



International Journal of Financial Management and Economics

P-ISSN: 2617-9210
E-ISSN: 2617-9229
IJFME 2023; 6(1): 76-81
www.theeconomicsjournal.com
Received: 22-11-2022
Accepted: 28-12-2022

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Green HRM practices enhancing environmental performance through the mediating effect of commitment

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DOI: <https://doi.org/10.33545/26179210.2023.v6.i1.173>

Abstract

Due to more than 50 years of global industrialization, numerous firms have encountered significant environmental performance issues. This study investigates environmental performance and its effects on workers and industrial outcomes using the social learning theory and the recourse-based perspective theory as a foundation based on a cross-sectional online survey of 322 full-time workers. The findings showed that green HRM practices had a considerable positive impact on both the environmental performance and green innovation among employees. On outcomes including green recruitment and selection, green performance management and appraisal, and green remuneration and incentive, substantial influences of study factors were also noted. Theoretical and practical consequences are provided, along with a number of critical policy findings regarding consumer resistance to innovation in low income societies. Future study possibilities are also suggested.

Keywords: Industrialization, green remuneration, green recruitment, green performance

Introduction

Companies must establish official green programs due to growing environmental concerns on a worldwide scale. The majority of businesses throughout the world did not traditionally care about the environment; instead, they complied with green management initiatives prompted by laws and regulations. However, since the previous year, businesses all over the world have been concentrating on various green initiatives and their effects on the environment. They switch from a control strategy to a prevention one.

Diverse works on green management in general, green accounting, green retailing, and green marketing in particular have all benefited from the green notion as a foundation. Green human resource management, which integrates environmental management and human resource management (HRM), is necessary.

We are advancing toward industrialization on a global scale, which will expand company production and other business operations. Science and technology are products of the economy. It raises the standard of living while also enhancing human convenience. But on the flip side, it also heightens environmental risk and global warming, which lead to ecological hazards to people. Earth's resources are running out, which also puts humans in danger.

Countries have begun to recognize the serious threat to the environment in recent decades. Academics and international policy makers have been increasingly concerned with environmental excellence and its impact on people's lives. Global understanding of the environment has been strongly encouraged as a result of legislation that is being pursued to address the global environment (Saeed *et al.*, 2019) ^[4]. Good environmental policies are essential in enhancing an enterprise's reputation and competitive advantage in addition to statutory requirements (Tang *et al.*, 2018) ^[5]. While many commercial companies exacerbate this horrible scenario by tripling atmospheric carbon emissions through the use of power and technological pollution. As a result, stakeholders are under tremendous pressure to develop policies that should encourage sustainable behavior, and human resources teams work to integrate sustainability and environmental advocacy into nearly all processes (Saeed *et al.*, 2019) ^[4].

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It urges companies to put their attention on intangible assets to address the intricacies of environmental protection issues and respond in a way that takes into account a variety of stakeholder pressure. Organizational environmental management initiatives depend on the growth and maintenance of internal competences and skills. Human resource management (HRM) and leadership are crucial in the growth of a firm's internal competencies and talents, according to Leroy *et al.* (2018)^[6].

A framework for green human resources management makes recommendations for sustainable development (Green HRM). In recent years, green HRM has received a lot of academic interest. Through the integration of HRM activities including performance management (PM), training, recruitment, and remuneration with business goals, green HRM supports environmental sustainability. Green HRM initiatives are therefore crucial for ensuring that employees engage in ecologically friendly working methods. Programs and practices known as "green HRM" encourage employees to be environmentally aware and use company resources sustainably (Opatha & Arulrajah, 2014)^[7]. According to Saeed *et al.* (2019)^[4], green HRM promotes environmental sustainability by encouraging the sustainable use of organizational capital through HRM strategies, concepts, and procedures. It also works to prevent any environmental issues within the organization. Ojo and Raman (2019)^[8] examined environmental performance (EP), however they did not take into account how employees felt about the underlying green HRM initiatives. The examination of specific green HRM activities linked to green innovation and environmental efficiency has therefore become increasingly important in light of more recent studies (Ren *et al.*, 2018)^[9]. Green creativity (GC) is defined by Chen and Chang (2013)^[10] as "the production of new ideas for green products, services, processes, or activities that are regarded to be creative, novel, and valuable." It is widely accepted that innovation within organizations and problem-solving depend on creativity. Businesses can benefit from environmental sustainability in the green era by engaging in green innovation as well as helping them resolve environmental issues. Businesses who pioneer in GC or green creation can profit from the forerunner advantage, enhancing their competitiveness while lowering manufacturing waste and pollution at the same time.

