



THE ROLE OF HR IN DRIVING ORGANIZATIONAL SUSTAINABILITY THROUGH EMPLOYEE WELL BEING PROGRAMS



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Original Article

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Abstract

In the evolving landscape of corporate responsibility, the role of Human Resources (HR) in promoting organizational sustainability has gained significant attention. This paper explores how HR functions can be strategically aligned with sustainability goals through the implementation of employee well-being programs. These programs—ranging from mental health support and flexible work arrangements to ergonomic workspaces and green commuting incentives—serve as vital tools not only for enhancing employee satisfaction and productivity but also for contributing to broader environmental and social objectives. A sustainable organization recognises its workforce as a critical stakeholder in achieving long-term goals. By integrating well-being initiatives into corporate sustainability strategies, HR can foster a culture of health, resilience, and inclusivity. This paper examines real-world case studies and surveys to demonstrate that organizations investing in holistic well-being report improved employee retention, enhanced brand reputation, and greater compliance with Environmental, Social, and Governance (ESG) standards. Moreover, the study highlights the feedback loop between sustainable HR practices and business performance, indicating that employee-centric sustainability initiatives often lead to greater innovation and reduced operational risks. The research underscores the importance of reimagining HR not merely as an administrative function, but as a proactive driver of sustainable transformation. Ultimately, the paper advocates for a shift in HR strategy—from reactive support to strategic leadership—emphasising the need for continuous measurement, employee involvement, and alignment with global sustainability frameworks such as the UN Sustainable Development Goals (SDGs).

Keywords: *Employee Well-being; ESG; HRM Sustainability; Organizational Strategy; Workplace Health*

Introduction

In the modern era of organizational development, sustainability is no longer a peripheral concern but a strategic imperative. Human Resources (HR), traditionally seen as an administrative arm, is now at the forefront of driving sustainable practices within organizations. Among the many tools available, employee well-being programs have emerged as key enablers of both workforce satisfaction and sustainable development. These programs—spanning mental health initiatives, flexible work policies, inclusive benefits, and environmentally conscious commuting options—foster a workplace environment that supports physical, mental, and emotional health while aligning with global sustainability goals.

The integration of well-being into corporate strategy reflects a paradigm shift in which employees are regarded as central stakeholders. A sustainable organization invests in its people to ensure long-term success, resilience, and innovation. HR's proactive role in embedding well-being into the organizational fabric enhances brand reputation, boosts employee engagement, and aligns internal practices with Environmental, Social, and Governance (ESG) standards.

The COVID-19 pandemic and the growing emphasis on work-life balance have accelerated the demand for well-being-driven sustainability strategies. Companies are increasingly re-evaluating performance indicators to include happiness indices, absenteeism rates, and mental health metrics. Case studies show that firms adopting a holistic approach to employee welfare often outperform competitors, retain talent longer, and cultivate inclusive workplace cultures.

This study explores the strategic role of HR in this transformation by analysing existing programs, identifying best practices, and highlighting both the direct and indirect impacts on organizational sustainability. The research aims to position HR not merely as a support function, but as a vital change agent in the sustainability agenda.

Objectives of the Study

- To examine the role of HR in designing and implementing employee well-being programs.
- To evaluate the impact of well-being initiatives on organizational sustainability.
- To assess employee perceptions of HR-led well-being programs.
- To explore the relationship between well-being programs and ESG compliance.
- To recommend strategies for HR to function as a sustainability change agent.

Need for the Study

Despite the growing emphasis on sustainability, the integration of employee well-being into strategic HR practices remains underexplored. This study addresses this gap by investigating how HR-led well-being programs contribute to sustainability goals, enhancing both employee satisfaction and organizational resilience within a competitive and environmentally conscious business landscape.

Scope of the Study

The study focuses on mid- to large-scale organizations in India and globally, across multiple sectors including IT, manufacturing, and services. It examines existing HR-driven well-being initiatives, their impact on employee and organizational outcomes, and their alignment with sustainability frameworks such as ESG standards and the United Nations Sustainable Development Goals (SDGs).

Limitations of the Study

The study relies primarily on secondary data, case studies, and selected survey responses, which may not fully capture sector-specific nuances. Additionally, variations in organizational size, geographic location, and culture may influence the effectiveness of well-being programs. Finally, the use of short-term data may not adequately reflect the long-term sustainability outcomes influenced by HR initiatives.

