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# Green Human Resource Management and Its Role in Driving Sustainable Organization

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## **ABSTRACT**

**Purpose:** Throughout the last decade, academics and business people have become interested in research on environmentally friendly workplaces. As a result, new fields of study such as green human resource management (GHRM) are gaining interest. Greening the workplace means greening common corporate tasks such as human resource management, marketing, operations, and supply chain management. GHRM plays a strategic role in helping companies to implement and develop strategic initiatives, as well as achieve corporate sustainability. In particular, green human resource management (GHRM) practices are also critical for generating organizational pride and motivating employees. Employees will feel proud of their company because they believe that their company supports community development, improves public health, and protects the environment and natural resources. This paper aims to examine in sufficient detail the GHRM concept followed by its various benefits for the business world, both at the organizational and individual levels.

Design/methodology/approach: This paper is an in-depth review of several literatures regarding GHRM.

*Findings:* A large number of experts and researchers agree that GHRM has an important role in realizing sustainable organizations while contributing to environmental protection from local to global scales.

**Research limitations/implications:** This paper is conceptual and general in nature. Further, more in-depth empirical research still needs to be carried out, using both quantitative and qualitative approaches.

**Practical implications:** There needs to be collaboration between academics and practitioners in developing the GHRM concept into various practical environmental management and corporate social responsibility (CSR) that are more concrete and specific according to their respective business sectors and communities.

*Originality/value:* This paper is very relevant to remind business people that they are facing increasingly serious ecological challenges and there is not much time left to overcome them.

Paper type: Conceptual paper

**Keyword:** Corporate Social Responsibility, Environmental Management, Green Human Resource Management, Organizational Sustainability.

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## I. INTRODUCTION

For decades, the main focus of business has been the pursuit of short-term financial gain alone. However, in the current era, awareness has emerged of the need for business activities that respect the environment and society more. Over the past decade, academia and the corporate world have become interested in environmentally friendly workplaces. As a result, new fields of study such as green human resource management (GHRM) are starting to be incorporated. Greening the workplace means greening common corporate tasks such as human resource management, marketing, operations, and supply chain management (Khateeb & Nabi, 2023). Employees play an important role in this awareness. Active participation and organizational actions, such as an integration of environmental initiatives into daily operations, have a major impact on the work environment. Employees are critical to a company's sustainable environment because of their attitudes toward environmental actions. Employee behavior characterized by pro-environmental behavior (PEB) contributes to reducing the company's

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environmental footprint, thereby reducing environmental degradation and climate change in the future. PEB encourages consistency in socially and ecologically responsible organizational goals, which helps the organization's long-term future success and development. The direct impact of PEB contributes to reducing energy and raw material consumption, pollution and waste. The indirect impacts can be in the form of identifying environmental damage to ecological facilities and equipment, as well as modification practices in business (Papademetriou et al., 2023).

In this regard, various ideas have emerged to implement environmentally friendly human resource management or "Green Human Resource Management" (GHRM), which is believed to have the potential to form pro-environmental behavior (PEB), both voluntary and mandatory. This idea rests on the idea of the need for a guiding mechanism for organizational workers to engage in environmentally friendly behavior aimed at conserving organizational resources and thereby contributing to corporate sustainability. GHRM is an innovative management concept and pattern that applies the "green" concept to human resource management to achieve the company's strategic environmental management goals through the use of environmentally friendly management practices. It is an important component of a green management system. Green recruitment, green training and environmental performance are examples of complementary and coordinated practices aimed at fostering green values, knowledge and skills, while encouraging employees to participate in corporate social responsibility activities and, as a result, corporate environmental performance.

Many experts and researchers have found that green job analysis, green hiring, green performance evaluation, green training, and green awards significantly improve a company's green performance. These experts believe that eco-friendly initiatives and environmental management practices cannot be implemented adequately without GHRM (Papademetriou et al., 2023). GHRM highlights the importance of human resource management in environmental prevention, control and protection in business operations. Environmentally friendly human resource management practices are the best way to survive and preserve organizations, taking into account the concern for global environmental protection (Khateeb & Nabi, 2023). Thus, GHRM has become a prominent issue in corporate environmental management.

More specifically, GHRM is also closely related to corporate social responsibility (CSR), which refers to the various dimensions that companies address to help society and improve their image and performance. Various aspects are involved in CSR, including, but not limited to, corporate ethical behavior, employee welfare, environmental considerations, environmentally friendly human resource management (GHRM), economics, and leadership. It has been noted that adequately implemented HRM initiatives in a company can produce positive outcomes such as improved corporate image and corporate sustainability. Additionally, employee perceptions (e.g. commitment and satisfaction) towards the company can be improved when CSR and HRM initiatives are aligned and enforced, which can help companies face challenges in society.

