

## **Integrating Sustainability: A Theoretical Review of Green Human Resource Management Practices and their Impact on Organizational Performance**

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### **Abstract:**

Green Human Resource Management (Green HRM) has become an essential organizational practice introduced to address environmental concerns within human resource management. Due to growing awareness of sustainability in corporate environments, Green HRM strategies are becoming essential in the promotion of sustainable behavior among the employees as well as bringing the HR policies into line with the environmental objectives of the company. This theoretical paper aims to define and discuss the Green HRM construct, strategies, and consequences. This paper seeks to review the literature in order to understand the drivers of Green HRM, the different practices involved in the process, and the difficulties likely to be encountered in the implementation of green strategies. The issues mentioned in the review of Green HRM are also the benefits of Green HRM on the organization and its performance, employee involvement, and sustainability. Finally, this paper aims to offer recommendations to organizations that want to strengthen their environmental accountability HRM strategies.

### **KEYWORDS:**

- Green Human Resource Management (Green HRM)
- Sustainability
- Organizational Performance
- Employee Engagement
- Implementation Challenges
- Corporate Social Responsibility

**Objectives:**

The primary objectives of this theoretical review paper are as follows:

1. To define and explore the concept of Green Human Resource Management (Green HRM): Analyzing the concept of Green HRM and its significance in today's organizations as a tool for incorporating sustainability concerns into HR practices.
2. To review key Green HRM practices: How selected general human resource management activities like staffing, training and development, performance management, and employee communication can be done in a way that supports environmental sustainability.
3. To examine the drivers of Green HRM implementation: Establishing the antecedent factors that compel organizations and societies to adopt green human resource management practices.
4. To explore the challenges in implementing Green HRM: To elaborate on the limitations that organizations encounter in adopting and institutionalizing Green HRM including; Financial limits Employee resistance and; Organizational awareness.
5. To assess the impact of Green HRM on organizational performance and sustainability: Recapitulating the impacts of GHRM practices on the organizational business performance and social corporate responsibility; employee's welfare, corporate image, profitability, and sustainability.

**Introduction:**

In the following years, sustainability has emerged as one of the most relevant concerns for companies in the international scenario as they are forced to confront environmental issues by governments, customers, and shareholders. As more organizations attempt to decrease their impact on the environment, sustainability is being incorporated into many aspects of an organization, such as human resource management. This has paved the way for the introduction of Green Human Resource Management (Green HRM) as a very important idea that seeks to ensure the organization's strategic HR activities are directed to the achievement of green objectives.

Green human resource management entails the integration of sustainable business policies in the management of people in organizations. It is a process of organizations adopting green HR practices to promote environmental consciousness among employees, and support-wide sustainability goals. They include green recruitment, training and development programs that have taken into consideration the corporate environment, performance assessment which is environmentally flavored, and incentives that are given to people for practicing good environmental obligations. In this way, the Green HRM processes attempt to establish a visionary, fully dedicated, skilled, and knowledgeable workforce of members who are supportive of organization strategy and environmental conservation.

Green HRM has elicited curiosity as the role of HR in supporting organizations' sustainability agendas gains increasing mainstream attention. There is a possibility that through the HR processes, there are ways through which organizations can hire employees with green values together with training methods that boost green competencies. It is an effective way of controlling environmental nuisances which in the process increases the engagement of

employees, organizations' image, and sustainable profitability.

Nonetheless, this informative paper discovers that the application of Green HRM has some challenges that include the following. One of the challenges that can be encountered while

trying to green a company is the employees' unwillingness to change or lack of knowledge in this matter. Lack of sufficient financial resources and poor guidelines to support the implementation of Green HRM strategies also contribute to their limitation. In addition, the use of Green HRM strategies can be moderate because Green HRM practices depend on the type of organizational culture, industry, and the extent of leadership in the implementation of sustainability practices.

This conceptual paper is, therefore, meant to review the prior literature with the objective of understanding the nature and developments of Green HRM. This paper will analyse the main practices under Green HRM, the decision-making motives for their integration as well as the main barriers to their application. Furthermore, the paper will discuss Green HRM's importance and strategies on organizational performance and sustainability so as to offer recommendations to organizations that are likely to adopt this new approach to managing human resources.

### **Review of literature:**

**Renwick, Redman, & Maguire (2008)** discuss Green Human Resource Management (Green HRM), in addition to providing a review, a process model, and a research agenda. The paper focuses on the main HR processes, involving environmental management during the recruitment of employees, their training, appraisal, development, and finally, their separation from the organization, with a view to promoting sustainability initiatives..