Literature Review

According to the study by Grawitch et al. [1], *"The Path to a Healthy Workplace: A Critical Review Linking Healthy Workplace Practices, Employee Well-being, and Organizational Improvements"*, a strong link was established between employee psychological well-being and organizational performance. The study emphasised that integrated wellness practices enhance productivity, morale, and overall workplace effectiveness.

As per the study by Kiron et al. [2], *"The Innovation Bottom Line: How Sustainability and Human Resource Policies Drive Innovation"*, the authors concluded that companies aligning HR with sustainability policies experience improved employee commitment, creativity, and innovation, thereby reinforcing the business case for strategic well-being integration.

Furthermore, in the study by Guest [3], *"Human Resource Management and Employee Well-being: Towards a New Analytic Framework"*, the author argues that employee well-being is integral to the psychological contract and significantly influences employee retention, engagement, and trust in organizational leadership.

According to the study by Collins and Smith [4], *"Knowledge Exchange and Combination: The Role of Human Resource Practices in the Performance of High-Technology Firms"*, the research showed that HR practices fostering a positive social climate facilitate knowledge sharing and performance, both essential for innovation and sustained organizational success.

The study by Kumar and Kumar [5], *"Synergistic Impact of CSR, ESG, and OHS Practices on Operational Efficiency and Economic Performance in Indian Organizations"*, found that Indian companies implementing well-being programs aligned with CSR efforts demonstrated stronger ESG scores and enhanced organizational transparency.

Lastly, according to the study by Chaker and Damak [6], *"Developing a Strategic Framework for Aligning Human Resource Management Practices with Sustainability Goals"*, the paper highlights how strategic HRM, when aligned with sustainability goals, shapes organizational culture and behaviour, contributing to long-term resilience and ethical performance.

Research Gap

While existing literature recognises HR's contribution to organisational culture and performance, few studies explore HR's strategic involvement in sustainability through employee well-being initiatives. There is a lack of empirical data linking such programs to ESG outcomes and sustainable transformation—particularly in the Indian context—warranting further research to bridge this academic and practical gap.

Methodology

This study employs a mixed-methods approach to comprehensively explore the role of HR in driving organizational sustainability through employee well-being programs. The combination of quantitative and qualitative methods ensures both breadth and depth in data collection and analysis.

Research Design: Mixed-Method Approach

A mixed-methods approach integrates both qualitative and quantitative research methods to provide a holistic view of the research problem. The quantitative component helps analyse measurable outcomes (e.g., employee satisfaction scores, ESG compliance ratings), while the qualitative component explores deeper insights into employee and HR perceptions, attitudes, and strategies.

Sample Design

Target Population:

Mid- to large-scale organizations in the IT, healthcare, and manufacturing sectors.

Sample Size:

- **HR Managers (Qualitative):** 20 participants
- **Employees (Quantitative):** 200 participants

Sampling Technique:

- **Purposive sampling** for HR managers, as they are directly involved in strategic HR and sustainability functions.
- **Stratified random sampling** for employees to ensure balanced representation across departments and roles.

Data Collection Methods

- **Quantitative Data (Employees):**

Structured online surveys using a 5-point Likert scale will be used to assess perceptions of well-being programs, satisfaction levels, and perceived sustainability outcomes. Key variables include employee engagement, retention likelihood, perception of company sustainability, and the effectiveness of mental health support.

- **Qualitative Data (HR Managers):**

Semi-structured interviews will be conducted via video conferencing or in person. Interview themes include the strategic goals of HR, implementation challenges, alignment with ESG frameworks, employee feedback mechanisms, and impact measurement.

Data Analysis Techniques

Quantitative Analysis:

- **Descriptive statistics** will be used to profile respondent characteristics and identify general trends.
- **Regression analysis** will examine the relationship between employee well-being initiatives and employee performance/satisfaction.
- **Correlation analysis** will identify associations between ESG compliance and the presence of well-being programs.
- **Software used:** SPSS (Statistical Package for the Social Sciences).

Qualitative Analysis:

- **Thematic analysis** will be conducted to identify common themes, patterns, and emerging issues in HR responses.
- **Coding** will be performed using software-assisted methods to ensure objectivity and pattern recognition.
- **Software used:** NVivo, which enables advanced text analysis, coding, and visualization.

Validity and Reliability

Pilot Testing:

The survey questionnaire was pilot tested on a sample of 10 employees to assess clarity and consistency.

Triangulation:

Data from surveys, interviews, and company documents (where available) will be triangulated to ensure validity.

Reliability:

Cronbach's Alpha will be calculated for the survey items to assess internal consistency.