GHRM is described as an initiative undertaken by human resources departments that focuses on the environmental, economic, and social performance of employees, which in turn can produce sustainable results for the company. GHRM plays a major role in issuing and implementing environmentally friendly policies for companies as well as encouraging employees towards environmentally friendly behavior to obtain sustainable performance in the context of CSR. GHRM practices are a tool that enables CSR in companies to have a positive impact on society and the environment. This further ensures the company obtains profits through strategic decision making that leads to company sustainability (Yahya & Zargar, 2023).

## II. METHODS

Before discussing GHRM in more detail, it would be good to review a little about the big concept that underlies the emergence of GHRM itself, namely the concept of sustainability. The concept of sustainability arise due to the rapidly changing business environment, environmental degradation, and awareness of the society to protect the environment. GHRM itself is expected to be able to produce a green life style (GLS) in order to increase efficiency, employee engagement and discipline, positive environmental improvement, as well as lower the operational costs of business. It needs to be realized that GLS is complex facet and is related to individual experiences, hierarchies, values, latent attitudes, multiple behaviors, and barriers. GLS can be broadly defined as "living well". For this reason, GLS is important for developing the industry, so that everyone in the community can enjoy their lives under a safe, healthy environment and always maintain business sustainability (Setyaningrum & Muafi, 2023).

GHRM refers to a series of positive plans enterprises take to deal with environmental problems. Previous research has shown GHRM effects green employee behavior and organizational citizenship behavior for the environment. On the other hand, green organizational culture, green purchasing, and top management

commitment toward greening the workforce are the key antecedents for the exercise of GHRM practices (Liu & Zhang, 2022).

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Green human resources management (GHRM) basically consists of two major elements, namely environmentally friendly human resource practices and preservation of knowledge capital. Environmentally friendly human resource practices include reducing carbon footprints through less paper printing, virtual teleconferencing and interviews, recycling, telecommuting, online training, and energy-efficient office space, which can help companies find alternatives to significantly cut costs without lost his best talent. Green human resources refers to the contribution of human resource management activities and policies to the broader environmental agenda. This is an important concern for human resources because it is an important issue for all employees as well as customers and other stakeholders. Green human resources also refers to the use of every employee interface or touchpoint to promote sustainable practices and increase employee awareness and commitment to sustainability issues. This is a human resource that can make a big impact without incurring much expense. In addition, good environmental management can increase sales and provide funding to increase environmentally friendly benefits with greater employee involvement (Birbirsa & Worku, 2022).

According to Faisal (2023), green human resource management (GHRM) involves a variety of organizational policies, practices, and processes that encourage the use of environmentally friendly methods that could be advantageous to the individual, business, and the environment. A few example of GHRM activitites include green recruitment and selection, green training and development, green compensation management, green performance management, green employee empowerment and participation, and Green employee relations.

There are various GHRM practices, such as selecting and hiring new staff with green awareness, values, and knowledge; preparing training to develop and reinforce staff members' green competencies and skills; conducting green performance assessments with specific criteria for evaluating green work behaviors and performance; and rewarding staff based on the successful accomplishment of green organizational goals (Elshaer et al., 2023).

Bahmani et al. (2023) tried to link the Ability, Motivation and Opportunity (AMO) theory with human resource management (HRM) and use it in the context of GHRM. AMO theory is taken into consideration as it highlights the role of HRM in issuing policies, imitate practices, and establishing green setting across all processes (e.g., recruitment, training, performance, rewards, and involvement). This theory encompasses various aspects such as management, teamwork, organizational culture, career development, green jobs, engagement, and well being (psychological and physical). HRM practices, including GHRM, are believed to drive organizational performance by influencing employees' abilities, motivation and opportunities to increase their contributions (Xie & Lau, 2023).

Another popular theory adopted in GHRM research is the resource-based view (RBV), stating that valuable resources can assist organizations in the form of gaining sustainable competitive advantages. Recently, researchers have found the theory of natural resource-based theory derived from the RBV, provides a more specific explanation for GHRM from the view of creating competitive advantage through environmental management (Xie & Lau, 2023).

