

SUSTAINABLE HUMAN RELATIONS MANAGEMENT: ENHANCING WORKPLACE ETHICS AND EMPLOYEE ENGAGEMENT IN A GLOBALIZED ERA

by

Dienye, Mercy Ughuere, Ph.D.

Department of Employee Relations and Human Resource Management, Faculty of Administration
and Management, Rivers State University,

Nkpolu-Orowurukwo, PMB 5080, Port Harcourt, Rivers State. Nigeria

ORCID: <https://orcid.org/0009-0004-1587-2941>

mercy.dienye@ust.edu.ng

+234(0)8037542153

Okwakpam Joy Amina, Ph.D.

Department of Employment Relations & Human Resource Management, Faculty of
Administration and Management, Rivers State University,

Nkpolu-Orowurukwo, PMB 5080, Port Harcourt, Rivers State. Nigeria

joyamina8@gmail.com

+234(0)8055058295

Abstract

Sustainable Human Resource Management (SHRM) is widely acknowledged for fostering enduring organizational success; however, its global connections to workplace ethics and employee engagement remain underexplored. This study examines the relationship between SHRM practices and employee engagement, and the influence of workplace ethics on this relationship. Drawing on stakeholder and social exchange theories, the research demonstrates that an ethical workplace climate underpins SHRM practices, including human capital development, employee well-being, work-life balance, and ethical leadership, thereby enhancing employee engagement. A cross-sectional survey of employees from selected private organizations in Rivers State was conducted to analyze these relationships. The results reveal a significant positive correlation between SHRM practices and employee engagement and further suggest that ethical behavior shapes this association. The findings show that ethical conduct enhances employee engagement and that sustainability-oriented HRM practices can leverage ethics to improve organizational outcomes. This study contributes to the sustainable HRM literature by providing empirical evidence from Rivers State and offering practical recommendations for business owners, policymakers, and organizations seeking to implement ethically sustainable HR practices that foster engagement and resilience.

Keywords: Sustainable, Human Resource Management, Employee Engagement, Workplace, Ethics.

Introduction

Contemporary organizations face increasing pressure to achieve financial performance while upholding high ethical standards and social responsibility. As a result, the adoption of sustainable human resource management (SHRM) practices has become essential. Furthermore, rapid globalization, technological advancement, and evolving stakeholder expectations underscore the need for effective HRM strategies (Aust, Matthews, & Müller-Camen, 2020). SHRM differentiates itself from traditional HRM by emphasizing ethical governance, employee well-being, and organizational resilience, rather than focusing solely on short-term efficiency. SHRM broadens the scope of HRM by aligning practices with wider objectives, including environmental stewardship, social equity, and ethical accountability (Ezeafulukwe, Okatta, & Ayanponle, 2022).

The ethical dimension of human resource management has gained prominence as organizations recognize its impact on organizational culture, behavior, trust, and performance. Ethical leadership fosters transparency and enforces comprehensive codes of conduct, which are essential to a healthy organizational climate. Recent research demonstrates that ethical HR practices reduce misconduct and enhance morale and organizational citizenship behavior (Peretz, 2024). Consequently, workplace ethics function not only as a moral guide but also as a strategic resource that strengthens trust and cohesion in increasingly diverse and decentralized workplaces.

Employee engagement, a central component of SHRM, has emerged as a measurable driver of organizational success. A multilevel study across 26 countries demonstrates that SHRM enhances employee performance by increasing engagement, which serves as a mediating factor (Peretz, 2024). SHRM-driven engagement contributes to higher productivity, innovation, and employee loyalty, thereby establishing a competitive advantage. Nevertheless, HR practitioners face challenges in maintaining engagement amid globalization. Factors such as remote work, cultural diversity, and evolving labor expectations require the implementation of inclusive and adaptive HR strategies.

Globalization has heightened the complexity of the human resource environment by introducing cross-cultural challenges, regulatory variations, and the need to embrace digital transformation. Organizations are therefore confronted with ethical dilemmas across multiple jurisdictions and must manage virtual teams while adhering to global labor standards. These challenges require a redefinition of HRM that is sustainable, ethical, and globally responsive. Ezeafulukwe *et al.* (2022) argue that integrating corporate social responsibility, ethical decision-making, and data-driven HR analytics is essential for developing resilient, purpose-driven organizations.

Despite increasing scholarly interest, several critical gaps persist in sustainable HRM research. Existing studies frequently emphasize environmental or green HRM practices, often relegating workplace ethics such as ethical climate, fairness, and integrity to a secondary role. Furthermore, while research commonly links employee engagement to satisfaction, performance, or well-being, the mediating role of ethics in the relationship between sustainable HRM and engagement is rarely examined. The concept of sustainability also remains ambiguous, partly due to limited empirical evidence. This paper addresses these gaps by explicitly investigating the mediating role of workplace ethics in the relationship between sustainable HRM and employee engagement within organizations operating in a globalized context. By focusing on this mediation effect, the study aims to advance academic discourse on sustainable HRM and provide nuanced insights into the interaction between workplace ethics and employee engagement. The specific objectives are to:

- Ascertain the relationship between Sustainable Human Relations Management practices and workplace ethics in organizations operating in a globalized environment.
- Examine the relationship between workplace ethics and employee engagement in organizations operating in a globalized environment.
- Determine if workplace ethics mediate the relationship between Sustainable Human Relations Management practices and employee engagement in organizations operating in a globalized environment

Similarly, the following research questions are raised to guide the study:

1. What is the relationship between Sustainable Human Relations Management practices and workplace ethics in organizations operating in a globalized environment?
2. What is the relationship between workplace ethics and employee engagement in organizations operating in a globalized environment?
3. Does workplace ethics mediate the relationship between Sustainable Human Relations Management practices and employee engagement in organizations operating in a globalized environment?

The following hypotheses were used in this study:

HO₁: Sustainable Human Relations Management practices have a significant relationship with workplace ethics in organizations operating in a globalized environment.

HO₂: Workplace ethics have a significant relationship with employee engagement in organizations operating in a globalized environment.

H03: Workplace ethics significantly mediate the relationship between Sustainable Human Relations Management practices and employee engagement in organizations operating in a globalized environment.