Ethical Considerations

Participation is voluntary, with informed consent obtained from all participants. Anonymity and confidentiality of respondents will be strictly maintained. The study will adhere to the ethical standards of academic research and comply with applicable data protection laws.

Result & Discussion

Low Variability (SD < 1.0):

Observed in only one item—employee participation in well-being programs—indicating consensus, either due to high participation or a general lack thereof.

Moderate Variability (SD 1.0–1.3):

Seen in items related to productivity impact, HR feedback, and physical/mental health programs, suggesting a moderate level of organizational coherence but with room for improved clarity.

High Variability (SD > 1.3):

Found in items concerning HR's communication, strategic alignment, employee engagement, and sustainability. This suggests inconsistent implementation or varying perceptions across the organization.

Relationship between HR's Role in Employee Well-being and Organizational Sustainability

- **Independent Variable:** HR's Role in Employee Well-being
- **Dependent Variable:** Organizational Sustainability
- **Correlation Coefficient (r):** -0.21711

Interpretation

Weak Negative Correlation:

The Pearson correlation coefficient between organizational sustainability (independent variable) and HR's role in employee well-being (dependent variable) was found to be $r = -0.21711$.

Direction of Relationship:

The negative correlation indicates that as organizational sustainability increases, HR involvement in employee well-being slightly decreases.

Strength of Relationship:

The relationship is weak and not statistically strong, suggesting no significant or direct association between the two variables.

The negative sign denotes an inverse relationship—meaning that as HR's involvement in employee well-being increases, organizational sustainability tends to slightly decrease. However, the weak magnitude suggests that the association is minor and possibly lacks practical significance.

A stronger HR focus on employee well-being may not directly enhance sustainability outcomes and could potentially divert attention or resources from broader sustainability initiatives.

Alternatively, other factors—such as leadership, environmental strategy, or compliance focus—may have a more substantial impact on sustainability, thereby reducing the observable effect of HR-led well-being efforts.

Further statistical analysis revealed a very weak negative Pearson correlation coefficient ($r = -0.17562$) between organizational sustainability and HR's strategic role in aligning well-being with sustainability goals. This suggests that as sustainability efforts increase, HR's strategic involvement in employee well-being tends to slightly decline.

The weak correlation highlights a potential disconnect between sustainability initiatives and HR's integration in such efforts. In many organizations, sustainability is primarily driven by environmental, compliance, or operational teams, which may limit HR's strategic visibility.

Moreover, employee well-being programs may be implemented in a tactical manner (e.g., wellness days or ad hoc initiatives) rather than being embedded within long-term sustainability goals. This indicates a missed opportunity for organizations to leverage HR more strategically, especially as employee well-being is increasingly recognised as a key pillar of organizational resilience. The findings underscore the need for a more integrated and strategic alignment between sustainability frameworks and HR functions (refer to Table 1).

Table 1: Role of HR in driving organizational sustainability through employee wellbeing programs

Variables	Standard Deviation	Mean	Interpretation
1. My organization provides well-structured employee well-being programs.	1.377	3.67	High variability – Employees have diverse experiences; some see strong support, others may not.
2. I have participated in at least one well-being program in the past 12 months.	0.815	1.50	Low variability – Responses are consistent; most either participated or did not, with little in between.
3. The well-being programs offered address both physical and mental health.	1.160	3.89	Moderate variability – Some inconsistency in how well-rounded programs is perceived.
4. These programs have positively impacted my productivity.	1.139	4.07	Moderate variability – Mixed responses about productivity impact, but not drastically different.
5. I feel more engaged at work because of the well-being initiatives.	1.374	2.98	High variability – Strong differences in perceived engagement due to well-being efforts.
6. HR actively promotes employee well-being programs.	1.072	4.1	Moderate variability – Most respondents agree, but some may feel HR efforts are weak or inconsistent.

7. HR regularly communicates the availability of well-being resources.	1.443	2.5	High variability – Communication is inconsistent or unclear across the organization.
8. HR considers employee feedback to improve well-being initiatives.	1.191	4.0	Moderate variability – Mixed views, possibly due to unclear feedback mechanisms or actions.
9. HR plays a strategic role in aligning well-being with sustainability goals.	1.188	4.08	Moderate to high variability – Strategic alignment is not clearly visible to many employees.
10. I understand my organization's sustainability goals.	1.419	2.28	High variability – Sustainability goals may not be effectively communicated to all employees.
11. Employee well-being is viewed as part of our sustainability efforts.	1.110	3.96	Moderate variability – Some shared understanding but not universally accepted or reinforced.
12. There is a clear connection between HR practices and sustainability in my organization.	1.442	2.5	High variability – Employees struggle to see a consistent HR-sustainability link.
13. I feel motivated to contribute to the organization's sustainability initiatives.	1.462	2.3	Highest variability – Employees' motivation levels vary significantly, possibly due to unclear relevance or incentives.

