



Sustainable Human Resource Development: An Empirical Study from an Organization Perspective to a Community Perspective

Hima Parameswaran

Assistant Professor, City University Ajman, UAE

h.parameswaran@cu.ac.ae (ESID 7569 2925 2023)

Abstract

The notion of human resource development is changing. It relates to individual development for organizational growth. Due to internationalization and technological advances, it is linked to the community, environmental, and Corporate Social Responsibility (CSR) agendas. Now, organizations realize the importance of creating products and services in a highly sustainable way. In this background, a study on HRD with a societal perspective is relevant for any firm's sustainability. It helps to identify the confronts organizations face in addressing diversity and ethical awareness. Accordingly, this study is focused on the UAE among different industrial sectors with the help of a survey. It consists of both qualitative and quantitative analysis using SPSS 24.0. The outcome stressed the relationship between independent variables and the significance of sustainable HRD at the community level in shaping the well-being of the entire society. Hence, this study confirms that organizations must be vigilant in their actions and related activities regarding the welfare of stakeholders and the entire world. Further, the report sheds light on sustainable HRD practices for a sustainable community

Keywords:

Sustainable HRD, corporate social responsibility, ethical awareness, managing diversity.



1. Introduction - Sustainable HRD to community engagement

Evolution of Human resource development lights on the inventiveness of human, organizational, and societal environments it inhabits. In a broad aspect, HRD is an approach to raising the general population's capacity, expertise, and competencies. Society themselves are involved in various political processes for the well-being of citizens. When it comes to the societal and ethnic viewpoint, this humanity always looks for changes to have a better quality of life. Thus, it opens the door to transformation (Harbison and Myers, 1964). In this present century, HRD illuminates like a leader as it has supreme transformative power in empowering innovativeness, critical thinking, and drastic solutions to real-world problems. To support this view, Horwitz et al. (1996) argue that HRD is a process by which humanity acquires the know-how and talents to execute one's profession as well as to take part in various roles in society. A transformation through HRD in individuals can create responsible citizens in society and the entire nation through learning and growth. Hence, HRD can be considered a multi-disciplinary field. Paprock (2006) emphasizes that to increase the economic nation's productivity and output, HRD plays a pivotal role in developing the nation's human wealth. Corporate Social responsibilities (CSR) in organizations identify that there are economic, social, and legal factors imposed on the way how businesses do and perform. Investments in HRD thereby contribute to increased national and regional strength, the end of hunger, crime, illiteracy, and unemployment, and an improvement in the overall standards of existence (McLean, 2004).

This study explores the role of HRD in organizations toward community development.

Moreover, it delineates the ethical responsibilities of HR professionals related to UAE law and the significance of training and development in shaping the same in the region. Thus, the conventional setting of HRD has changed as a result of the recognition that modern HRD has the resources and potential to have an influence on regions, nations, and the world at large (Kim, 2012).

1.1 Significance of sustainable HRD practices: How can they change society from different perspectives?

Nowadays, annual reports of many large organizations include their social and philanthropic activities as a part of corporate governance, in addition to the annual sets of accounts. Beyond profit-and-loss accounts, organizations instill a social conscience, which creates value-based actions in their operations, and processes. Carroll (1979) defines this concept of CSR as: "The social responsibility of business encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time." According to the literature, HRD's task evolves to reconcile the firm's resource-based perspective with a more humanized value-based strategy (Birema and D'Abundo, 2004; McGuire et al., 2005; Fenwick and Bierema, 2008). To support these views, Garavan et al. (2010) articulate that such an ethos requires attention to organizational culture, reward systems, and hierarchies to ensure both values and systems that enable the effective implementation of CSR approaches.

According to Choi & Rainey (2010), many employees have the perception that they are not valued in their organizations due to formal and informal policies. Exclusion from employment



prospects, human resource investments, team participation, and decision-making processes for people and groups is one of the hardest issues that employees face in the workplace (Shore et al., 2011). For businesses to become inclusive organizations, socioeconomic barriers between majority and underrepresented groups must be removed. These barriers can be based on things like race, gender, people with disabilities, ethnicity, and religious minorities. Keeping this notion in mind, the following are the purposes of the research.

1. To recognize the relationship between ethical practices and sustainable HRD.
2. To identify the importance of CSR and HRD in societal development.
3. To investigate the importance of managing diversity for a sustainable HRD.

2. Literature review

A sustainable HRD has a crucial role in human capital formation at the community level. HRD practitioners must act and behave ethically to develop sustainable long-term HRD processes. Many theorists have emphasized that HRD must act as the moral conscience of the organization, standing up to hegemonic power displays in organizations and upholding stakeholder interests in an era stained by financial scandals such as WorldCom and Enron (Mor Barack, 2014). Plans and policies that promote HRD consider the skills, knowledge, and abilities individuals acquire to build their careers within the frameworks of vocational education and training (VET) and lifelong learning. The impact of instructional programs is on the economy's overall competitiveness and ability to draw in foreign direct investment (Mc Guire, 2014). When it comes to CSR, the three viewpoints are; the narrow classical

economic view (shareholder model) (Friedman, 1970); the socio-economic view (stakeholder model) (Simon et al., 1972; Arrow, 1973; Evan & Freeman, 1988; Bowie and Duska, 1990; Goodpaster, 1991, 1996 in West 2006), and broad, maximal (stakeholder model) (Carroll, 1999, 2000; Wood, 1991, 2002; Porter & Kramer, 2002; Prahalad & Hammond, 2002), these approaches drew attention to the maximization of shareholder and stakeholder values, profitability, legal compliance, affirmative actions, and social contracts. Further, there is a need for strategic plans for creating a culture of cohesiveness through knowledge management in organizations (Parameswaran, 2020).