Conceptual Framework

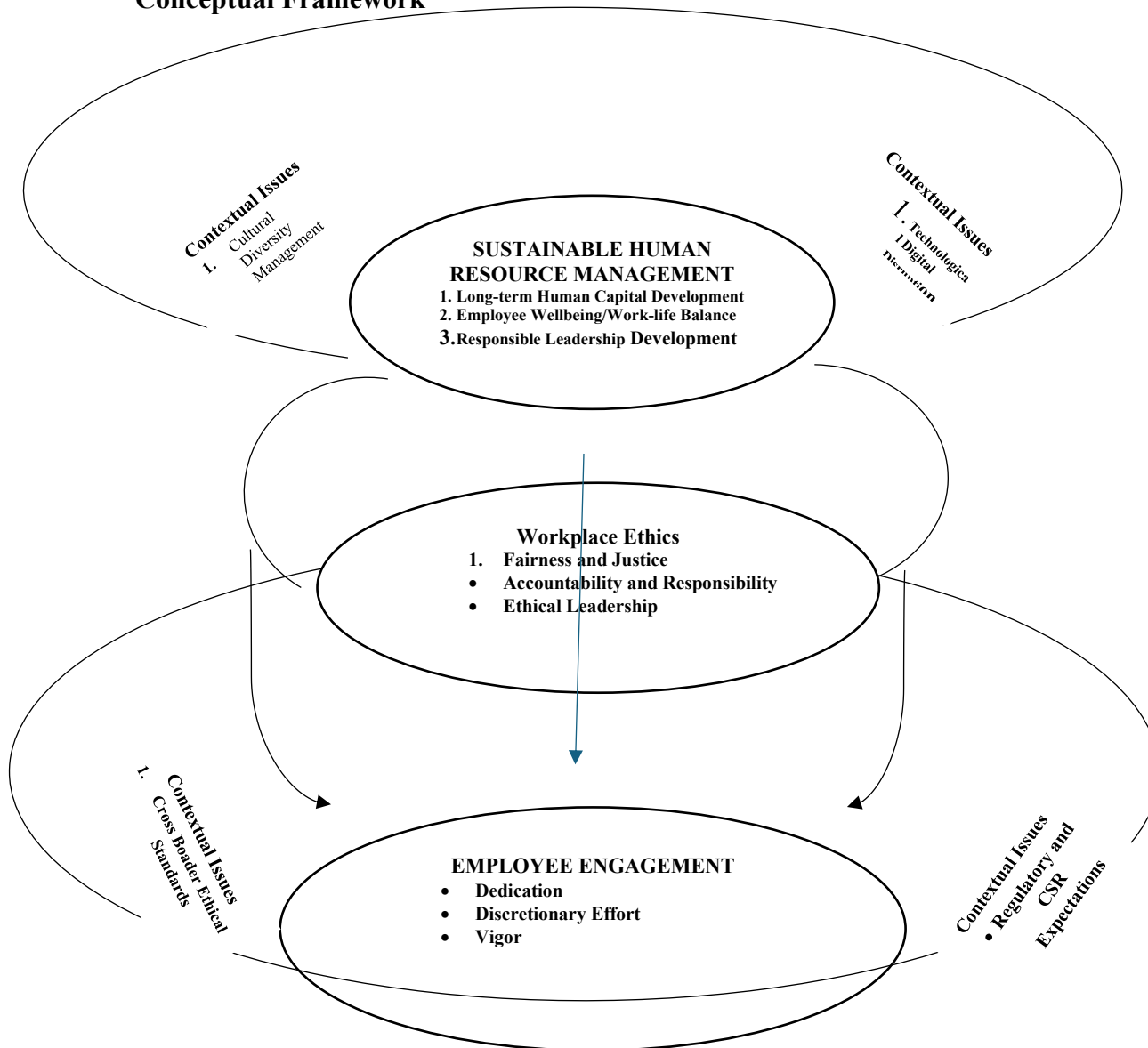


Fig 1: Integrated Conceptual Model of Sustainable Human Resource Management, Workplace Ethics, and Employee Engagement. The dimensions and indicators were adapted from the works of Aust *et al.* (2020), Mishra & Sarkar (2023); Saks & Gruman (2023) ; and Zhang & Wang (2023).

Source: Desk Research

Literature Review

Theoretical Review

This study is anchored on the following key theories:

Stakeholder Theory

Sustainable Human Relations Management (SHRM) is founded on Stakeholder Theory (Freeman, 1984; Donaldson & Sustainable Human Relations Management (SHRM) is based on Stakeholder Theory (Freeman, 1984; Donaldson & Preston, 1995), which holds that organizations have moral and planned obligations to all stakeholders, not just shareholders. Employees, as central stakeholders, influence long-term corporate achievement through their well-being, dignity, and growth. SHRM strives to balance economic, social, and ethical interests through human relations policies (Aust, Matthews, & Müller-Camen, 2020). This approach frames practices such as fairness, inclusion, and well-being as ethical necessities that increase trust in global business environments (Ehnert *et al.*, 2016). Thus, workplace ethics and employee engagement are more than results; they represent stakeholder-focused governance, strengthening the link between moral responsibility and sustainable performance, as well as the relationships among SHRM, workplace ethics, and employee engagement. The theory assumes that reciprocal exchanges of tangible and intangible resources govern relationships within organizations. When employees perceive that the organization treats them with fairness, respect, and ethical integrity, i.e., principles that are central to SHRM, they respond with positive attitudes and behaviours, including greater engagement and commitment (Cropanzano & Mitchell, 2005; Saks & Gruman, 2023). Ethical climates, in this sense, represent the psychological currency of exchange: when the organization upholds ethical standards and transparent relations, employees reciprocate through discretionary effort and moral identification with the organization's goals.

Social Exchange Theory (SET)

Blau's (1964) Social Exchange Theory supplies an explanatory mechanism for the relationship among SHRM, workplace ethics, and employee engagement. The theory assumes that reciprocal exchanges of tangible and intangible resources govern relationships within organizations. When employees perceive that the organization treats them with fairness, respect, and ethical integrity, principles that are central to SHRM, they respond with positive attitudes and behaviors, including greater engagement and commitment (Cropanzano & Mitchell, 2005; Saks & Gruman, 2023). Ethical climates, in this sense, represent the psychological currency of exchange: when the organization upholds ethical standards and transparent relations, employees reciprocate through discretionary effort and moral identification with the organization's goals. Thus, SET helps explain how SHRM fosters engagement indirectly through workplace ethics. Employees who experience ethical treatment feel obligated to reciprocate with increased zeal and participation.

