming an instrument of achieving profit maximization goals of corporations, focused on short-term financial results instead of long-term development goals (Fenwick and Bierema 2009; Garavan and McGuire 2010; Kuchinke 2011). Fenwick and Bierema (2009) argued that sustainable HRD needs to pay equal attention to individual and organizational development, and Kuchinke (2011) pointed out that human development should be a key concern of HRD, while this concern needs to be viewed in light of HRD’s contribution to organizational effectiveness and long-term sustainability.

Second, some HRD scholars discuss the role of HRD in imbedding sustainability in organizational cultures and systems. According to Garavan and McGuire (2010), HRD can “raise the awareness of employees and develop positive attitudes toward sustainability...It can contribute to the development of a culture that supports sustainability, CSR, and ethics.” (p. 489). In addition to developing and delivering related training programs, HRD and HRM are perceived as playing an important role in culture change efforts, aimed at developing organizational cultures that embrace the sustainability paradigm (Liebowitz 2010; Sroufe et al 2010). Becker et al (2010) proposed a model of aligning supply chain management, sustainability, and employee development.

Third, among specific strategies for promoting sustainability in organizations, leadership and executive development are perceived as one of the most important approaches. Raising leaders’ awareness of sustainability issues, and equipping them with necessary tools and models, is perceived as a necessary step (Gond, 2011).

Forth, the HRD and management learning literatures address various instructional and developmental strategies that can contribute to developing sustainable individuals in organizations. Thus, one of the prescriptions for developing sustainable human resources is to foster reflection, creativity, and continuous learning on the individual level and learning culture on the organizational level (Boud et al 2006). Haugh and Talwar (2010) discussed various learning strategies used for embedding sustainability in organizations, including action learning, field projects, and knowledge management. Pless et al (2011) described global service learning projects which involved sending participant teams to developing countries to work with NGOs or local social entrepreneurs on resolving sustainability-related issues. The authors argued that this intensive experience had deep effect on cognitive, affective, and behavioral levels and helped participants develop socially responsible mindsets.

A number of authors argued that HRD’s emphasis on sustainability should be related to the concern for ethics and corporate social responsibility (Ardichvili 2011; Mackenzie, Garavan, and Carbery 2011). A comparison of articles on institutionalizing
ethical business cultures (Ardichvili and Jondle 2009; Foote and Rouna 2008); and
imbedding sustainability in organizational cultures (Garavan and McGuide 2010;
Garavan et al 2010) shows that in both cases the ultimate goal is to achieve lasting
changes in employee attitudes and behavior, as well as in organizational value systems,
and HRD can influence these changes through a system of coordinated efforts and
programs, including action learning, experiential learning, encouraging and promoting
informal learning and communities of practice, and fostering programs and behaviors,
characteristic of learning organizations.

In summary, HRD and HRM can and should play an active role in helping
organizations achieve sustainability-related objectives. The extant literature discusses
various approaches to turning organizations into agents of social and environmental
sustainability. These approaches include, among others, culture change, leadership
development, sustainability-related training, and various action learning and service
learning – based programs.

3. The need for a paradigm change in HRD academic curricula

While the above described efforts to embed and foster sustainability are necessary, my
argument is that they are not sufficient and may not lead to lasting changes. It is
commendable that many organizations (and HRD professionals in these organizations)
are paying increasing attention to the needs of sustainable development, and are
adopting corresponding programs and interventions. But, to be successful in the long
run, the new programs need to be grounded in a fundamental change in business
paradigms and, by extension, the paradigms that guide HRD work. The emphasis on
sustainability will not be sufficient if we are basing our actions on the assumptions of the
perpetual growth paradigm. Therefore, future HRD practitioners and academics need to
have a solid grasp of theoretical foundations of the sustainability paradigm, and related
changes are needed in HRD graduate curricula.