2.1 Ethical awareness for sustainable HRD

An effective HRD practice toward ethics highlights standards of conduct or codes of conduct for specialized groups that govern behavior. The functions of HRD ought to be enlightening practices that provide ethical practices that can support organizational transformation and sustainability and shed light on the challenges posed by diversity and cultural aspects. The focal point of HRD is on activity, fostering the ability to act, producing validity through activity, and affecting and working with others in circumstances stacked with feelings and governmental issues (Vince, 2003). The number of businesses that have endorsed corporate ethics programs has dramatically increased over the past three decades. Proof from Morals Asset Center and different writing build up moral exploration exercises in nations like the USA, the UK, Canada, Australia, Europe, and Asia (Weaver, 1995; 2005, Webley & Jeune, 2005; O'Dwyer & Madden, 2006, Parameswaran, 2000) According to a study that was carried out in 1991 by SHRM and the Commerce Clearing House, HR's capacity to contribute at the



strategic level has diminished while its role has expanded to include monitoring legal compliance and ethical policies.

Similar to how ethics integrates relationships with partners, business ethics include the recognition and acceptance of their diverse interests. An organization's and its members' moral standards are established through business ethics. However, weak organizational ethics culture can be the result of a weak ethics culture, according to international surveys on this topic regularly. For instance, a study by Vuuren and Eiselen (2006) in South Africa found that 83% of respondents reported scams and bribery within their organizations; however, only 27% of respondents provided ethics training, and less than 20% cited managerial functions as a significant factor. In this viewpoint, HR best practices like choice, enlistment, preparation and improvement, pay, and execution of the board influence moral culture in associations. In addition, the measurability of the operationalization of ethical programs is highlighted by Schwartz (2004) in his study. The code of conduct and professional ethics for public sector employees are established by the federal authority for human resources. Consequently, individuals in the board expert play a significant part in perceiving the social and moral issues, and dangers connected with elective business systems, and in tracking down the answers to resolve them with HR rehearses (Josephson, 1998). In this background, the study tries to analyze the ethical awareness in organizations to a sustainable HRD and the hypothesis to be tested is:

H₁: Is ethical awareness and practices have a significant role in sustainable HRD?

2.2 HRD and CSR in Action

Emirati Journal of Business, Economics, & Social Studies
Emirates Scholar

While ethics programs in organizations address behavior and decision-making, CSR is more macro-focused and concentrates on the extent to which the organization's operations align with and influence the larger society and world. CSR initiatives were found to have a significant positive impact on improved talent acquisition, longevity of best performers, and higher efficiency from an HR perspective. According to World Business Council for Sustainable Development defines CSR as "contributing to sustainable development by working to improve quality of life with employees, their families, the local community, and stakeholders up and down the supply chain". The operationalization of CSR refers to the "triple bottom line" where considerations are given equally to profit (economic bottom line), people (social bottom line), and the planet (environmental bottom line) (Fox, 2007). According to Carrol (1999), CSR refers to the economic, legal, ethical, and philanthropic responsibilities of a firm to its stakeholders. According to conventional insight, social accountability and ecological safety come at a major expense to a firm, which might further impair efficacy and attractiveness. Evidence, however, suggests that increasing an organization's green act can result in a higher fiscal turn as opposed to an increase in expenses and a decline in revenues. Owing to the mentioned situations, the next hypothesis for the study is:

H₂: Is CSR an important factor in HRD sustainability?

2.3 Background to identify the importance of diversity studies.

At the start of the twenty-first century, research and theory development connected to the inclusion of societal identities, and diversification showed signs of a progressive change, according to the



literature. Additionally, there has been a rise in global cooperation, which has led to a cross-cultural flow of thoughts, principles, and conceptual frameworks. Individual intergroup differences in the workplace have received inconsistent attention in the past from academics and researchers. Studies on gender and intergroup interactions, for instance, were more common or related fields of study; yet, they were often explored using various paradigms and taxonomies (Mor Barak, 2014). One of the main causes of hatred, prejudice, exploitation, and even crimes in workplaces is the unforeseen global population booms that have produced indigenous varied work settings. However, a conducive organizational culture can foster an inclusive work environment (Stotzer & Hossellman, 2012).

Evidence suggests that these studies on multiculturalism, social identity, and their interactions were mostly studied in North America and Western Europe. Outside both of these areas, concerns of employment marginalization have received little to no attention. According to Jonsen et al. (2011), there aren't sufficient analyses assessing plurality at the workplace rather than the personal level, and there aren't enough that deal with a range of ethnic situations in reality entities rather than ones that have been deliberately created. Additionally, the theoretical contexts that support those studies are predominately based on research that is focused on the United States. Hence, this study extends to an organizational level by synthesizing the diversity factors in the industrial sectors of the UAE.

Inclusion and exclusion have historical roots in human needs, and employees' perspectives are one of the measures of an organization's success in becoming truly global (Vohs & Baumeister, 2010). This study's goal is to investigate how the inclusion-exclusion design impacts the people's role in key organizational functions including information availability, collegiality, and the capacity to engage within and determine to make choices. This fact leads to the next hypothesis.

H₃: Is diversity has a substantial role in sustainable HRD?

2. 4 The contribution of Sustainable HRD to the society

By integrating ethics, employees gain personal mastery in their work, along with recognizing the boundaries and limitations of their individual experience and expertise. The standards in the organization enhance honest, fair respect among individuals. As a part of professional integrity, fair communication is relevant to avoid conflicts among peer groups and management. Moreover, professional responsibility heightens the collaboration between team members and accountability for individual tasks (Mc Guire, 2014). Initiatives related to labor and decent work, human rights, fairness, justice, code of ethics, conflicts of interest, and the use of information enhance affirmative action programs in firms (Mello, 2019).

H₄: Is Sustainable HRD contributes societal growth?