Globalized Work Environments as Context for Sustainable Human Relations and Employee Engagement

Globalization has fundamentally changed how organizations manage human relations, ethics, and employee engagement. As firms expand across borders, they face escalated competition, workforce diversity, cultural heterogeneity, and ethical complexity, elevating HRM from an administrative function to a strategic mechanism for sustaining organizational legitimacy (Stahl et al., 2020). In this context, employees are expected not only to perform but also to conform to organizational ethics, sustainability values, and cross-cultural norms (Al Ariss et al., 2014), making workplace relations quality a strategic and moral concern.

Cross-border operations expose organizations to value conflicts and divergent interpretations of equity and honesty, particularly for multinational enterprises operating within global standards alongside local institutional norms (Bader et al., 2021; Miska et al., 2023). Such challenges have heightened the relevance of Sustainable Human Relations Management (SHRM), which integrates ethical responsibility, employee well-being, and long-term social sustainability into HR systems (Kramar, 2022). Through SHRM, organizations seek to sustain fairness, employee voice, and trust across cultural and national boundaries.

Employee engagement in globalized settings is closely linked with an ethical focus, consistency, inclusion, and candid communication. Empirical evidence suggests that perceptions of fairness and respect for diversity strengthen engagement, given that ethical lapses weaken trust and psychological attachment (Kim et al., 2021; De Jong et al., 2021). Accordingly, sustainable human relationships

offer the connective framework through which leadership and HR practices reinforce shared values across geographically dispersed teams.

Overall, globalization serves as both a catalyst and a test for sustainable HRM, compelling organizations to align ethics, engagement, and cultural intelligence in increasingly complex environments (Stahl et al., 2020). This study, therefore, positions morally anchored Sustainable Human Relations Management as critical to encouraging employee engagement and sustaining moral integrity in globalized work contexts.

CONCEPTUAL REVIEW

Sustainable Human Resource Management (SHRM)

Sustainable Human Relations Management (SHRM) refers to the deliberate incorporation of human resource practices that promote long-term organizational resilience, ethical governance, and employee-centred development. It surpasses standard HRM by embedding sustainability principles—social, environmental, and economic into the management of human relations. SHRM therefore serves as an active framework for promoting ethical cultures, improving employee well-being, and aligning human capital with sustainable organizational goals (Ezeafulukwe et al., 2022).

The growing prominence of SHRM reflects recognition that people constitute a central source of sustainable competitive advantage in the global economy (Cascio & Boudreau, 2016). As a systemic approach, SHRM encompasses practices such as ethical recruitment, inclusive leadership development, work–life balance initiatives, and transparent performance management. While controversies remain over its distinction from CSR-oriented or green HRM, there is broad agreement that sustainable HR practices must be embedded throughout the employee lifecycle, advancing responsibility, inclusion, and morally sound decision-making (Kramar, 2014).

In globalized work contexts, SHRM assumes heightened importance as organizations confront cultural complexity, remote work arrangements, and evolving labour expectations while maintaining ethical coherence and employee engagement (Brewster et al., 2023). It also plays a key role in facilitating green and digital transitions by developing sustainability-related competencies and sustaining employee commitment during organizational change (Jabbour & de Sousa Jabbour, 2016). Rather than functioning as a standalone initiative, SHRM operates as an integrative ethos that permeates organizational strategy and culture, harmonizing global standards with local realities (Kundu & Mor, 2023). In this study, SHRM is operationalised across three dimensions: long-term

human capital development, staff well-being and work–life balance, and responsible leadership development.

Indicators of Sustainable Human Resource Management (SHRM)

Long-Term Human Capital Development

Long-term human capital development refers to the strategic, sustained investment in employees' skills, competencies, and career growth to ensure organizational resilience and adaptability. As a core component of sustainable HRM, it redirects attention from transactional labor management to developmental, people-centered strategies (Cascio & Boudreau, 2016). Organizations that prioritize long-term talent development are more likely to navigate uncertainty, promote innovation, and maintain a competitive advantage in fast-paced global markets.

Practices such as workforce planning, persistent skill development, mentorship, and succession management not only support sustainable objectives but also simultaneously improve employee engagement and ethical commitment. Developmental HR strategies signal organizational investment in individual growth, fostering reciprocal loyalty and discretionary effort in line with social exchange theory (Stahl et al., 2012). In the context of green and digital transitions, long-term human capital development equips employees with competencies in sustainability, intercultural cooperation, and digital fluency, enabling them to lead and adapt during periods of disruptive change (Jabbour & de Sousa Jabbour, 2016).

Employee Wellbeing and Work–Life Balance

Employee Wellbeing and Work–Life Balance constitute a central pillar of Sustainable HRM, rooted in the moral imperative to defend human dignity while guaranteeing productive performance (De Prins, Van Beirendonck, & De Vos, 2020). As Guest (2017) observes, well-being is more than a moral concern; it is also a determinant of continuous engagement and innovation. Sustainable organizations recognize that employees' physical, psychological, and social health directly influences organizational resilience and adaptability (Kramar, 2014). In a globalized and technologically accelerated work environment, pressures such as digital overload, job insecurity, and time fragmentation threaten employee engagement (Grawitch & Ballard, 2016). Sustainable HRM practices, therefore, emphasize flexible work systems, supportive supervision, and mental health awareness as mechanisms to balance productivity with quality of life (Mariappanadar, 2019). Beyond employee support programs, work–life balance strategies demonstrate an organization's ethical devotion to fairness and respect, strengthening trust and faithfulness among employees (Aust

et al., 2020). In this sense, well-being exceeds its conventional HR interpretation; it becomes a strategic lever that corresponds organizational performance with the sustainability of human energy and motivation over time

Responsible Leadership Development

Responsible leadership development entails developing leaders who demonstrate ethical values, stakeholder accountability, and sustainability-oriented decision-making. As a key dimension of sustainable HRM, it stresses leadership that goes beyond profit to embrace social responsibility and all-encompassing governance (Brown, Treviño, & Harrison, 2005). Core practices include ethical training, value-based recruitment, mentorship, and performance evaluation systems that prioritize integrity, empathy, and transparency. These approaches support sustainable development objectives through encouraging competent, morally grounded leaders. Ethical leadership has been shown to improve employee trust, engagement, and organizational citizenship behaviours, strengthening the link between leadership and ethical climate (Valentine et al., 2023).

While traditional leadership development emphasizes strategic and operational skills, sustainability requires a concentration on ethical and relational capabilities. In globalized, culturally diverse contexts, responsible leaders must manage complexity, regulatory variation, and stakeholder anticipations with equity and responsibility (Kundu & Mor, 2023).