Statement of the problem

There is little study connecting the fields of environmental management with human resource management (HRM). The ability of the planet's ecosystems to sustain future generations cannot be taken for granted, according to the Millennium Ecosystem Assessment from 2005, which stated that "human actions are depleting earth's natural resources and putting such demand on the environment." Due to inertia, denial, and a distaste of making sacrifices, although knowing that we should act, we don't. If there is not an immediate, evident benefit to them, people frequently do not voluntarily modify their attitudes and habits. This predisposition shows that in order to motivate people to adopt socially advantageous behavior changes, a source of authority may be required. The connections between green HRM and individual working and private lives have received less attention in study than the numerous studies on green HRM conducted by various social scientists. More

research is required to determine how green HRM methods specifically affect people's working and personal lives, and moreover how they influence employee commitment and job satisfaction).

Significance of the study

This study is significant from a research and application standpoint. In order to green businesses, employees, and their practices, environmental management needs to be integrated into human resource management. Businesses must set themselves apart from one another because they are working in a highly competitive environment. The theory that ought to guide these interactions has received little attention. Additionally, while green HRM is still relatively new in the field of organizational behavior research, the antecedents and outcomes identified by existing research are restricted. Therefore, this study provides theory-based empirical proof of how green HRM increases employee job satisfaction and commitment through work-life through good theoretical reasoning and empirical testing of the linkages of green HRM. Because it is simply unaffordable for firms to engage in the employment and recruitment of talent just to have them leave or perform below expectations (Spherion, 2010)^[11]. In the end, the findings contribute to the body of knowledge on green HRM and offer a precise, thorough lens through which to examine future study. This survey provides unique information on employees as well as a timely beginning point for successful and efficient green human resources strategy.

Literature review

Green HRM and green creativity

By influencing employee views and behaviors, human resource (HR) initiatives have an impact on both corporate and environmental success (Gilal *et al.*, 2019; Kim *et al.*, 2019)^[12, 13]. Companies all across the world are changing their policies and putting more environmentally friendly corporate practices into practice. One of the organization's most important functional areas, HRM, must alter its behavior by implementing more environmentally friendly, pro-environmental, and green practices (Dumont *et al.*, 2017)^[14]. The activities that fall under the purview of "Green HRM" include taking into account candidates' pro-environmental attitudes at the time of hiring, offering incentives for green behaviors through performance appraisal, as well as training and advancement on sustainable corporate initiatives. The statement made by Wehrmeyer and Parker (1996)^[15] that "if a firm is to take and ecologically aware approach to its activities, the employees are the key to its success or failure" better explains the significance of GHRM's relevance for sustainable growth. This is due to the fact that the focus on sustainability in many industries has shifted from macro to micro levels of businesses, emphasizing the human aspect of environmental strategy and its effects in terms of various outcomes (Teixeira *et al.*, 2012)^[16].