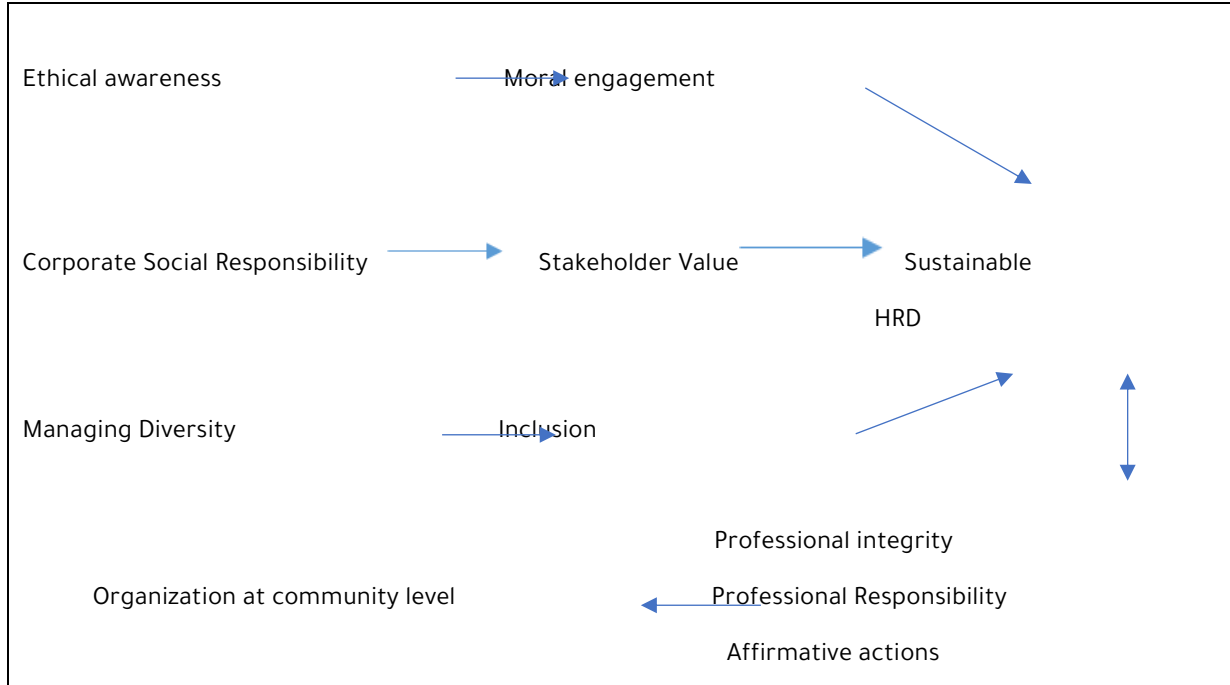


Figure 1: Conceptual model for the study

Source: Literature review

3. Research Methods

Data collection methods include quantitative questionnaires as well as qualitative interviews with a variety of demographics. In quantitative research, hypotheses are usually tested using experimental methods and survey research to test general principles (Babbie, 1992). A qualitative study usually collects narrative data rather than numerical data, like the transcript of an in-depth interview conducted in an unstructured manner. As these observations are non-numerical, they will be analysed by organizing, reviewing, and interpreting the data to clarify phenomena in nature rather than by experiments, incorporating the experiences and views of all participants in the study (Steckler et al., 1992). In the present study, the subjective aspects are analysed with a personal meeting as culturally subtle interviews are more effective than standardized quantitative interviews.

First, the study synthesizes the concerns related to CSR, ethical matters, and managing diversity and

developed hypotheses that can be tested in quantitative research. Second, to explain the result of a qualitative survey, quantitative analysis can be utilized as a qualitative survey follows a quantitative survey. Third, both types of analyses can have a great

impact on the validity (Hughes et al., 2003). Additionally, a pilot study amongst the industrial sectors in the UAE also helps to construct a self-organized questionnaire with a five-point Likert scale containing 28 indicators. A Likert scale, which typically uses a 5- or 7-point ordinal scale for each statement, can be used to score the respondents' responses based on how much they agree or disagree with each item. (Likert, 1932). The independent variables are CSR, ethical awareness, and managing diversity toward the dependent variable, sustainable HRD. Table 1 shows the questionnaire's general structure, including the dependent variable, independent factors, and



associated measures. In Table 1.1, attributes for four latent variables are also mentioned.

Sl. #	Variables	Measures	Number of factors
Segment I	Demographic variables	a. Gender, b. Age, c. Credentials, and d. Job history,	-
Segment II	Independent variables	a. Ethical Awareness (EA)	8
		b. CSR	8
		c. Managing Diversity (MD)	8
	Dependent variable	Sustainable HRD a. Competence b. Professional Integrity c. Professional responsibility d. Affirmative programs	4

Table 1: Variables and Measures

150 randomly selected respondents from a range of UAE industries make up the study's sample size. To identify the differences in employees' perspectives on the indicated latent variables, stratified proportional sampling was utilized in the data collection.

Descriptive statistics of the measurements are employed in the initial stage to gauge the validity and reliability of the research's measurements. First, the study evaluated the contributions and importance of the path coefficients of the manifest variables, testing the suggested research model. The sample response was analysed using SPSS 24.0. Structural Equation Modelling (SEM), another metric, offers a confirmatory method for analysing a structural theory relevant to a phenomenon. It expresses two key components of the procedures: the causal process under investigation is treated as a set of structural (regression) equations, and these structural relationships may be used to describe the

theory under investigation for a clearer understanding (Bentler & Bonnet, 1980).

The hypotheses raised by the research are scientifically evaluated concurrently to determine whether they are consistent with the data using the goodness of fit metrics. This combines the benefits of multiple regression analysis, factor analysis, and multivariate ANOVA to examine several dependence connections between exogenous (dependent) and endogenous (independent) variables concurrently. This strategy is justified by the idea that it is better to depict the indicators' dependability accurately in two phases to prevent the interaction of structural and measurement models.