Employee Engagement

Employee engagement refers to the emotional, cognitive, and behavioral commitment employees exhibit toward their work and organization. It has emerged as a central component of HRM, reflecting the growing recognition that committed employees are more productive, innovative, and resilient (Saks & Gruman, 2022). In a broad sense, employee engagement refers to organizations' coordinated efforts to create meaningful work experiences, foster motivation, and align individual contributions with organizational goals (Albrecht *et al.*, 2023). Although debates continue regarding the measurement and drivers of engagement, there is broad agreement that effective employee engagement approaches involve leadership support, recognition, career development, and ethical treatment (Gallardo-Gallardo, Dries, & González-Cruz, 2013). In the context of green and smart transitions, employee engagement becomes even more critical, as organizations must sustain motivation and adaptability amid rapid change. As Jabbour and de Sousa Jabbour (2016) note, engagement strategies need to evolve to include competencies in sustainability, digital fluency, and intercultural cooperation.

In globalized work environments, employee engagement is influenced by factors such as cultural diversity, remote work dynamics, and shifting labor expectations. Organizations need to adopt comprehensive, flexible engagement models that accommodate diverse employee needs while maintaining cohesion and purpose. As Lewis and Heckman (2006) observed, strategic engagement requires recognizing essential roles and designing work systems that foster autonomy, mastery, and purpose. Further emphasizing its scope, employee engagement includes workforce planning, leadership development, performance feedback, and well-being initiatives. Michaels, Handfield-Jones, and Axelrod (2001) describe engagement as a deliberate approach to encouraging employees' emotional and intellectual investment in their roles. This system includes continuous communication, recognition programs, and growth opportunities, each of which aids in sustainable performance and organizational resilience (Tansley, 2011).

Indicators of Employee Engagement

Dedication

Dedication refers to the emotional intensity and sense of significance employees attach to their work. It is characterized by enthusiasm, pride, and a strong alignment with company goals. As Erum *et al.* (2020) observed, dedicated employees are more likely to internalize organizational values and reliably provide superior performance. Dedication has appeared as a central component of employee engagement, notably in contexts where meaning and purpose are critical to sustaining motivation.

In a broad sense, dedication represents the psychological bond between employees and their roles, indicating the extent to which work is perceived as fulfilling and impactful. This construct is closely related to sustainability principles, as organizations that foster dedication tend to prioritize ethical leadership, inclusive cultures, and long-term employee development. According to Otoo and Rather (2024), HR practices that emphasize career growth, recognition, and inclusive decision-making greatly improve employee dedication and organizational commitment. Although debates continue concerning the cultural variability of dedication, there is broad agreement that it is a universal driver of engagement and resilience. In globalized work environments, dedication becomes even more critical, as employees manage remote work, cross-cultural teams, and shifting labor expectations. The SHRM State of the Workplace Report (2024) highlights that sustaining employee morale and dedication are top priorities for HR leaders, especially amid economic uncertainty and digital transformation.

Discretionary Effort

Discretionary effort refers to the voluntary energy, time, and initiative employees invest beyond their formal job requirements. It is the above-and-beyond behavior that reflects deep engagement and intrinsic motivation. As Chen (2024) explains, discretionary effort is a strategic asset that drives innovation, collaboration, and buyer satisfaction, especially in knowledge-intensive and service-driven sectors. In a broad sense, discretionary effort represents employees' willingness to contribute extra value when they feel respected, supported, and aligned with company targets. This construct is closely tied to an ethical approach to organizational practice, as employees are more likely to exert discretionary effort in settings that emphasize fairness, transparency, and psychological safety. Research by Jackson (2024) emphasizes that organizations must cultivate cultures of recognition and trust to unlock discretionary effort and mitigate disengagement. Although measuring discretionary effort remains complicated, there is broad agreement that it is a reliable indicator of engagement and organizational health. In globalized settings, where employees often work across time zones and cultural boundaries, discretionary effort becomes a marker of cohesion and common goals. The Gartner HR Survey (2023) found that employees who report feeling energized and empowered are 31% more likely to go above and beyond in their roles.

Vigor

Vigor refers to the physical and mental energy employees bring to their work, characterized by persistence, resilience, and a readiness to invest effort. It is a core dimension of engagement, indicating the vitality and drive that support productive and innovative behavior. According to Udessa and Huluka (2024), Vigor significantly influences organizational performance, especially in stressful and fast-paced environments such as higher education and public service. In a broad sense, Vigor represents the energetic component of engagement, determined by job design, leadership style, and organizational climate. It is consistent with sustainability goals by promoting worker well-being, reducing burnout, and enhancing adaptive capacity. The WorkBuzz State of Engagement Report (2023) notes that Vigor is declining globally, prompting organizations to rethink how they support energy and motivation in hybrid and remote work models. Although Vigor is influenced by individual traits, there is broad agreement that organizational factors such as workload management, autonomy, and wellness programs play a decisive role. In globalized work environments, sustaining Vigor requires culturally sensitive HR practices and digital infrastructure that support flexibility and inclusion. Culture Amp (2024) identifies enthusiasm and energy as key predictors of retention and discretionary effort, strengthening the interdependence of engagement indicators.

Workplace Ethics

Workplace ethics refers to the shared norms, standards, and values that guide behaviour within organizations, emphasizing integrity, fairness, accountability, and respect. Ethical climates encourage trust and transparency, which are necessary for employee commitment, engagement, and organizational sustainability (Valentine et al., 2023). In contemporary organizations, workplace ethics has evolved from a compliance-driven concern to a strategic component of human relations management, particularly as firms operate throughout diverse cultural and institutional contexts.

Ethical HRM practices such as fair recruitment, transparent performance evaluation, and accessible grievance procedures play a key role in promoting ethical conduct, improving employee morale, and defending organizational reputation (Brown et al., 2005; Kundu & Mor, 2023). Although debates continue concerning the universality of ethical standards, there is a broad consensus that ethical leadership and uniform policy enforcement are central to sustaining ethical work environments (Brewster et al., 2023).

In globalized, digitalized work settings, workplace ethics is especially salient, as organizations must navigate complex regulatory requirements and cultural differences while upholding fairness and coherence. Ethical leadership, supported by codes of conduct, ethics training, and reporting systems, guides during periods of organizational change and has been shown to strengthen employee engagement, trust, and organizational citizenship behaviours (Jabbour & de Sousa Jabbour, 2016; Valentine et al., 2023)

Mediating Mechanism of Workplace Ethics

Workplace ethics, traditionally regarded as a core component of organizational culture, is increasingly conceptualized as a mediating mechanism through which strategic human relations management practices influence employee outcomes. Rather than operating as a passive contextual factor, workplace ethics actively shapes how organizational initiatives are interpreted and translated into employee attitudes and behaviours. In this capacity, it conditions the effects of leadership behaviour, HRM systems, and sustainability-oriented practices on outcomes such as employee engagement, trust, and performance.