As mentioned earlier, Schumacher’s (1973) views on economics and societal
development are widely known. But the fact that a whole chapter of his book is devoted
to the role of education and human resources is rarely recognized. For HRD
professionals and academics this part of Schumacher’s argument is especially valuable.
Schumacher argued that highly educated human resources are the most important
asset of any organization or society. But he also pointed out that our assumptions about
the role of education are mostly erroneous when applied to the development of
sustainable human resources. According to Schumacher, education in modern societies
(and I would add, training and development in industry) is mostly about acquiring more
knowledge. Such emphasis on expanding the knowledge pool makes sense in
conditions of perpetual economic growth. However, sustainable societies need
education and HRD that focus on different priorities. Under the new paradigm,
education and development need to focus on expanding human capacity for moral
reasoning, meaning making, and compassion. Another outcome of sustainability-
oriented education and development should be ability to understand systems dynamics
and long-reaching impact of one’s choices. In the long run, sustainable education and
development should lead to the creation of the pool of human resources, capable of
making wise choices in their personal lives, in organizational decision making, and in community and socio-political realms.

To address the challenges, articulated by Schumacher, changes are needed in at least three areas of HRD graduate curricula: those related to the economic foundations of HRD; related to the systems foundations of OD, organizational design, and organizational change; and those related to the role of self-leadership and individual moral development in promoting sustainability.

The first change that needs to be made is related to adding emphasis on economic literacy, especially an understanding of the reasons for the shift away from the growth paradigm to the new sustainability paradigm. Our recent review of the curricula of ten most influential HRD graduate programs in the US (Ardichvili and Oh, 2012) suggests that only a handful of these programs provide courses on economic foundations for HRD professionals. And the main emphasis in these courses is on traditional cost-benefit analysis, ROI of investment in human resources, and other basic concepts, grounded in microeconomics. What is needed in addition to learning these basic principles is a deeper understanding of economics of sustainability and the role of HRD in the new sustainable economy.

The new curriculum would need to include a review of the economic theories, related to sustainability, and a discussion of economic reasons why sustainability became a necessity. A good example of such a discussion of economics of sustainability is provided by Eduardo Tome’s (2011) paper, presented at the 12th European HRD conference. He traced the history of economic thought from Smith, Ricardo, and Marx, to the human relations and human capital schools, to the Meadows report, and to the development of theories of knowledge economy. Tome demonstrated how the economic realities have changed and how the economic thinking has undergone corresponding changes. Furthermore, he showed that understanding of economic foundations helps to change HRD practices, orienting them towards the prevention of social irresponsibility, mismanagement, and unsustainable organizational behavior.

In a similar fashion, Cavagnaro and Curiel (2012) discuss history of economic thought, from Malthus to Keynes and Friedman, and demonstrate how change from the growth and expansion paradigm to sustainability is dictated by changes in socio-historical conditions (movement from the industrial revolution and industrial era to the knowledge economy, and from abundant resources to resource scarcity).

To summarize the argument so far: HRD academic curricula need to include not only a solid review of foundations of related economic theories, but also a discussion (using historical examples) of the economic necessity of the transition to the sustainability paradigm, both in theory and in practice.

The second area where current HRD curricula are lacking and a significant change is needed is the teaching of systems foundations of HRD. Since the introduction of Swanson’s three-legged stool (Swanson and Holton, 2009), systems theory became widely accepted as one of the major foundations of HRD theory and practice, and is taught in some form in many of the HRD academic programs. However, I could not find any examples of the discussion of the link between systems theory and sustainable development and the systems view of the relationship between the environment, economy, and social systems. This discussion is needed on two levels. First, there is a
need for realization that one part of the system cannot expand indefinitely while the other parts don’t grow: In the end, the whole system will collapse. But the proponents of the perpetual growth paradigm are making exactly this erroneous assumption: they believe that the economic sub-system can continuously expand even though other sub-systems (natural environment and human resources) are at the capacity limits.