As per standard procedures, the statistical and substantive validity of estimates, the convergence of the estimation process, the empirical identification of the model, the statistical significance of the parameters, and the goodness of fit to the covariance matrix are all used to determine the goodness of fit.

4. Data analysis

4.1 Confirmatory factor analysis

Factor Loadings: Confirmatory Factor Analysis							
Factor Loadings $\underline{=}$ (* p<.05 ** p<.01 *** p<.001)							
Factors	Indicators	B	SE	Z	Beta	P-value	sig
EA	Q1. Do you believe you need to develop abilities to understand ethical issues in a situation?	0.068	0.031	2.192	0.096	0.028	*
	Q2. Do you believe you need problem-solving strategies in ethical approaches?	-0.443	0.04	-11.01	-0.5	0	***
	Q3. Do you feel you need to develop moral values at work?	-0.5	0.037	-13.51	-0.6	0	***
	Q4. Do you believe that an ethical culture is sufficient in the workplace?	-0.675	0.045	-15.13	-0.68	0	***
	Q5. Does your workplace have adaptive leadership?	-0.562	0.046	-14.68	-0.66	0	***
	Q6. Does your workplace consider inclusivity in decision-making?	-0.538	0.401	-15.99	-0.78	0	***
	Q7. Do you feel that diverse demographics are essential for company growth?	-0.365	0.027	-13.36	-0.59	0	***
	Q8. Do you feel your company should provide training in cultural awareness?	0.337	0.034	9.953	0.499	0	***
CSR	Q9. Do you believe that your company should align functions and responsibilities in the changing environment?	0.09	0.019	4.813	0.144	0	***
	Q10. Do you believe your company should practice work-life balance?	0.55	0.036	15.108	0.736	0	***
	Q11. I agree that the firm's trustees, managing directors, and corporate officers all take a unified approach to governance?	0.375	0.031	12.04	0.583	0	***
	Q12. Does your company provide you with a specific task to complete?	0.528	0.036	14.661	0.675	0	***
	Q13. Have top managers' and governance committees' duties been in line with compliance?	0.436	0.039	11.27	0.525	0	***
	Q14. Does your enterprise focus a priority on minimizing risk while pursuing opportunities?	0.674	0.038	17.879	0.866	0	***
	Q15. Does your firm have an overall strategy for upholding moral principles?	0.595	0.035	16.908	0.797	0	***
	Q16. Do you develop knowledge-management systems for enterprise management at the firm you work for?	0.604	0.037	16.42	0.772	0	***
MD	Q17. Do you believe that your business values all of the various parties involved?	0.56	0.037	15.059	0.77	0	***
	Q18. Do you believe that your company should maximize profit?	-0.29	0.036	-8.009	-0.42	0	***
	Q19. Do you believe your company has a solid reputation in the industry?	0.238	0.034	6.936	0.352	0	***
	Q20. Do you believe your organization contributes to the advancement of society?	0.43	0.039	11.019	0.578	0	***
	Q21. Do you think your company is successful in social changes?	0.487	0.038	13.899	0.786	0	***
	Q22. Do you believe your company recognizes the law and ethical principles?	0.576	0.412	14.548	0.798	0	***
	Q23. I agree that the company is taking positive steps in inclusion.	0.597	0.465	15.651	0.836	0	***
	Q24. I agree that the company supports the rights and justice of all parties involved.	0.034	0.036	0.949	0.047	0.343	**
SHRD	Q25. Do you feel your professional integrity should be improved?	0.123	0.172	0.718	0.681	0.473	*
	Q26. Do you feel you are respected by your peer members?	0.18	0.25	0.719	0.84	0.472	*
	Q27. Do you believe to improve your firm's affirmative action plans?	0.144	0.201	0.718	0.476	0	***
	Q28. Do you believe you need to improve your knowledge, skills, and capabilities in ethics, CSR, and inclusion?	0.178	0.248	0.719	0.546		***

CE-Corporate ethics, MD – Managing Diversity, CSR -Corporate Social Responsibility, SHRD – Sustainable HRD

Table 2: Confirmatory Factor Analysis



The p-value from the preceding table illustrates the significance of each indicator to latent variables. To determine whether the model estimators are non-significant or whether the data fit, the least difference between anticipated and actual values should also be examined. The variances of the observable and latent variables are both set to unity and the numbers in the Std.

all columns represent the standardized model parameters. Model matrices are listed in the Standard all.

4.2 Model fit indices

The next part depicts the model fit indices for three dependent variables.

Variables	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Ethical awareness	15.965	7	.486	0.762	.989	.968	.967	.956	.999	.019	.046
CSR	17.590	8	.014	2.513	.983	.934	.974	.951	.984	.008	.071
Managing diversity	16.523	9	.435	1.612	.976	.928	.985	.956	1.25	.007	.021
Sustainable HRD	19.564	14	.145	1.397	.984	.960	.962	.977	.988	.006	.036
Recommended value				<5	>0.9	>0.9	>0.9	>0.9	>0.9	<1	<1

Table 3: Model Fit Indices for CFA

The significance level has been attained for all of the study's chosen characteristics, as shown by the above table. The value of the fit indices has reached an acceptable level, indicating that the

measurement model is adequate for this investigation. The regression coefficients for each variable were also examined for confirmation, and the results are shown in Tables 4 through Table

Latent Variables (Dependent Variable)	Constructs	Regression Coefficient	t	P	Variance explained (%)
Ethical awareness	EA1	0.172	2.994	0.013	2.9
	EA2	0.698	3.458	<0.001	17.9
	EA3	0.423	7.778	<0.001	17.9
	EA4	0.512	1.938	<0.001	17.2
	EA5	0.872	3.117	<0.001	15.1
	EA6	0.401	6.322	<0.001	16.1
	EA7	0.586	11.573	<0.001	18.3



EA8	0.748	16.689	<0.001	19.0
-----	-------	--------	--------	------

Table 4: The Regression Coefficients - Ethical awareness

Except for EA1, the table supports the significance level of 0.001. The study then examines the regression results for ethical consciousness.

Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	T	P	Variance explained (%)
CSR	CSR1	0.724	15.786	<0.001	52.4
	CSR2	0.646	12.328	<0.001	25.1
	CSR3	0.599	11.919	<0.001	35.9
	CSR4	0.586	11.573	<0.001	34.3
	CSR5	0.763	12.834	<0.001	52.0
	CSR6	0.748	16.689	<0.001	56.8
	CSR7	0.161	1.356	0.005	2.5
	CSR8	0.713	15.394	<0.001	50.8

Table 5: The Regression Coefficient - CSR

With the exception of CSR7, all other qualities exhibit importance for CSR action plans and measures because their values are all less than 0.001.

Latent Variables (Dependent Variable)	Constructs (Independent Variables)	Regression Coefficient	T	P	Variance explained (%)
Managing Diversity	MD1	0.698	3.458	<0.001	47.9
	MD2	0.598	4.765	<0.001	45.52
	MD3	0.423	7.778	<0.001	17.9
	MD4	0.112	1.938	0.054	1.2
	MD5	0.872	23.117	<0.001	76.1
	MD6	0.401	7.322	<0.001	16.1
	MD7	0.586	11.573	<0.001	45.3
	MD8	0.763	12.834	<0.001	52.0

Table 6: The Regression Coefficients - Managing Diversity



The table validates the significance level, excluding MD4. The research then examines the SHRD regression.

Latent Variables (Dependent Variable)	Construct (Independent Variable)	Regression Coefficient	T	P	Variance explained (%)
Sustainable HRD	SHRD1	0.417	7.653	<0.001	17.4
	SHRD2	0.483	9.080	<0.001	23.3
	SHRD3	0.512	9.745	<0.001	26.2
	SHRD4	0.814	19.625	<0.001	66.3

Table 7 The Regression Coefficients - SHRD

All of the constructs have a regression coefficient greater than 0.4, as shown by the analysis. So, maintaining SHRD in organizations depends on all factors.

4.3 Hypothesis Test

The outcome of the SEM demonstrates each latent variable's effect on competitive advantage (H1 through H3) and is shown in Table 8 below.

Variable	χ^2	DF	P	Normed χ^2	GFI	AGFI	NFI	TLI	CFI	RMR	RMSEA
Sustainable HRD	.461	.9	.486	.465	.1	.98	.98	.99	1.0	.032	.000

Table 8: Model Fit Indices for CFA-Sustainable HRD

The fit indices' value indicates how well the measurement model fits the data. Additionally, Table 9 displays the regression coefficient for dependent and independent variables.

Path	Estimate	T	P	Variance Explained	Average Variance Extracted	Composite Reliability
Ethical awareness → SHRD	0.844	16.966	<0.001	58.0		
CSR → SHRD	0.759	21.773	<0.001	70.7		
MD → SHRD	0.823	18.698	<0.0001	57.0		



EA3 → Ethics	0.452	8.396	<0.001	20.4		
					32.25	0.56
EA5 → Ethics	0.852	21.773	<0.001	72.6		
EA6 → Ethics	0.414	7.590	<0.001	22.2		
EA7 → Ethics	0.523	8063	<0.001	22.56		
CSR1 → CSR	0.722	15.714	<0.001	52.2		
CSR2 → CSR	0.589	11.652	<0.001	34.7		
					45.8	0.61
CSR3 → CSR	0.583	11.495	<0.001	34.0		
CSR4 → CSR	0.770	17.584	<0.001	59.3		
CSR5 → CSR	0.699	14.913	<0.001	48.8		
CSR6 → CSR	0.583	11.495	<0.001	34.0		
CSR8 → CSR	0.749	14.654	<0.001	38.32		
MD1 → MD	0.639	13.52	<0.001	36.36		
MD2 → MD	0.598	11.892	<0.001	35.8		
MD3 → MD	0.770	17.584	<0.001	59.3		
MD5 → MD	0.793	13.52	<0.001	58.23	35.96	0.59
MD6 → MD	0.863	15.52	<0.001	42.93		
MD7 → MD	0.557	10.831	<0.001	31.1		
MD8 → MD	0.687	11.831	<0.001	34.1		
SHRD1 → SHRD	0.418	7.674	<0.001	17.5		
SHRD2 → SHRD	0.484	9.103	<0.001	23.4		
SHRD3 → SHRD	0.513	9.768	<0.001	26.3		
					31.9	0.54
SHRD4 → SHRD	0.810	19.423	<0.001	65.6		

Table 9: The Regression Coefficient - Dependent and Independent Variables

According to Table 9's values, ethical awareness among employees is a regulatory construct that significantly affects SHRD since its standardized direct effect is more than the advised value of 0.4 (p-value is significant) at 0.85. Similarly, to this, the

other latent variable CSR's value of 0.76 supports the significant threshold. Likewise, managing diversity has a value of 0.82. The result makes the significance clear when taking into account all pertinent criteria since the p-value is 0.001.



Path	Regression Coefficient	t	P-Value	Variance Explained	Average Variance Extracted	Composite Reliability
Competence → SHRD	0.904	25.742	<0.001	81.8	91.1	0.60
Professional integrity → SHRD	0.979	39.171	<0.001	95.8		
Professional responsibility → SHRD	1.001	65.500	<0.001	100.2		
Affirmative actions → SHRD	0.945	30.725	<0.001	89.3		

Table 10: Regression Coefficient - SHRD Variables

The regression coefficient for SHRD confirms the significance of its related factors as the p-value is < 0.001 and reliability is 0.60.