Prior studies suggest that ethical climates characterised by openness and equity enable organizational intentions to be perceived as credible and just by employees (Valentine et al., 2023). Accordingly, the positive effects of Sustainable Human Relations Management (SHRM) practices, including long-term human capital development, employee well-being and work-life balance initiatives, and

responsible leadership development, are strengthened when embedded within a strong ethical framework. Workplace ethics, therefore, functions as a psychological and cultural filter through which employees interpret organizational actions as meaningful and worthy of reciprocal engagement.

Conceptually, workplace ethics mediates the relationship between organizational inputs (e.g., leadership style, HR policies, and sustainability objectives) and employee responses (e.g., vigour, dedication, and discretionary effort). Ethical leadership enhances moral awareness and behavioural modelling, reinforcing shared ethical norms that guide employee perceptions and conduct (Brown et al., 2005). These norms influence how employees make sense of their roles and organizational relationships, consequently forming their level of engagement and commitment.

The mediating role of workplace ethics is particularly salient in globalized and digitized work environments, where organizations must manage cultural diversity, remote work arrangements, and regulatory complexity. Consistent ethical structures help bridge cross-cultural differences and develop trust in decentralized organizations (Brewster et al., 2023). When equity and honesty are perceived as underpinning organizational processes, employees are more likely to remain involved, even in conditions of uncertainty and change.

Empirical evidence increasingly supports this mediating perspective. Kundu and Mor (2023), for example, demonstrate that ethical HRM practices mediate the relationship between inclusive leadership and employee engagement in multinational organizations. Similarly, Jabbour and de Sousa Jabbour (2016) show that ethical HRM plays a stabilizing role during sustainability transitions by sustaining employee morale and commitment. Importantly, workplace ethics, as a mediating construct, encompasses both formal mechanisms (such as codes of conduct, ethics training, and whistleblowing systems) and informal norms shaped by leadership behaviour and peer interactions. Together, these factors affect how employees interpret organizational signals and determine whether to reciprocate with engagement, loyalty, and discretionary effort.

Key Indicators of Workplace Ethics

Fairness and Justice

Fairness and justice refer to the equitable treatment of employees in all organizational processes, including recruitment, performance evaluation, promotion, and disciplinary actions. These principles serve as the basis for ethical HRM because they guarantee that decisions are made transparently and without bias. According to Valentine, Godkin, and Lucero (2023), perceptions of

fairness significantly influence worker confidence, satisfaction, and engagement. In sustainable organizations, fairness is more than just a moral obligation; it is also a strategic tool for promoting inclusion and reducing conflict. As global workforces become more diverse, fairness and justice must be culturally sensitive and consistently enforced to maintain ethical harmony across borders (Brewster, Chung, & Sparrow, 2023).

Accountability and Responsibility

Accountability and responsibility involve the expectation that individuals and leaders will own their actions, uphold organizational values, and accept consequences for misconduct. These indicators reinforce ethical behavior by fostering openness and integrity in decision-making. Brown, Treviño, and Harrison (2005) argue that accountability systems, such as ethics audits, reporting systems, and clear role definitions, are vital to upholding ethical climates. In the context of sustainable HRM, accountability ensures that ethical standards are not merely representational but operationalized throughout the organization. When employees observe responsible behavior from managers and colleagues, they are more likely to reciprocate with engagement and ethical conduct.

Ethical Leadership

Ethical leadership refers to the demonstration of normatively appropriate behavior through personal actions and interpersonal relationships, and the promotion of such conduct among followers. It is a key factor of workplace ethics, shaping organizational culture and influencing employee attitudes. Ethical leaders model fairness, communicate transparently, and prioritize stakeholder objectives, consequently bolstering ethical norms across the organization (Valentine et al., 2023). In sustainable HRM, ethical leadership is central to guiding employees through change, resolving dilemmas, and embedding values into everyday practices. As organizations navigate globalization and digital transformation, ethical leadership becomes vital to preserving confidence, cohesion, and enduring engagement.

Empirical Evidence: Impact of SHRM on Employee Engagement

Sustainable Human Resource Management and Dedication

Dedication, a core dimension of employee engagement, reflects the emotional attachment, enthusiasm, and sense of purpose employees bring to their work. Empirical evidence increasingly supports the view that SHRM markedly boosts employee dedication through encouraging ethical, inclusive, and development-oriented workplace environments. SHRM practices, such as long-term

human capital development, work-life balance initiatives, and responsible leadership, create conditions in which employees are appreciated and aligned with company objectives. Peretz (2024) conducted a multilevel study across 26 countries and found that SHRM positively influences employee performance through engagement, with dedication as a key behavioural outcome. The study emphasized that culturally adaptive SHRM practices that are sensitive to national norms and values are especially impactful for improving dedication, especially in flexible, participatory work cultures. These results correspond with the Job Demands–Resources (JD-R) model, which proposes that supportive HR practices increase motivational resources, thereby boosting devotion and toughness. In globalized work environments, where employees face complex demands and rapid change, SHRM provides a stabilizing framework that cultivates commitment and purpose. By embedding sustainability into HR systems, organizations not only fulfil ethical obligations but additionally cultivate a workforce that is emotionally invested and future-ready. Dedication, in this context, constitutes both a marker of employee engagement and a tactical outcome of sustainable HRM.

Sustainable Human Resource Management and Discretionary Effort

Discretionary effort refers to the voluntary energy and initiative employees invest beyond their formal job requirements. It is a key behavioural expression of engagement and a valuable indicator of organizational commitment. Empirical research suggests that SHRM significantly increases discretionary effort by fostering ethical climates, inclusive leadership, and developmental support systems. When employees perceive fairness, transparency, and long-term investment in their growth, they are more likely to reciprocate with extra-role behaviours. Otoo and Rather (2024) found that SHRM practices, particularly those emphasizing career development and inclusive decision-making, positively influence organizational commitment, which in turn drives discretionary effort. These results align with social exchange theory, which holds that employees respond to supportive HR practices with increased motivation and loyalty. In globalized work environments, SHRM provides the ethical and relational infrastructure needed to sustain discretionary effort throughout diverse teams and remote settings. By embedding sustainability into HR systems, organizations create conditions in which employees feel empowered to go beyond task expectations. Discretionary effort, in this context, serves as both a signal of engagement and a strategic outcome of values-driven HRM.