People are inclined to identify themselves into distinct classes, associations and affiliations, etc. in order to generate a positive identification, claims the social identity theory (SIT) put forth by Ashforth and Mael in 1989^[17]. This categorization of oneself depends on a variety of distinctive traits, such as one's physical attributes, mental faculties, psychological traits, etc. Perhaps membership is the most important credential that employees hold within

various organizations. Benkhoff (1997)^[18] asserts that social identity is a crucial component of one's self-concept. Due to the fact that doing so would enhance their sense of self, personality, and self-worth, employees are more likely to affiliate with businesses that have a good reputation, social standing, and profile. Due to this, companies who invest in initiatives to address/promote social and environmental challenges, like green HRM, have a positive reputation in the eyes of both their employees and other stakeholders. This idea is therefore the greatest fit to comprehend the fundamental mechanism by which green HRM can provide important outcomes like green innovation (Song & Yu, 2018)^[19].

Amabile (1988)^[20] defined green creativity as the creation of some innovative, original, and practical green products, facilities, processes, and activities. The importance of green innovation for organizational economic growth and competitiveness was emphasized by various authors. We come to the conclusion that implementing green HRM strategies, such as environmental training and growth, rewarding environmentally friendly work habits, and even evaluating applicants during recruitment and selection, can help to change employees' attitudes and behavior toward greener practices. These actions frequently enhance the organization's reputation. Employees would identify with such a responsible organization, as suggested by SIT, which would enhance their character and dignity. Worker ownership will increase, and as a result, they will come up with innovative, environmentally sound solutions to problems, fostering green innovation. Therefore, putting forward innovative ideas would not harm their career because they would probably identify those organizations with people who are more responsible and accountable.

Mediating role of green creativity

Recruitment, training, performance, and staff engagement are examples of green HRM activities that place some attention on employees through influencing their behaviors, subjective standards, and observed behavioral management. Employing staff based on environmental awareness, concern, opinions, mindfulness, and knowledge; providing extensive training to increase inducement to engage in pro-environmental activities; and developing a strategy to increase environmental commitment and participation, among other things, is just a few examples. Because green HRM practices have a positive impact on the environment, employees appear enthusiastic and motivated to adopt green habits. Employee participation in environmental creative projects will be encouraged when an organization places value on green conduct. Employees will also exhibit strong behavioral intentions, generate green ideas, and create green processes or products in exchange for the organization's aid (Naz *et al.*, 2021)^[21]. Green HRM thus affects employees' intentions to adopt environmentally friendly behavior, which in turn affects green inventiveness.

A green innovation, on the other hand, is one of the most important categories of environmental legislation. Green innovation involves making procurement procedures better in connection to business operations including cutting down on resource usage, preventing pollution, and putting in place environmental protection measures. In order to drive green corporate creativity while reducing costs, businesses should use their resources to increase public awareness of the possibilities for green product innovation. According to the

organizational creativity paradigm, creativity arises from original and worthwhile ideas. Businesses must foster corporate creativity since it is a crucial component of original ideas. To reach its goal of green innovation, a firm must utilize its technical, human, and diverse resources effectively. The main goal of this study is to examine how GHRM affects green innovation via the intermediary of green creativity.

Moderating role of green shared vision

An organization's common standards and goals that direct its members to the organization's future might be expressed in a shared vision (Larwood *et al.*, 1995)^[22]. A communal vision also offers a collective strategic approach, which might reveal convergent goals. Promoting green initiatives now relies heavily on a common understanding of green management. This research suggests the phrase "green shared vision," which Larwood *et al.* (1995)^[22] define as "clear and common strategic direction of collective environmental aims and ambitions that have been internalized by members of an organization." In the environmental era, organizational consideration with regard to sustainability management is more important to promote green ideals within an enterprise (Naz *et al.*, 2021)^[21]. A common vision leverages the possibility for future business growth as a foundation for impractical policies. A common vision can generate a clear organizational goal and inspire the necessary structural adjustments to support green innovation.