As stated by **Rani, S. & Mishra, K. (2014)**, Green HRM is defined as the advanced subject under which an attempt has been made to involve environmentalism within HRM. Specifically, the paper focuses on HR's key responsibility of managing sustainable initiatives, including paperless workplaces, teleworking, and energy-efficient workplaces. The concept of Green HRM is therefore a solution that not only enables the reduction of organizational carbon footprint through integration of sustainability into recruitment, training, and employee engagement but ultimately fosters employee commitment and organizational performance

In this study, **Rubel, M.R.B., Kee, D.M.H., & Rimi, N.N. (2020)** determine the moderating role of green knowledge sharing on the relationship between Green Human Resource Management (GHRM) practices and green service behaviors. Using the banking sector of Bangladesh as context for the research, the authors determine that GHRM has a significant effect on both in-role and extra-role green service behavior. More to the point, a positive relationship was established and green knowledge sharing was found to further moderate this relationship by easing the implementation of GHRM practices for increased employee environmental sustainability.

**Dumont, J., Shen, J., & Deng, X. (2016).**

In this paper, the analysis of the research question on Green HRM and its effect on green employee behavior is made. It defines the idea of 'psychological green climate' and discusses how Green HRM impacts video games implementing green behavior in-role and extra-role green behaviors in a direct or indirect way. The findings of the current study suggest that Green HRM has a positive relationship with in-role performance and a moderating effect on extra-role performance through the Psychological Green Climate. The study also investigates the moderating factors that are individual green values adding to the literature concerning the social and psychological processes of Green HRM.

**Md. Mamin Ullah (2017).**

This paper aims to identify the existing GHRM practices and how they have been integrated to match organizational strategies for environmental sustainability. It highlights activities such as recruitment, training, and performance management, and it focuses on how to improve resource utilization, employee productivity, and organizational durability. The study shows that GHRM has the potential for enhancing organizational performance alongside minimizing the impact of environmental challenges that affect the business world, thereby advancing the matters of sustainability and environmentalism.

**As cited in Bilal Bin Saeed, et al., (2018).**

The current research seeks to establish a strategy that affirms GHRM that encourages environmental concern among the workforce. Using five GHRM practices, which are recruitment, training, performance management, rewards, and empowerment, it examines the moderating role of environmental knowledge on the relationship between the practices and organizational green performance outcomes, as well as the mediating role of the psychological climate. The research evidence also establishes that there is a positive relationship between GHRM practice and pro-environmental behaviors and recommends that organizations should incorporate GHRM practices in their long-term plans for improved organizational and environmental performance.

**Suharti, Lieli & Sugiarto, and Agus (2020)** carried out qualitative research on the part focusing on the analysis of how the GM of the Green HRM is implemented in an Indonesian multinational company that is environmentally proactive. The paper discusses the implementation of Green HRM in different aspects of Human Resource Management namely; selection, development, and appraisal. The study establishes that Green HRM has a direct positive impact at the individual and organizational level on employee environmentally improved conduct, increased resource utilization and economic returns, better corporate image, and increased organizational performance, hence organizational sustainability.

In the study, **Guerci, Marco, Longoni Annachiara, and Luzzini Davide (2016)** examine unfathomed Green HRM as a mediator of stakeholder pressures leading to enhanced environmental performance. Drawing on the stakeholder theory, Escrig and Alvarez-Gil transcend several key Green HRM practices: green hiring, green training, green involvement, and green performance management to understand how the pressures from customers and regulatory bodies on environmental sustainability are moderated by Green HRM practices. An online survey of HR and supply chain managers, they reveal that green training and performance management improve green outcomes in customer pressure situations but green hiring has negligible influence on performance【11†source】

In their article published in 2020, **Ojo, Adedapo Oluwaseyi, Tan, Christine Nya-Ling, and Alias, Mazni** consider the influence of Green HRM practices on the level of PEB and environmental performance in the information technology industry of Malaysia. Green training, performance management, and empowerment are defined in this study and it demonstrates that they foster pro-environmental IT behavior that leads to improvement of environmental IT performance. The study also reveals that several GHRM practices can stimulate environmental sustainability but points out that green training may be deleterious unless it involves the direct participation of the staff in environmental management.