4. Findings and Interpretations

The CFA model, which first offers the model of fit, supports the robustness of the data with various variables (Table 2). It supports the idea that HRD is a process by which humans obtain the information and skills necessary to carry out professional duties in addition to other roles in society, culture, the arts, and politics (Horwitz et al. 1996). The Chi-Square test was used to examine the fit measurements and confirm the quality of fit (degrees of freedom are 350). The CFA values restore the link between the factors and the latent variables. With a CFI of 0.898, TLI of 0.914, and RMSEA of 0.187 with a 90% confidence range (0.175, 0.201), the model fits the data well. The χ^2 (minimum function test statistic) is significant with $p < .05$ ($\chi^2 (3) = 1010.25, p < .05$). Thus, the study proves that the conventional context of HRD theories has changed with more consciousness that opts for various practices to influence local communities, nations, and international firms (Kim, 2012).

The indicators all had substantial positive factor loadings with standardized coefficients over 0.3, except for Q1, Q24, Q25, and Q26 (Table 2). The standard error of the parameter, $P(>z)$, is used to

derive a Z value. It displays both the data's distribution score and the Wald statistic. A positive correlation between the variables and factor loadings is shown by a higher Z value. The standardized regression coefficient, or beta, examines how variables are related to one another. It ranges from -1 to 1, and a higher estimate denotes a stronger link. Due to the difficulty in determining the efficacy of these indicators, it was noted that there is a minor change in the reaction to the ethical aspects (Schwartz, 2004). All three latent components showed statistically significant positive connections with one another (Table 3). The values for normed χ^2 , GFI, AGFI, NFI, TLI, CFI, RMR, and RMSEA in their significance level confirm that the selected model is fit for the study (Bentler & Bonnet, 1980). Tables 4-7 confirm the significance through regression coefficient tests for the dependent variables and the independent variable.

Three elements are hypothesized to affect the independent variable, sustainable HRD (Q25-28): CSR (Q9-Q16), ethics (Q1-Q8), and diversity (Q17-24). The hypothesis test reveals that there is a discrepancy among respondents for one component (ethical), with a p-value of 0.039 (Table 4). The findings show



that the regulatory construct of ethical awareness in certain organizations significantly affects SHRD since its standardized direct effect is more than the advised value of 0.4 (p-value is significant) at 0.844. As a result, hypothesis H1 has been confirmed, concluding that ethical considerations have a favourable impact on society's growth. The values confirm the importance of ethical decision-making in organizations through three aspects: ethical consciousness, ethical competence, and ethical commitment (Josephson, 1998). Organizations consider ethics as integrity or moral values in the form of "business partners." However, the selected firms need to think beyond from "business-partner" view into Josephson's perspective to resolve ethical issues.

Similar results are seen for the other latent variable CSR, where the value of 0.76 supports the significant threshold. As a result, the H2 theory has been confirmed. The result makes the significance clear when taking into account all pertinent criteria since the p-value is 0.001. The findings demonstrate the need for strategic actions at all levels, including those involving employees (through employee forums and surveys, intranet sites, anonymous channels, labor negotiations, and an innovation portal), health research and advocacy bodies (through R&D relationships, research findings), consumers (through consumer insights research, nutrition and wellness websites, specific consumer studies, including CSR/sustainability), and customers (through top-to-bottom customer relationships), shareowners (meetings with institutional investors and major shareowners to address sustainable issues; newly expanded outreach to socially responsible investors), communities and NGOs (network relationships; recognition events; brainstorming discussions; signature partnerships; *Emirati Journal of Business, Economics, & Social Studies*
Emirates Scholar

regional priority plans), government/policy-makers (UAE public policy committee sets priority; regulatory affairs; significant monitoring and communication activities) (Fox, 2007; Carrol, 1999).

Additionally, the final latent variable MD's value of 0.82 verifies the significant level. As a result, H3's hypothesis has been accepted. The finding, with a p-value of 0.001, validates the importance while taking all pertinent aspects into account. The study, therefore, demonstrates the importance of an inclusive workplace model for HRD sustainability by taking into account factors like valuing the organization's relationships with its employees; cooperating and giving back to its local community; collaborating with people, groups, and organizations across national and cultural boundaries; and addressing the needs of underprivileged/determined groups in its wider environment.

The conclusion from Table 9 makes it clear that all of the components, which are a consequence of SHRD, have significance levels (0.001) for their p-values. Competence scores are 0.90, professional integrity scores are 0.97, professional responsibility scores are 1.0, and affirmative action scores are 0.94. Investments in HRD thereby can contribute to more stability on a national and local level, end cycles of poverty, violence, illiteracy, and unemployment, and enhance the overall quality of life (McLean, 2004). As a result, it demonstrates how HR professionals can help employees build their competencies by fostering a culture of morality and managing all stakeholders (Josephson, 1998). Employees will be conscious while dealing with others and in their tasks. As this is empirical research, the evidence-based data proved the appropriateness of personal mastery in everyone's life. It is validated from the result that respondents



need the training to have ethical practices and be truthful in communicating their knowledge, skills, and relevant experience. By taking on professional responsibility, the study also highlights the significance of group members' trust and confidence in one another. Finally, affirmative action plans in firms enrich compliance with laws and employment policies, human rights, political contributions, and activity, use of company assets, and personal integrity (Mello, 2019).

6. Conclusion

Any person can improve their citizenship through the study of SHRD because it aids in acquiring the competence to carry out both professional and non-professional tasks of ethnic, cultural, ideological, and mental roles. A detailed literature review on SHRD delves into the meaning of CSR, ethical practices, and diversity management in organizations, which was followed by the crafting of three hypotheses for the study. In a broader concept, it not only aligns with individual and organizational perspectives but at the societal level, with the community, environmental, and CSR agendas. Later, a conceptual model was created as a skeleton for the research. Information from varied demographics, by both quantitative and qualitative data, enhances a deeper and integrated knowledge of dependent variables, CSR, ethics, diversity, and the independent variable, sustainable HRD in their firms. Further, both approaches improve the analysis by ensuring the limitations of one type of data and can balance the strengths of another.