According to earlier research, a shared vision is an essential predicate for awareness since it provides guidelines for how to think and act. People can view their work in a wider and more mindful environment with the help of a shared vision (Vogus & Sutcliffe, 2012)^[23]. Top managers may articulate a common vision, detail how they achieve their goals, exhibit trust and optimism, and actively support the standards and beliefs of their staff. Another way to make sure the group's members believe they can successfully overcome the current problems and direct their actions in a way that is effective is to create a common vision. The organization's shared vision serves as a guide for action to guarantee alignment with long-term goals. When businesses are guided by a common vision, employees can see the value in their job and feel more at ease discussing suggestions for environmental improvements (Alt *et al.*, 2015)^[24]. By removing ambiguities and conflicting interests, providing context for new tasks, and focusing the attention of departments and teams, a shared vision capability may aid in goal clarification. In light of the research assessment, we can therefore assert that a shared commitment to sustainability is favorably correlated with environmental performance.

Research methodology

The present study used self-administered questionnaires with closed-ended items in line with the quantitative method to research to collect data. Respondents received the surveys via internal mail from each of the study's participating organizations. For the exogenous (independent) variables, mediating variable, and endogenous (dependent) variables, measurement models and hypotheses are developed based on the literature review to explain the interrelationship between the affecting factor and their direct and indirect impact on employee job satisfaction. The research model

used in this study consists of two mediating variables, namely working-life and private life, as well as two endogenous latent constructs, employee job satisfaction and organization commitment. The exogenous latent construct used in this study is green HRM, which is represented by green training and development, green pay & reward, and energy efficient workspace. As a result, AMOS 18.0 was used to test the proposed hypothetical model and model fit. 322 surveys in all were deemed appropriate and used for analysis. Data from the survey were created automatically

and loaded into the SPSS (SPSS Inc.) database in an excel file.

Results and data analysis

Inspection, cleaning, transformation, and modeling of data are all steps in the analysis process, which has the objectives of identifying relevant information, advancing hypotheses, and assisting in decision-making. AMOS 18.0 was used to analyze the data interpretation in order to confirm the model fit and intended hypothetical model.

Table 1: Distribution on the basis of demographic variable

Variable	Categories	Response %
Gender	Male	70
	Female	30
Age Group	30-40	60
	40-50	40
Employment	Full-time	100
	Part-time	0

The demographic profile of the responders is shown in Table-1. 30 percent of the 322 respondents were women, while 70 percent of the respondents were men. The majority of respondents were classified as having full-time jobs, and 60% of them were between the ages of 30 and 40, while 40% were between the ages of 40 and 50. The majority of responders were aware of the green building's environmental design elements.

Final measurement model it consists six construct, namely, Green Training and Development (GTD), Energy Efficient workspace (EEW), working-life (WLF), private-life (PLF), Job satisfaction (JST) and Organization Commitment (OCM) are indicated by five items each, Green Pay & Reward (GPR) are indicated by four items thus seven construct are measured by 34 measured indicator variable (GT1-OC5).

Table 2: Reliability and standard factor loading of the items

Construct	Items	Standardized Regression Weights	C.R.	Cronbach Alpha
Green Training and Development	GT5	0.774	0.885	0.882
	GT4	0.768		
	GT3	0.789		
	GT2	0.877		
	GT1	0.675		
	GP4	0.716		
Green Pay and Reward	GP3	0.703	0.817	0.816
	GP2	0.753		
	GP1	0.733		
	WS5	0.864		
	WS4	0.874		
	WS3	0.903		
	WS2	0.851		
	WS1	0.809		
Energy Efficient Workspace	WL5	0.82		
	WL4	0.934		
	WL3	0.918		
	WL2	0.892		
	WL1	0.809		
Working life	PL5	0.778		
	PL4	0.886		
	PL3	0.858		
	PL2	0.88		
Private-life	PL1	0.764		
	JS5	0.605		
Job Satisfaction	JS4	0.777		
	JS3	0.76		
	JS2	0.74		
	JS1	0.761		
Organization Commitment	OC1	0.714		
	OC2	0.856		
	OC3	0.898		
	OC4	0.756		
	OC5	0.796		

Table reveals that the GTD, GPR, EEW, WLF, PLF, JST, and OCM all have composite dependability (CR) values of 0.885, 0.817, 0.935, 0.943, 0.920, and 0.902, respectively. Therefore, it was evidently stated that the measurement model's composite reliability (CR) is greater than 0.7. As a result, all constructs in the measurement model have high dependability.