**Mehta, P. & Mehta, K. (2017).** Sustainability forms the basis of this paper which aims to discuss Green HRM and how it impacts organizational culture. It also demystifies how HR can advance green business by integrating environmental programs in recruitment, training as well as performance management. The response obtained in the study exploring the possible utilization of Green HRM in the Udaipur private sector is that most of the employees are

knowledgeable about the concept but not quite certain about the term Green HRM. Hence, the authors state that although Green HRM positively impacts the organizational culture, it also proactively supports the establishment of brand image and the rates of employee turnover, thereby increasing the company's sustainable developmental scope in the long run[5†source].

### **The concept of green HRM**

Green Human Resource Management (Green HRM) could be defined as the integration of environmental concepts into the traditional activities of people management including People Sourcing, People Development, People Engagement, and People Management. Its main objective is to unlock ways that can improve the compliance of sustainable policies within the HR practices or organizational systems in order to advance the environmentally friendly stance of the workers. Green HRM involves the selection of people with appropriate attitudes towards the environment, providing training to employees, and using measures that focus on environmental concerns in appraising performance. Green HRM accounts for a sustainable culture and, therefore helps in cutting down the carbon imprint of the organization and boosts the image of the organization. This concept also connects how and why employee well-being and organization engagement are tied to CSR initiatives. Due to the current global pressures on organizations to become environmentally sensitive, Green HRM presents a best practice to integrate a greener workforce.

### **Evolution of green HRM**

Such concept of Green Human Resource Management (Green HRM) provides an indication of how the idea has developed over the years with the integration of environmental factors into organizational management strategies. In the early days, environmental issues were more of an operational issue dealt with by such sub-departments as operations or CSR. However, as

corporations received more pressure from the stakeholders and consumers to pursue sustainability in their activities, the role of HR got broader. By the start of the 2000's the HR started practicing environmental goals because sustainability has to cut across the entire organization.

Green HRM developed from the traditional approach of HRM by integrating employees into environmental measures. Initially, it was limited to inoffensive operational activities, but with the development of the idea, it went into hiring, training, rating, and even retention. Companies implemented the purchase of talent with values, that support environmentally friendly ideas, creating green competencies, and motivating sustainable performance. This shift demonstrates the understanding that a workforce that maintains the values of the environment contributes to the co-creation of sustainable solutions that enable sustainable business performance. Currently, Green HRM is considered the component that is critical for generating sustainability in corporations.

### **Key practices of green HRM**

Green Management of human resources implies the use of key environmental strategies in all aspects of human resources management to transform organizational culture and motivate environmentally conscious conduct.

1. **Green Recruitment:** Recruiting candidates for an organization that strives to be sustainable, and incorporating environmental factors in position descriptions and the hiring process.
2. **Green Training and Development:** Providing courses on environmental management, legal issues of the environment, and efficiency or environment productivity tools.

3. **Green Performance Management:** Measuring and evaluating environmental targets as part of the companies' appraisal systems and providing organizational acknowledgment for employee engagement in sustainability.
4. **Green Compensation and Rewards:** Tying incentives such as bonuses, promotions, or other kinds of rewards to positive environmental behaviors or successful environmental performance in the long run by the company.
5. **Green Employee Engagement:** The promotion of a green culture at the workplace by the use of green teams, awareness campaigns, and other employee-lead sustainable projects.
6. **Green Workplace Design:** Energy conserving offices, recycling of materials, and use of sparing resources in the organization.

Altogether these practices help to decrease the share of an organization's negative impact on the environment and increase the level of engagement concerning sustainability.

### **Drivers of green HRM IMPLEMENTATION**

The adoption of Green Human Resource Management is a result of internal and external pressures that ensue leading to the integration of organizations' HRM with sustainability strategies.

1. **Organizational Drivers:** Organizational commitment in decision-making to support the issue of sustainability is another factor where the initiative is catalyzed by the top management. Green HRM can also be part of a measures portfolio as a corporate strategy that aims at improving environmental results and achieving sustainability targets.
2. **Regulatory Drivers:** Environment policies are put in place by governments and other global organizations that force organizations to pursue sustainable HRM policies to avoid incurring fines about environmental pollution.
3. **Market and Consumer Pressure:** The trend today is for consumers to choose products from firms that are socially and environmentally conscious which puts pressure on organizations to adopt Green HRM as a way of managing their image.
4. **Employee Expectations:** According to the research, an increasing number of employees demand employers be environmentally conscious. This change in the workforce values is a good push towards the embracement of Green HRM to gain and secure talent.
5. **Global Sustainability Trends:** Of particular importance here is the ongoing global efforts to adopt sustainable HR practices and the increasing effects of climate change and depletion of resources have prompted organizations to embrace Green HRM to be competitive strategic corporate players in the global market.