## III. RESULTS AND DISCUSSION

An in-depth literature study conducted by Mahdy (2023) revealed various benefits of implementing GHRM as well as various implications as follows:

- 1. To achieve proactive ecological management globally, it is necessary to encourage organizational behavior that supports environmental engagement. Everyone needs to realize that in a community-oriented business, this involvement is a core factor in the success of the organization. This is where GHRM and the various functions associated with it play a very important role. As part of the global business environment, various organizations need to build a good image and reputation in the market to stay ahead of the competition. This can be a strong motive to implement GHRM to make a difference to the organization which leads to strong organizational prestige, especially in its contribution to environmental conservation. Thus, effective implementation of GHRM plays an important function in organizational performance. Growing understanding of environmental sustainability has encouraged businesses to integrate environmental topics into their tasks, goals and strategies. In overcoming environmental problems, organizations also need to integrate ecological behavior into their operations, thereby making employees proud of their institution's role in protecting the environment.
- 2. GHRM includes specific procedures and activities that align with the three cornerstones of sustainability—environmental, social, and economic balance. The formation of sustainable human resources depends on exploring external conditions in the form of existing opportunities, changes, movements and risks, as well as creating a balance between economic, social and environmental conditions. Sustainable human resources are

great employees who really respect the environment and show extraordinary commitment and job satisfaction to the organization, and are always ready to take an ecological approach. In this case, the involvement of the HR function can make an important contribution in building complex, confusing, and difficult to imitate socially complex resources that ultimately lead to increased competitive advantage. Organizations can also implement GHRM practices at all levels, which can be achieved, for example, by incorporating GHRM goals and practices into management information systems (MIS).

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- 3. Recruitment, training, assessment and motivation practices in GHRM are supporting factors in creating a green culture in the organization. This culture encourages employees to proactively reduce waste, use fewer resources, develop recycling programs, and thereby improve the organization's environmental performance. An environmentally friendly psychological climate and environmental knowledge are important mediators between these GHRM practices and pro-environmental behavior. Thus, organizational environmental culture is positively related to GHRM, which in turn has a positive impact on the company's environmental performance. At the individual level, GHRM also has a positive effect on employee job satisfaction.
- 4. Green job descriptions (GJD) emphasize the incorporation of green elements into job elements. This encourages the integration of environmental protection obligations in every position, with an emphasis on actual practices within the organization. Organizations should incorporate their ecological and social requirements into job descriptions and specifications.
- 5. Green training (GT) and job rotation are aimed at creating green skills that can support the achievement of SDGs. GT is also believed to have the most decisive impact in increasing employees' voluntary nature in green behavior. In connection with this, organizations also need to pay more attention to evaluating employee green performance, in an effort to ensure that training results are truly effective in improving green performance.
- 6. Green performance management and green compensation enable organizations to address individual stress by improving environmental performance. GHRM mediates the influence of individual stress on environmental performance through green training and development and green engagement, as well as green performance management and green compensation. We should not forget top management support and crossdepartmental learning, which are very important to facilitate environmentally friendly behavior among employees without making them stressed and burdened.
- 7. Green rewards and compensation (GRC) can create environmental learning for employees, shape their environmental cognition, encourage their creativity for green innovation, and encourage their environmental commitment, all of which contribute to improved environmental performance. In implementing green compensation, it is also necessary to consider special rewards for owners of creative ideas to protect the environment. This is believed to further motivate and encourage employees to care about the environment and use environmentally friendly practices.
- 8. Companies can use GHRM practices as a useful motivational tool for employees to display environmentally friendly behavior. In addition, companies can make their employees more committed to the environment and demonstrate environmentally friendly behavior that benefits all stakeholders by implementing GHRM practices. Preference for environmentally friendly HR practices in recruitment, selection, empowerment, engagement, training and development can increase the creativity of green employees.
- 9. An empowered workforce is more motivated to carry out environmentally friendly tasks. HR is the backbone of an effective organization, so motivated green employees will greatly influence social and organizational productivity. To optimize this, organizations can work to detail the various affirmative outcomes of green interventions to develop the business circumstances necessary to increase green behavior in employees who undertake them voluntarily. HR practitioners must also provide their employees with education and training programs regarding environmental conservation. With this process, managers can also translate the company's CSR strategy into GHRM practices in order to achieve business goals effectively. Thus, GHRM is the right instrument for managers to increase employee awareness of CSR activities. This is in line with the findings of various research which shows that performance appraisal, teamwork, recruitment and selection practices are the most important functions for improving CSR performance.
- 10. There is a need to link GRHM with various other functions such as green supply chain management (GSCM). GSCM can be directed so that it can contribute optimally to company performance and in turn contribute to the company's capacity to support human resource development and corporate social responsibility. On the other hand, GHRM also needs to continue to be optimized to create a suitable environment to realize a sustainable environment along the organization's supply chain. The role of the management team, selection and recruitment, reward and payment systems, as well as performance and evaluation have a positive impact on the social responsibility of the company and its partners in the supply chain network. Here it can be seen that GHRM and GSCM together can have an impact on the company's environmental and financial performance. The researchers emphasized that GHRM and GSCM can have a positive influence on

sustainable performance, so they need to be implemented cross-functionally in various management systems and organizational units for effective environmental management.