Table 3: Summary of goodness-of-fit indices for measurement model

Model Fit Index	χ^2/df	CFI	GFI	NFI	TLI	RMSEA
Model	1.948	0.955	0.877	0.908	0.949	0.049

The model's goodness of fit, which is judged to be just marginally appropriate, is shown in Table. The values of

χ^2/df , CFI, GFI, NFI, TLI, and RMSEA are respectively 1.948, 0.955, 0.877, 0.908, 0.949, and 0.049, all of which fulfill the standards for satisfactory fit. As a result, we can move forward with investigating the hypotheses listed in our model.

Mediation analysis

Three structural routes were presupposed by the path theory: one from GHRM►JST (without Mediating variables), one from GHRM►WLF►JST, and one from GHRM►PLF►JST. The major mediation is supported by GHRM►WLF►JST, although GHRM►PLF►JST, another meditational method, is also determined to be significant.

Table 4: Distribution on the basis of mediation analysis

Mediating effect of	In the relationship of	Sobel test (Z)	p	Result
WLF	GHRM - JST	4.7	$p < .001$	Supported
PLF	GHRM - JST	2.9	$p < .001$	Supported

As can be seen in the table's first column, there was a statistically significant indirect relationship between GHRM and job satisfaction throughout the course of a career ($z = 4.7$, $p < .001$). The path via (GHRM►PLF►JST)

statistically significant indirect association between GHRM and job satisfaction through private life was discovered in the second column of the table ($z = 2.9$, $p < .001$).

Table 5: Model fit indices

Indicators	CMIN/DF	GFI	IFI	TLI	CFI	RMSEA	KMO
Ideal Values	≤ 3	≥ 0.90	≥ 0.90	≥ 0.90	≥ 0.90	≤ 0.08	0.6 – 1.0
Stated Values	1.649	0.918	0.975	0.972	0.975	0.039	0.942

Note: GFI, good fit index; IFI, incremental fit index; TLI, tucker lewis index; CFI, comparative fit index; RMSEA, mean root error of approximation

The results of the model fitness indices are shown in Table 5. In this study, the five-factor model's compatibility was examined using the indices CMIN/DF, GFI, IFI, TLI, CFI, RMSEA, and KMO. Because CMIN/DF is less than 3, it meets the compatibility requirements. Model fit criteria state that GFI, IFI, TLI, and CFI must be less than 0.90 and that the RMSEA value must be less than 0.08. (Hair *et al.*, 2006; Xia & Yang, 2019). Results show that the model is the best fit and is ready for more investigation.

Conclusion

The study discovered substantial evidence of the association between the GHRM, WLF, PLF, JST, and OCM based on the statistical analysis and meticulous review of the data acquired from residents of green buildings using a questionnaire instrument. Significant correlations between GHRM characteristics and employee job satisfaction and organizational commitment were found. However, there is a partial mediation between job and personal life.

Even though the green concept has been a hot issue for research for more than a decade, there hasn't been much study done on how green HRM and work-life might increase commitment and job satisfaction. This essay tries to explain how GHRM, work life, job satisfaction, and commitment are related. Analysis of the data showed that work-life balance mediates the way that GHRM affects commitment and job satisfaction. In order to create a green culture beneficial to an organization's environmental performance and a green workplace for employees' workplace satisfaction, it becomes necessary to place more

emphasis on green training, green pay, and rewarding employees for their environmentally friendly practices in the workplace.

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