Cronbach's alpha first verifies the dependability of the variables. The CFA confirms the relevance of each variable and its associated indicators using latent variable analysis (LAVAAN), a thorough questionnaire, and interaction from multiple strata of populations. By using CFA and SEM, the SPSS 24.0

assists in determining the correlation of latent variables. Regression analysis also supports the hypothesis test. The study evaluated the implications of dependent variables for sustainable HRD based on the values and outcomes. The regression analysis indicates that all variables have a significance level of 0.001 except for a few previously discussed points. In conclusion, comprehensive findings and suggestions have been made for preserving SHRD practices for firms through CSR, ethical awareness, and managing diversity. The study's final model, which may be used in the chosen companies to have an SHRD at a societal level, was created. Therefore, from an organizational viewpoint to a societal level, this research may serve as a roadmap for companies, whether they are in the public or private sectors (Fig. 1).

6.1 Limitations of the Study

As this is empirical research, it needs more time to gain an adequate response from all respondents. Also, it requires more participants for an accurate response. This can be more expensive and can lead to bias. The topic carries more practical implications than theories. It relates to the strategic goals of the firms and keeps on altering to UAE strategic goals and policies. Therefore, longitudinal and/or cohort studies can be used to broaden this sort of research. Furthermore, as HRD interventions in businesses are more in line with subjective factors, they limit the realistic portrayal of ethical standards (Schwartz, 2004). Smaller samples do not allow generalization because they are not enough to represent the target audience.

6.2 Future scope

Sustainable HRD is an umbrella term for a sustainable society. The contribution of HRD not only highlights the individual and organizational level but to the community and social development. Since the research addresses structural, cultural, and HRD challenges, it may be applied to global companies. As



the UAE is a melting pot of variety and inclusiveness, one of the factors, managing diversity, can be thought of as a separate subject with cultural sensitivity. Moreover, many works of literature stressed for effective measurement of ethical implications in firms as this is a very sensitive topic (Schwartz, 2004). Furthermore, this topic can be seen through the lens of a green environment, since the environment has a major impact on business operations both domestically and globally.

References

- Arrow, K.J. (1973). Social responsibility and economic efficiency. *Public Policy*, 21, Summer.
- Babbie, E. (1992). *The Practice of Social Research*. 6th eds. Belmont: Wadsworth Publishing. [[Google Scholar](#)]
- Bentler, P.M., & Bonett, D.G. (1980). Significance tests and goodness-of-fit in the analysis of covariance structures. *Psychological Bulletin*, 88, 558-600.
- Bierema, L.L. and D'Abundo, M.L. (2004) HRD with a Conscience Practising Socially Responsible HRD. *International Journal of Lifelong Education*, 23(5), 443-458.
- Bowie, N.E. & Duska, R.F. (1990). *Business ethics*, 2nd ed. Englewood Cliffs, N.J.: Prentice-Hall: 41.
- Choi, S., & Rainey, H.G. (2010). Managing Diversity in U.S. federal agencies: Effects of diversity and diversity management on employee perception of organizational performance. *Public Administration Review*, 70(1), 109-121.
- Carroll, A.B. (1979) A Three-dimensional Conceptual Model of Corporate Performance. *Academy of Management Review*, 4(4), 497-505.
- Carroll, A.B. (1999). Corporate Social Responsibility. *Business and Society*, 38(3):268-296.
- Carroll, A.B. (2000). Ethical challenges for business in the new millennium: Corporate social responsibility and models of management morality. *Business Ethics Quarterly*, 10(1):33-42.
- Deepanjana Varshney and Wasfa Asim Siddiqui . Applying Strategic Management approaches to a nursery school in the United Arab Emirates. *EJBESS*. 2022. Vol. 1(2):86-97. DOI: 10.54878/EJBESS.192
- Ethics Resource Centre, 1994, 2000, 2003, and 2005.
- Evan, W.M. & Freeman, R.E. 1988. A stakeholder theory of the modern corporation: Kantian capitalism. (In Beauchamp T.L. & Bowie, N.E. 1997. *Ethical theory and business*, 5th ed. Upper Saddle River, N.J.: Prentice Hall:75-84).
- Fenwick, T. and Bierema, L.L. (2008) Corporate Social responsibility: Issues for Human Resource Development Professionals. *International Journal of Training and Development*, 12(1), 24-35.
- Firas Habbal. Standards of Building e-Learning Systems in Higher Education. *EJBESS*. 2021. Vol. 1(1):4-30. DOI: 10.54878/EJBESS.163
- Fox, A. "Corporate Social Responsibility Pays Off," *HR Magazine*, 52, (8), August, 2007, 43-48.
- Garavan, T.N., Heraty, N., Rock, A. and Dalton, E. (2010) Conceptualising the Behavioural Barriers to CSR and CR in Organizations: A Typology of HRD Interventions. *Advances in Developing Human Resources*, 2(5), 587-613.
- Goodpaster, K.E. (In West, A). (2006). Theorising South Africa's corporate governance. *Journal of Business Ethics*, 68:433-448.
- Harbison, F. and Myers, C.A. (1964) *Education, Manpower and Economic Growth*. New York: McGraw-Hill.
- Hughes, J.A., Sharrock, W.W., & Martin, P.J. (2003). *Understanding classical Sociology, Marx, Weber, Durkheim*. London, Thousand Oaks, Calif: Sage.
- Horwitz, F.M., Bowmaker-Falconer, A. and Searll, P. (1996) *Human Resource Development and Managing Diversity in South Africa*. *International Journal of Manpower*, 4/5, 134-151.
- Jonsen, K., Maznevski, M.L., & Schneider, S.C. (2011). Diversity and its not so diverse literature: An international perspective. *International Journal of Cross Cultural Management*, 11(1), 35-62.
- Josephson, M. (1998). Ethics and business decision making. (In Hoffman, W.M., Frederick, R.E. & Schwartz, M.S. 2001. *Business ethics readings and*



cases in corporate morality, 4th ed. New York: McGraw-Hill:87-94.)