All these drivers choose Green HRM a strategic inevitability for the organizations of today's world.

### **Challenges in green HRM**

Challenges are likely to be experienced when Green HRM is to be implemented. Limited resources might be an issue because green efforts demand initial expenditures in technology, training, or developable infrastructure. Resistance from employees counter acts this move because staff may be unaware or care less about sustainable practices. Further, the limited awareness or experience with green practices established by the HR staff might help to hinder the process,



as well. Cultural resistance may occur in organizations where cultures that are adopted do not embrace environmental sustainability. Furthermore, the lack of best practice procedures or benchmarks regarding the integrated processes of green HRM for the various industries creates the possibility of having different practices. Lastly, the strategy of cost leadership with simultaneous consideration of sustainability advantages seems to be one of the most critical pains for many businesses; DEL relates that this issue is critical even at the most significant level possible for SMBs.

### **Benefits of green HRM**

Green Human Resource Management (Green HRM) provides organizations with several advantages. First, it minimizes negative pressures on the environment by demands for conservation of energy and a decrease in wastage by the workforce. So, it improves the organization's CSR and increases its reputation, which is attractive to environmentally aware consumers and shares investors. It also has benefits in terms of employee commitment as employee respondents are more committed to the organization's sustainability goals. Moreover, green practices will also result in saving costs for instance; energy, utility costs, and other operational costs among them. In the long run, all these endeavors help achieve well, sustained organizational success by encouraging the promotion of innovation, increasing market competitiveness, and business sustainability in the current business world.

### **Theoretical paper in green HRM**

Conceptual underpinnings of Green Human Resource Management (Green HRM) give a background on how sustainability works in conjunction with Human Resource Management (HRM). Stakeholder Theory suggests maintaining an equitable relationship with all the stakeholders such as employees, customers, or environmental organizations which will benefit from the eco-friendly HR practices. As the name implies, Institutional theory posits that Green HRM is practiced to conform to requirements or standards outside the organization. The Resource-Based View (RBV) recognizes that Green HRM can help deliver sustainable and valuable outcomes for the organization in terms of structure, learning capability, strategic assets, and corporate culture. Further, Behavioral Theories are more about encouraging employees to participate and indulge in sustainable acts through positive reinforcements, awareness, and promotion. These frameworks narrate why Green HRM has emerged as a strategic and operational imperative for organizations.

### **Impact of green HRM on organizational performance**

In the following ways, it has been seen that Green HRM showed a positive relationship with organizational performance. First, it can improve financial performance since cost savings using eco-efficient principles are more effective than most traditional strategies, for example, using less energy and emitting less waste. It also benefits employee productivity and reduces turnover as an organization's green efforts offer employees meaning, resulting in better morale. However, Green HRM enhances a firm's corporate image, resulting from the allure of environmentally friendly products and services. This alignment with the sustainable goals assists the firms to have a competitive niche in the market. Moreover, green practices application in line with the strategies of the Human Resource Management results in diversity and creativity and ensures the long-term sustainability of the organization. In conclusion, Green HRM aids the organization in promoting economic goals as well as sustainability goals, hence Firm growth and competitiveness.

### Future research directions

Further research on Green HRM should be directed along the following lines: First, more quantitative research is required in order to investigate outcomes and impacts of concrete Green HRM activities – like green recruitment or green performance management – in different industries and geographical locations. Future scholars can extend the research by examining the prolonged effect of Green HRM on various dimensions of organizational performance such as financial return on investment, employee turnover rate, and creativity. Also, the part of technology that aids in supporting Green HRM like employing data insights and machine learning to monitor sustainability practices is a fresh research area. Research could also look at factors that can make it difficult for SMEs to implement Green HRM. Last but not least, cross-industrial or cross-country analysis could promote benchmarking to finalize best practices/frameworks of Green HRM at an international level.

### Conclusion

Finally, it can be stated that Green HRM occupies a strategic position in integrating organizational activities towards the achievement of sustainable practices. Green HRM includes environmental concerns in fundamental human resource management activities like selection, training, and appraisal, reducing organizational environmental pressure, and integrating customer-focused issues to advance worker participation and support and company image. While adopting Green HRM has its own difficulties like financial barriers and cultural issues, when it comes to the benefits, firms get economic benefits in the form of reduced cost satisfied employees and established competitive advantages. As the global business environment shifts towards greater sustainability, Green HRM outlines a clear strategy for organizations pursuing sustainable business success and future possibilities of growth and development.

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