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- 11. GHRM is also closely related to strategic human resource management (SHRM) and performance management (PM). It is important to realize that aspects of SHRM and PM are crucial in sustainable human resource management. Important organizational metrics such as ROI, market ratios, and profits are an integral part of SHRM planning and implementation, as well as in other operational activities. Organizations can also implement green performance management (GPM) activities, such as balancing metrics to measure environmental impact and identifying how responsibility should be spread across the organization.
- 12. GHRM is also closely related to leadership functions in organizations. For example, to increase green creativity and generate green competitiveness, organizations can concentrate on encouraging transformational leadership and have managers play an important role by acting as actors in driving green innovation. This is closely related to employee involvement in green initiatives. Good leadership must provide opportunities for employees to participate and be involved in the organization's environmentally friendly initiatives that enable them to contribute to the achievement of green goals (G-goals) in more creative ways.
- 13. CSR planning and practice depend on GHRM support and trustworthy leadership. Therefore, organizations should use GHRM when selecting candidates and evaluating performance. Additionally, organizations must train leadership that can be trusted for the concept of sustainability. Appointing a leader with high ethical criteria can provide the results employees want. When an organization adopts GHRM practices. When organizations and leaders adopt pro-green behavior and implement GHRM-level practices, employees are more likely to take action outside their traditional roles.

Elshaer *et al.* (2023) states that GHRM provides various benefits for organizations, such as to improve organizational citizenship behavior (OCB) toward the environment; promote in-role green work behaviors; develop a circular economy; improve social reputation; and promote innovative performance, green values, and job satisfaction. In this regard, it needs to be understood that an important component in GHRM is green human capital (GHC). According to Nureen *et al.* (2023), GHC is the sum of employees' pollution preventin or green innovation-related information, competence, expertise, intelligence, inventiveness, and dedication which is entrenched in people, nor firms. GHC assists organizations in adhering to stringent international environmental rules, adds value to the organization, and satisfies customers' stringent environmental needs. In addition, it is argued that for organizations to implement an environmental strategy effectively, they must have environmental information that enables them to determine the relevant opportunities for process and product modification. In this approach, GHC reduces the environmental effect and gives organizations a competitive edge by reducing expenses.

Muisyo *et al.* (2022) found that GHRM practices influence green creativity, both individually and collectively. Here green culture also plays a mediating role. Apart from that, there is also servant leadership as a moderator. These results recommend company management to implement GHRM practices to foster green creativity at the employee and team level. Apart from that, company management needs to pay attention to the four elements that strengthen green culture (leadership emphasis, message credibility, co-worker involvement, and employee empowerment) which play a key role in increasing employee green creativity.

### IV. CONCLUSION

The concept of GHRM has gained a lot of attention from both researchers and practitioners. The basic purpose of the GHRM is to minimize the carbon footprint of each worker on the environment. GHRM also relates to the look after resources and participation of the workforce to control pollution. It is also suggested that firms should be aware of their resources and capabilities that make their human resource management green (Farrukh *et al.*, 2022). Therefore, GHRM can be defined as the awareness and application of environmental components in all HRM processes, such as recruitment, training, rewarding, and developing a green workforce who understand environmentally friendly values and practices (Rajabpour *et al.*, 2022).

This paper summarizes various thoughts and findings from various scientific articles, both in the form of empirical research and literature studies, regarding the concept of green human resource management and its various benefits and implications. It is hoped that this paper will provide benefits for academics and practitioners who are interested in topics surrounding environmental management and sustainability, especially GHRM. Academics can explore research ideas regarding GHRM and its very diverse elements. GHRM is also open to being connected with various other constructs in the fields of management and business, such as performance, productivity, organizational culture, supply chain management, and strategic management. For practitioners, it is

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hoped that this paper can at least be an initial reference to start exploring GHRM as a solution for managing business sustainably while providing welfare and satisfaction for employees as valuable human capital.

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