Likert, R. (1932). A technique for the measurement of attitudes. *Arch Psychology*, 22(140):55. [[Google Scholar](#)]

McLean, G.N. (2004) National Human Resource Development: What in the World Is It? *Advances in Developing Human Resources*, 6(3), 269-275.

McGuire, D. (2014). *Human Resource Development*. (2nd ed.). Sage.

McGuire, D., O'Donnell, D, and Cross, C. (2005) Why Humanistic Practices in HRD Won't Work. *Human Resource Development Quarterly*, 16(1), 131-137.

Mello, J. (2019). *Strategic Human Resource Management*. 5th edn. Cengage.

Mor Barak, Michelle, E. (2014). *Managing diversity: toward a globally inclusive workplace*. 3rd Edn. Sage. 7-9.

O'Dwyer, B. & Madden, G. (2006). Ethical codes of conduct in Irish companies: A survey of code of content and enforcement procedures. *Journal of Business Ethics*, 63:217-236.

Paprock, K.E. (2006) National Human Resource Development in Transitioning Societies in the Developing World: Introductory Overview. *Advances in Developing Human Resources*, 8(1), 12-27.

Parameswaran, H. (2020). Strategic Human resource development: A manoeuvre for future competencies. *Serbian Journal of Management*, 15(2). pp. 353-370.

Parameswaran, H. (2021). Can an integrity-oriented approach create value at the board level: a cross-sectional analysis amongst public and private sectors in the UAE? *Academy of Strategic Management Journal* 20(5).

Porter, M.E. & Kramer, M.R. (2002). The competitive advantage of corporate philanthropy. *Harvard Business Review*, 80(12):56-69.

Prahalad, C.K. & Hammond, A. (2002). Serving the world's poor, profitability. *Harvard Business Review*, 80(9):48-57.

Riktesh Srivastava. Service Quality Control using Queuing Theory. *EJBESS*. 2022. Vol. 1(1):31-38. DOI: 10.54878/EJBESS.169

Schwartz, M.S. (2004). Effective corporate codes of ethics: Perceptions of code users. *Journal of Business Ethics*, 55:323-343.

Shore, L.M., Randel, A.E., Chung, B.G., Dean, M.A., Holcombe Ehrhart, K & Singh, G. (2011). Inclusion and diversity in workgroups. A review and model for future research. *Journal of management*. 37(4), 1264-1289.

Society for Human Resource Management (SHRM). (1991). *Human Resource Management*. Alexandria: SHRM:1-2.

Steckler, A., McLeroy, K.R., Goodman, R.M., Bird, S.T., McGormick, L. (1992). Toward integrating qualitative and quantitative methods, An introduction. *Health Educ Q*. 19:1-18.

Stotzer, R.L., & Hossellman, E. (2012). Hate crimes on campus: Racial/ethnic diversity and campus safety. *Journal of Interpersonal Violence*, 27(4), 644-661.

Simon, J.G., Powers, C.W. & Gunneman, J.P. (1972). The responsibilities of corporation and their owners. (In Beauchamp T.L. & Bowie, N.E. 1997. *Ethical theory and business*, 5th ed. Upper Saddle River, N.J.: Prentice Hall:61-76).

Tosin Ekundayo and Osama Isaac. Open Data: A National Data Governance Strategy for Open Science and Economic Development - A case study of the United Arab Emirates. *EJBESS*. 2023. Vol. 1(2):98-109. DOI: 10.54878/EJBESS.208

Van Vuuren, L.J. & Etselen, R.J. (2006). A role for HR in Corporate Ethics? South African Practitioners Perspective. *SA Journal of Human Resource Management*, 4(3):22-28.

Vince, R. (2003). The Future Practice of HRD. *Human Resource Development International*, 6(4), 559-563.

Vohs, K.D., & Baumeister, R.F. (2010). *Handbook of self-regulation* (2nd ed.). New York: Guilford.

Weaver, G.R. (1995). Does ethics code design matter? Effects of ethics code rationales and



Emirati Journal of Business, Economics, & Social Studies

Vol 2 Issue 1 (2023) 33 - 50

DOI: 10.54878/EJBESS.290

Available at www.emiratesscholar.com



sanctions on recipients' justice perception and content recall. *Journal of Business Ethics*, 14:367-385.

Webley, S. & L.E. Jeune, M. (2005). *Corporate use of codes of ethics 2004 survey*. London: Institute of Business Ethics.

Wood, D. (2002). *Business citizenship: From individuals to organizations*. USA: Ruffin Series in Business Ethics, Society for Business Ethics:59-94.

Wood, D.J. (1991). *Corporate social performance revisited*. *Academy of Management Review*, 16(4):691-718.

Weaver, G.R. (1995). *Does ethics code design matter? Effects of ethics code rationales and sanctions on recipients' justice perception and*

content recall. *Journal of Business Ethics*, 14:367-385.

Webley, S. & L.E. Jeune, M. (2005). *Corporate use of codes of ethics 2004 survey*. London: Institute of Business Ethics.

The study confirms the notion of an inclusive workplace as valuing and utilizing the individual and intergroup differences within its workforce; cooperating with and contributing to its surrounding community; alleviating the needs of disadvantaged groups in the wider environment; collaborating with individuals, groups, and organizations across national and cultural boundaries.