Sustainable Human Resource Management and Vigor

Vigor, defined as the physical and mental energy employees bring to their work, is an essential part of engagement and a predictor of resilience, productivity, and innovation. Sustainable Human Resource Management has been shown to positively influence Vigor by enhancing well-being,

ethical leadership, and encouraging work environments. SHRM practices such as flexible work arrangements, psychological well-being support, and inclusive communication help employees maintain high energy levels even in demanding or uncertain contexts. Udessa and Huluka (2024) demonstrated that SHRM practices markedly increase employee engagement in public universities, with Vigor emerging as a key outcome. Their study emphasized that HR strategies focused on psychological safety, workload balance, and ethical governance are vital to supporting Vigor in intense environments. This evidence supports the Job Demands–Resources model, which links supportive HR practices to increased motivational resources and reduced burnout. In globalized, hybrid work settings, SHRM provides the structural and cultural support needed to maintain employee vitality. Vigor, in this sense, does not reflect only individual energy but also the effectiveness of sustainable HRM in encouraging resilient and engaged workforces.

Workplace Ethics as a Mediator of SHRM and Employee Engagement

Although Sustainable Human Relations Management (SHRM) practices are vital to enduring organizational resilience, evidence suggests that they are insufficient on their own to ensure employee engagement. Workplace ethics plays a critical mediating role by molding the moral climate through which SHRM practices are interpreted and experienced. When ethical standards are weak, SHRM initiatives may be perceived as symbolic or performative, thereby weakening trust and commitment. Conversely, ethical climates characterized by fairness, accountability, and integrity boost the credibility and motivational impact of SHRM practices.

Empirical studies increasingly support this mediating perspective. Valentine et al. (2023) demonstrate that ethical leadership and transparent HR practices predict employee engagement and organizational citizenship more strongly than HR policies alone. Similarly, Kundu and Mor (2023) show that ethical HRM practices mediate the relationship between sustainable HRM and employee engagement in multinational organizations. Context-specific evidence from African settings further reinforces this argument. Ezeafulukwe et al. (2022) find that ethical governance and responsible leadership are central to translating SHRM practices into employee commitment, while Peretz (2024) highlights the role of ethical HRM in reducing relational risks in cross-cultural work environments.

Theoretically, this mediating role is grounded in Organizational Justice Theory, which links fairness perceptions to trust and engagement (Greenberg, 1990), and Social Exchange Theory, which explains how ethical treatment elicits reciprocal employee commitment (Blau, 1964). Together, these perspectives suggest that workplace ethics is not a peripheral cultural attribute but a core mechanism through which SHRM practices influence employee engagement.

Based on the foregoing, the following hypotheses are proposed:

H₀₁: Sustainable Human Relations Management practices have a significant relationship with workplace ethics in organizations operating in a globalized environment.

H₀₂: Workplace ethics have a significant relationship with employee engagement in organizations operating in a globalized environment.

H₀₃: Workplace ethics significantly mediate the relationship between Sustainable Human Relations Management practices and employee engagement in organizations operating in a globalized environment.

METHODOLOGY

This study adopted a quantitative cross-sectional research design to examine the relationships among Sustainable Human Relations Management (SHRM) practices, workplace ethics, and employee engagement. The design enabled the systematic collection of numerical data and the empirical testing of hypothesised relationships among the study variables (Muijs, 2004).

The study was conducted at the organizational level and involved employees from ten medium- to large-scale organizations operating throughout multiple industries in Port Harcourt, Rivers State. The study population, therefore, comprised employees of these organizations. A stratified random sampling technique was used to ensure adequate representation of employee categories, including both HR and non-HR staff. From each organization, twenty (20) employees were randomly selected, resulting in a total sample size of 200 respondents.

Data were collected using a structured questionnaire comprising five sections: demographic characteristics (industry and job category); SHRM practices, measured through items assessing long-term human capital development, employee wellbeing/work–life balance, and ethical leadership; workplace ethics, assessed using items adapted from established ethical climate scales; and employee engagement, measured using the Utrecht Work Engagement Scale (UWES). All measurement items were rated on a five-point Likert scale ranging from *strongly disagree* to *strongly agree*. The questionnaire was administered using both self-report and proxy methods, depending on respondent accessibility.

Content validity was established through expert review, guaranteeing the relevance and contextual appropriateness of the measurement items. Instrument reliability was assessed using Cronbach's alpha, with coefficients ranging from 0.73 to 0.80, exceeding the acceptable threshold of 0.70. In addition, a pilot study with 20 respondents was conducted to evaluate clarity, reliability, and internal consistency, resulting in minor refinements to the instrument.

Data analysis included descriptive statistics, Pearson correlation, and hierarchical regression. Descriptive statistics were used to summarise respondent characteristics and variable distributions, while Pearson correlation analysis examined the direction and strength of associations among SHRM practices, workplace ethics, and employee engagement. Hierarchical regression analysis was employed to test the mediating role of workplace ethics in the relationship between SHRM practices and employee engagement.

Descriptive Statistics

The study summarized the categories of respondents and the manifestation of the constructs of SHRM, Employee Engagement, and Workplace Ethics in the surveyed organization, as shown in Tables 1-3.

Table 1: Frequency Distribution of Respondents' Industry

	Frequency	Percent
Telecoms	40	20.0
Hospitality	45	22.5
Education	40	20.0
Financial Services	40	20.0
Oil & Gas	35	17.5
Total	200	100.0

The respondents' frequency distribution showed adequate representation across industries. Specifically, 20% of the respondents worked in telecommunications firms, another 22.5% worked in hospitality organizations, another 20% worked in the education sector, another 20% worked in organizations offering financial services, and 17.5% worked in Oil & gas firms.