Source: Collected by Author

Findings

1. Low variability ($SD < 1.0$) was observed in responses related to employee participation in well-being programs, indicating either consistently high engagement or universally low participation across the organization.
2. When organizations focus on productivity impact, HR feedback, and physical/mental health programs, it reflects a moderate level of organizational coherence. However, these areas could benefit from clearer communication and stronger alignment.
3. The negative correlation may imply a disconnect between sustainability initiatives and HR practices, particularly in the context of employee well-being.
4. Organizations might be prioritizing external aspects of sustainability (such as environmental and financial goals) over internal, people-centric strategies like employee well-being.
5. Sustainability programs may be primarily driven by compliance, environmental, or operations teams, often excluding HR from core strategic discussions.
6. HR departments may be more engaged in transactional roles (e.g., hiring, payroll, and compliance) and less involved in strategic well-being initiatives aligned with long-term sustainability objectives.
7. Organizations may be diverting resources toward sustainability reporting and environmental impact areas at the expense of investing in employee wellness programs.

Discussion

The findings suggest a nuanced and potentially concerning dynamic between organizational sustainability efforts and employee well-being initiatives. The low variability in responses regarding employee participation in well-being programs ($SD < 1.0$) may indicate a uniform trend—either consistently high engagement or widespread disengagement. Given global patterns of underutilization of corporate wellness programs, it is plausible that participation remains low due to a lack of perceived relevance or accessibility [7].

Moderate coherence across responses related to productivity impact, HR feedback, and physical/mental health initiatives implies that while some alignment exists, these domains require enhanced communication and integration. As Jiang et al. [8] argued, organizations must ensure internal consistency between HR practices and strategic goals to drive long-term sustainability.

The observed negative correlation between sustainability programs and HR-led well-being initiatives could reflect a deeper disconnect, with organizations potentially prioritizing external, measurable sustainability targets (e.g., carbon

footprint, financial resilience) over internal, people-centered strategies [9]. This is consistent with findings by Bakker et al. [10], who note that sustainability frameworks often overlook human capital, particularly employee wellness.

Further, the dominance of compliance and environmental teams in sustainability planning, as opposed to HR involvement, raises concerns about the marginalization of employee well-being in strategic discourse. When HR is relegated to transactional task recruitment, payroll, and policy enforcement, it limits their capacity to contribute meaningfully to sustainability through well-being programs [11].

Additionally, organizations might be reallocating resources toward sustainability reporting and environmental benchmarks, inadvertently deprioritizing wellness investments [12]. As sustainability gains prominence in global corporate strategies, the need for an integrated approach—linking environmental, economic, and employee well-being dimensions—has become more urgent [13]. Strategic alignment across departments, especially including HR, is essential to realize holistic and sustainable organizational development.

Suggestions

1. Encourage organizations to integrate HR into the formulation of sustainability strategies, particularly in relation to employee well-being.
2. Promote collaboration between HR, sustainability, and leadership teams to ensure goal alignment and prevent siloed operations.
3. Broaden the definition of sustainability to include employee well-being as a core component, alongside environmental and financial metrics.
4. Design and implement well-being initiatives that are explicitly aligned with the organization's sustainability goals.
5. Conduct training sessions for HR professionals to enhance their understanding of how well-being programs contribute to organizational sustainability and resilience.
6. Develop robust metrics to evaluate the impact of well-being programs on sustainability outcomes and overall organizational performance.

Conclusion

The study concludes that HR's strategic alignment with organizational sustainability through employee well-being programs is not only desirable but essential. By fostering inclusive, healthy, and engaged workplaces, HR can drive measurable improvements in both human and organizational capital. The shift from administrative HR functions to strategic leadership rooted in sustainability enhances brand equity, supports ESG goals, and promotes long-term resilience. Future HR strategies must prioritise continuous learning, stakeholder inclusion, and alignment with global sustainability frameworks to achieve lasting impact.

Acknowledgement

The authors acknowledge the anonymous reviewers for their valuable insights, which significantly enhanced the quality of this study.

Conflict of Interest

This research did not receive any funding that could have influenced the results. No sponsorship played a role in the study's design, data collection, analysis, or decisions regarding publication.

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