Second, the systems view can show that societal sustainability cannot be achieved without corresponding changes in the key embedded sub-systems – business organizations. As demonstrated by Cavagnaro and Curiel (2012), sustainability in organizations is supported by their design and structure: “It has been found that characteristics such as discretionary slack, coordination mechanisms among different departments, and performance evaluation based on more indicators than financial ones are conducive to a more sustainable stance.” (p. 135). For example, discretionary slack frees up time for creativity and socially responsible volunteer activities; simplified access to information from other departments enables experimentation and development of new sustainable business models; and the use of performance evaluations, based on a mix of financial and non-financial indicators shows the employees and other stakeholders that the organization is serious about sustainable development.

The teaching of systems foundations can be greatly enhanced by incorporating theories and applications, grounded in new theories of emergence and complex adaptive systems. While this new paradigm is steadily growing in importance in management and leadership literature (e.g., Boisot and McKelvey 2010; Guastello 2007; Lichtenstein et al. 2007), mainstream HRD publications so far have been largely silent on this debate, with rare exceptions (e.g., Behtel Jayanti, 2011).

In summary, two changes are needed in how we teach systems foundations of HRD. First, courses on systems theory need to incorporate discussions of the effect of changes in one of the subsystem on sustainability of the larger system. Second, courses on organizational design, development, and assessment need to incorporate new information on how corresponding changes in design and processes can enable the development of sustainable organizations.

The third area where curricular changes are needed is related to the third level of analysis: individual. Sustainable societies and organizations are possible only if the individual members of the society and employees and leaders in organizations are embracing the sustainability paradigm and their individual values are attuned to serving the interests of others and, ultimately, of the whole universe. Tome (2011) asked how HRD can prevent social irresponsibility, unsustainability, and mismanagement. He argued that the investment in HRD (made by organizations and societies) is “one of the basic elements of social irresponsibility prevention,” and “by creating wealthy and educated people, HRD may make a decisive contribution to the sustainability of the world.” However, we also need to be mindful of Schumacher’s warning that not all education and T&D efforts lead to sustainable future in the long run. Focusing exclusively on performance improvement and expertise development we will be contributing to short-term success of our organizations, but will be eroding, at the same time, the long-term ability of these organizations and the society to cope with systemic issues of sustainable development. Clearly, HRD cannot let up on its pursuit of excellence in development and delivery of best training programs and most effective organizational change interventions. But we also should be mindful of the long-term
effect of our work. Are we improving people’s ability to make ethical, responsible, and sustainable choices? Are we helping employees to think creatively and independently about larger issues of societal well-being and social justice?

While current HRD academic programs include coursework on ethics and, sometimes, on individual moral development (usually in the context of career development), the link between sustainability and ethics and individual moral development is rarely made explicit. In this respect a review of Kohlberg’s (1981) model of levels of moral development would be highly relevant. In addition, while some courses on leadership cover such theories and approaches as Greenlief’s (1977) Servant Leadership model, or the more recent Authentic Leadership model (Avolio and Luthans 2006; Walumbwa et al. 2008), the role of these value-based models in creating sustainable organizational cultures is not made explicit.

5. Conclusion and Future Research Directions

In this paper I argue that, to prepare HRD practitioners and future academics for the paradigm shift towards sustainability (as opposed to the emphasis on perpetual economic expansion), HRD academic programs need to emphasize three areas: a) Economic foundations of HRD (to demonstrate the economic necessity of the paradigm change and explain the role of HRD in achieving the Triple Bottom Line results); b) Systems theory as one of the foundations of HRD (to provide a solid understanding of the systemic nature of inter-relationships between the economy, environment, and society); and c) Self-leadership and individual moral development as related to individual employees’ role in promoting sustainable organizations.

Related research would need to entail a more in-depth review and analysis of the existing HRD graduate coursework in a sample of HRD programs to determine the current extent of coverage of these topics. In addition, a review of the literature from related fields (including, for example, business and management, HRM, engineering, and urban planning), would be needed to identify successful examples of such curricular innovations. Furthermore, it would be beneficial to conduct action research-based studies of experimental development and implementation of courses or teaching modules, focused on these three issues. Speaking about teaching approaches, given the nature of the subject matter, experiential and active learning approaches, as well as simulations could be the most appropriate methods for developing advanced knowledge, skills, and attitudes, related to these topics.

References