Table 2: Frequency Distribution of Respondents' Job Role

	Frequency	Percent (%)
HR Employees	40	20.0
Non-HR Employees	160	80.0
Total	200	100.0

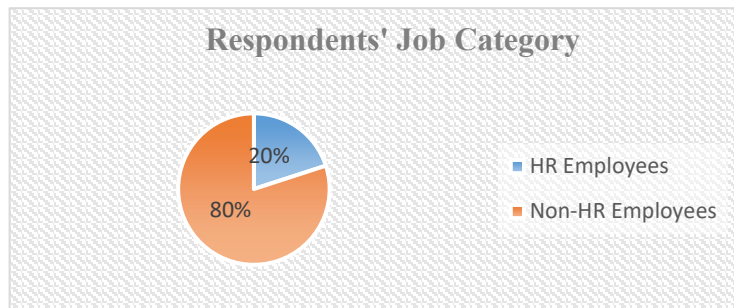


Fig 1: Graphical Illustration of the job categories of the respondents

As shown in Fig. 1 and Table 2 above, about 40 respondents, or 20% of the total respondents, were HR employees, while 160 were non-HR employees. The distribution of job categories is deliberate to ensure unbiased responses concerning employee engagement outcomes and the actual adoption of SHRM and workplace ethics in the organizations.

Table 3: Descriptive Statistics of the Study Variables

		N	Mean	Std. Deviation
Long-Term Human Capital Development		200	1.58	0.584
Employee Wellbeing/Work-Life Balance		200	1.42	0.600
Responsible Leadership Development		200	1.32	0.522
Dedication		200	1.36	0.456
Discretionary Effort		200	1.40	0.502
Vigor		200	1.23	0.500
Fairness & Justice		200	1.54	0.524
Accountability and Responsibility		200	1.27	0.450
Ethical Leadership		200	1.20	0.400
Valid N (listwise)				

Source: SPSS 22.0 Output (2025)

With a mean score of 1.58 and a standard deviation (SD) of 0.584, long-term human capital development is low in the organizations studied. Similarly, with a mean score of 1.42 and a 0.600 SD, employee well-being/work-life balance is reported to be low in the organizations. With a mean

score of 1.32 and an SD of 0.522, responsible leadership development is reported to have been poorly manifested in these organizations. With a mean score of 1.36 and a 0.456 SD score, the dedication of the employees is said to be low. Discretionary effort was also low, with a mean score of 1.40 and an SD of 0.502. Vigor was also found to be low among employees, with a mean score of 1.23 and an SD of 0.500. Fairness & Justice was similarly perceived as low, with a mean score of 1.54 and a standard deviation of 0.524. Accountability and responsibility were equally manifested poorly, with a mean score of 1.27 and an SD of 0.450. Ethical leadership was found to manifest very poorly, with a mean score of 1.20 and a standard deviation of 0.400. These results imply that the dimensions and outcomes of the variables examined in the study were obtainable but not strong in the organizations

Correlation Analysis

Relationship	Correlation (r)	P-Value	Strength	Direction
SHRM and Employee Engagement	0.567**	0.000	Strong	Positive
Workplace Ethics and SHRM	0.650**	0.000	Strong	Positive
Workplace Ethics and Employee Engagement	0.702**	0.002	Strong	Positive

Pearson's Product-Moment Correlation Coefficient was carried out on the variables to determine the strength and direction of any form of relationship among them. The result of the analyses is shown in Table 4 below.

Table 4: Summary of Variable Correlation Analysis

** Correlation is significant at $p < 0.05$ (two-tail test).

Source: SPSS Output, 2025

The analysis results, shown in Table 4, indicate that sustainable human resource management (SHRM) practices correlate with employee engagement (ER) at $r = 0.567$, $p > 0.05$. This indicates a strong, significant positive relationship between SHRM practices and employee engagement. It means that as SHRM practices improve, employee engagement increases. Subsequently, workplace ethics correlates with SHRM practices at $r = 0.650$, $p > 0.05$, indicating a strong, significant positive relationship. It also means that as workplace ethics increases in organizations, sustainable human resource management practices will continue to prevail. Similarly, workplace ethics correlates with employee engagement at $r = 0.702$, $p > 0.05$, indicating a very strong, significant positive relationship. This indicates that the more employees perceive fairness, accountability, and ethical

leadership from management, the more Vigor, dedication, and discretionary effort they apply to their jobs. Based on the results, the study accepts its first and second hypotheses while rejecting the third hypothesis that:

HO₁: Workplace ethics have a significant relationship with employee engagement in organizations operating in a globalized environment.

HO₂: Workplace ethics have a significant positive relationship with Sustainable Human Relations Management practices and employee engagement in organizations operating in a globalized environment

HO₃: Sustainable Human Relations Management practices do not have a significant relationship with workplace ethics in organizations operating in a globalized environment.

Hierarchical Regression Analysis

To examine the moderating effect of workplace ethics on the relationship between SHRM practices and employee engagement, a two-step hierarchical regression analysis was conducted, following the approach recommended by Baron and Kenny (1986). The first step assessed the relationship between the independent variables SHRM practices, operationalized as long-term human capital development, employee well-being/work–life balance, and responsible leadership development, and the dependent variable, employee engagement, measured through vigour, dedication, and discretionary effort. The second step examined the relationship between SHRM practices and the moderating variable, workplace ethics, to determine the extent to which ethics influences the strength of the SHRM–employee engagement relationship.

Table 5: Hierarchical Regression Model Set-up

Model	Variables Entered	Purpose
1	SHRM practices, employee engagement	To test the main (direct) effects
2	Workplace Ethics and SHRM Practices	To test interaction/moderating effect

Table 6: Hierarchical Regression Model Summary

Model	R	R ²	Adjusted R ²	ΔR ²	F Change	Sig. F Change
1	.521	.449	.332	-	31.223	.000
2	.679	.567	.403	.118	10.211	.002

Table 6 presents the results of the hierarchical multiple regression analysis with workplace ethics as the moderator. The table shows that Model 1 indicates that SHRM practices account for 44.9% of the variance in employee engagement. Model 2 shows that when the moderator, workplace ethics, was introduced to the association, R² increased by 11.8% (from .449 to .567) with a significance level of .002. This implies a significant moderating effect of workplace ethics on the association between SHRM practices and employee engagement.

Table 7: Coefficient Analysis for Moderation Effect

Model	Predictor	B	Std. Error	β	t	Sig.
1	(Constant)	3.211	0.213	-	13.2	.000
	SHRM_O	0.512	0.076	0.342	4.40	.000
	WE_O	0.376	0.112	0.237	3.34	.001
2	(Constant)	3.115	0.203	-	14.12	.000
	SHRM_O	0.337	0.088	0.294	4.16	.000
	WE_O	0.398	0.104	0.239	3.46	.004
	SHRM_O*WE_O	0.311	0.107	0.301	3.08	.002

** Correlation is significant at $p < 0.05$ (two-tail test).

Source: SPSS Output, 2025

The interpretation of Table 7 indicates that both sustainable human resource management practices and workplace ethics significantly influence employee engagement outcomes at $p < .01$. It also shows that the interaction of SHRM practices and workplace ethics (WE) is significant at ($\beta = .301$, $p = .002$), hence confirming a significant positive moderating effect of workplace ethics on the association between SHRM practices and employee engagement. Invariably, the influence of SHRM practices on employee engagement depends on the level of workplace ethics within an organization. Based on the result, the study accepted its third proposed hypothesis that:

HO3: Workplace ethics significantly moderate the relationship between sustainable human relations management practices and employee engagement in organizations operating in a globalized environment.

Findings

The findings demonstrate that Sustainable Human Relations Management (SHRM) practices are positively and significantly associated with employee engagement, aligning with previous empirical research (Otoo & Rather, 2024; Udessa & Huluka, 2024). The results also indicate that workplace ethics is positively related to both SHRM practices and employee engagement. Notably, workplace ethics significantly moderate the relationship between SHRM practices and employee engagement, thereby strengthening this association (Valentine et al., 2023; Kundu et al., 2023). The evidence suggests that SHRM practices, including long-term human capital development, employee well-being and work–life balance, and responsible leadership development, enhance employees' vigor, dedication, and discretionary effort. The effectiveness of these practices is further amplified in organizational contexts characterized by strong ethical standards and values. Thus, workplace ethics serves as a reinforcing mechanism that enhances the impact of SHRM practices on employee engagement. Overall, the results underscore the essential role of an ethical organizational climate in promoting sustainability-oriented human relations management and maintaining high levels of employee engagement.

Limitations

The study utilized a cross-sectional sample of employees from ten organizations in Port Harcourt, which may limit the generalizability of the findings. Future research should address this limitation by employing a broader geographic and organizational scope.

Recommendation

Following its key findings, the study recommends that:

1. Organizations should adopt an intentional approach to embedding ethical principles across all their human resource management processes to ensure eco-friendly practices that boost workers' engagement.
2. Furthermore, organizations should participate in regular awareness programs to promote ethical conduct, and ethical standards should be implemented from the top down to reinforce shared values, accountability, and ethical standards across all employee levels.
3. Most importantly, organizations should create a work environment that promotes ethical behaviours by establishing open channels for unethical practices to be flagged without fear of reprisal, thereby strengthening trust and engagement.

References

- Al Ariss, A., Cascio, W. F., & Paauwe, J. (2014). *Talent management: Current theories and future research directions*. Journal of World Business, 49(2), 173–179.
- Bader, A. K., Froese, F. J., & Sekiguchi, T. (2021). *Foreign workers in Japan: Challenges and implications for HRM*. International Journal of Human Resource Management, 32(1), 1–27.
- Brewster, C., Chung, C., & Sparrow, P. (2023). *Globalizing Human Resource Management: Challenges and Strategic Responses*. Journal of International Business Studies, 54(2), 345–362.
- Brown, M. E., Treviño, L. K., & Harrison, D. A. (2005). *Ethical leadership: A social learning perspective for construct development and testing*. Organizational Behavior and Human Decision Processes, 97(2), 117–134.
- Cascio, W. F., & Boudreau, J. W. (2016). *The search for global competence: From international HR to talent management*. Journal of World Business, 51(1), 103–114.
- Chen, R. (2024, November 6). *Discretionary effort and employee engagement: The business use case*. Bucketlist Rewards. <https://bucketlistrewards.com/blog/discretionary-effort-employee-engagement>
- Culture Amp. (2024). *The Great Regression: Employee Engagement in 2024*.
- De Jong, J., Schalk, R., & Curşeu, P. L. (2021). *Virtual communication, job engagement and psychological safety in global teams*. European Management Journal, 39(4), 445–456.
- Ezeafulukwe, C., Okatta, C. G., & Ayanponle, L. (2022). *Frameworks for sustainable human resource management: Integrating ethics, CSR, and data-driven insights*. World Journal of Advanced Research and Reviews, 13(3), 583–592.
- Grawitch, M. J., & Ballard, D. W. (2016). *The psychologically healthy workplace: Building a win-win environment for organizations and employees*. American Psychological Association.
- International Journal of Social Research and Analysis. (2024). *Ethics and Corporate Social Responsibility in HR: A Comprehensive Review*.

- Jabbour, C. J. C., & de Sousa Jabbour, A. B. L. (2016). *Green human resource management and green supply chain management: Linking two emerging agendas*. Journal of Cleaner Production, 112, 1824–1833.
- Jackson, T. (2024, October 25). *Engaging discretionary effort: A business case for the whole human*. Forbes Human Resources Council.
- Kim, S., Kolb, J. A., & Kim, D. (2021). *The relationship between work engagement and sustainable HRM practices: The mediating role of ethical climate*. Sustainability, 13(11), 6105.
- Kramar, R. (2014). *Beyond strategic human resource management: Is sustainable human resource management the next approach?* The International Journal of Human Resource Management, 25(8), 1069–1089. h
- Kundu, S. K., & Mor, A. (2023). *Ethical HRM in Multinational Corporations: A Cross-Cultural Perspective*. International Journal of Human Resource Studies, 13(1), 45–61.
- Miska, C., Stahl, G. K., & Mendenhall, M. E. (2023). *Intercultural ethics in international business: A contextual analysis*. Journal of Business Ethics, 186(3), 561–580.
- Otoo, F. N. K., & Rather, N. A. (2024). *Human resource development practices and employee engagement: The mediating role of organizational commitment*. Rajagiri Management Journal, 18(3), 202–232.
- People Element. (2024). *2024 Employee Engagement Report*.
- Peretz, H. (2024). *Sustainable Human Resource Management and Employees' Performance: The Impact of National Culture*. Sustainability, 16(17), 7281.
- Quantum Workplace. (2024). *Top 8 Employee Engagement Trends in 2024*.
- Stahl, G. K., Björkman, I., Farndale, E., Morris, S. S., Paauwe, J., Stiles, P., ... & Wright, P. M. (2012). *Six principles of effective global talent management*. MIT Sloan Management Review, 53(2), 25–32.
- Tongai, K. (2024). *Ethics in Human Resource Management: What You Should Know*. The Human Capital Hub.

- Udessa, D., & Huluka, A. T. (2024). *Effects of employee engagement on organizational performance: Case of public universities in Ethiopia*. *Future Business Journal*, 10(32).
- Valentine, S., Godkin, L., & Lucero, M. (2023). Ethical leadership, organizational justice, and employee outcomes: A meta-analytic review. *Journal of Business Ethics*, 184(2), 345–368.