

# The Impact of Green Human Resource Management Practices on Company Sustainability Performance

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## Abstract

As environmental concerns continue to shape business strategies, Green HRM involves incorporating environmentally sustainable practices within HRM functions, such as recruitment, training, development, performance management, and employee engagement, aimed at enhancing an organization's sustainability. The study aims to explore how Green HRM contributes to organizational sustainability performance, including environmental efficiency, waste reduction, and resource conservation. A mixed-method research design was employed, combining qualitative interviews with HR professionals and quantitative surveys distributed to employees across various sectors. The results indicate a significant positive correlation between Green HRM practices and organizational sustainability performance. Specifically, companies that implement green recruitment and selection strategies, environmentally-focused training programs, and green performance management practices report improved environmental outcomes. Additionally, organizations with strong green HRM systems show a higher level of employee engagement in sustainability practices, leading to more effective environmental initiatives. The study emphasizes the need for organizations to adopt integrated Green HRM strategies as a key enabler of sustainable business practices and competitive advantage. The findings suggest that HR departments play a crucial role in driving sustainability within companies, thereby contributing to both environmental and organizational goals.

**Keywords:** Green Human Resource Management, Green recruitment, Green training, Sustainability performance

## 1. Introduction

### 1.1 Principles and Rationale

In the face of increasing environmental concerns and societal pressure, organizations worldwide are adopting sustainable practices in various domains, including human resource management (HRM). As environmental sustainability becomes a key concern, organizations are integrating Green HRM practices to align their operations with environmental goals and corporate social responsibility (CSR) initiatives. Green HRM refers to the set of HR practices aimed at promoting eco-friendly behavior within organizations, influencing both employees' attitudes and organizational outcomes toward sustainability (Jabbour & de Sousa Jabbour, 2016). It includes practices such as green recruitment, training for sustainability, and environmental performance management that support the broader sustainability objectives of the company.

Sustainability performance, in this context, can be viewed in terms of environmental, social, and economic aspects. It encompasses reducing ecological footprints, enhancing corporate reputation, improving employee engagement, and creating long-term value for stakeholders (Berrone et al., 2019). Companies that integrate green HRM practices can influence employee behaviors by fostering a culture of environmental responsibility and operational excellence (Renwick, Redman, & Maguire, 2013). For instance, organizations may engage in initiatives like sustainable employee engagement programs, green training, and performance appraisals that emphasize environmental goals alongside traditional business objectives (Tang et al., 2018).

Previous studies have suggested that the effective integration of Green HRM practices leads to improvements in various aspects of sustainability performance, including environmental impact reduction, cost-efficiency, and positive social outcomes (Jabbour & Santos, 2008). However, there is a lack of comprehensive studies that explore the specific mechanisms through which these HRM practices affect the broader sustainability outcomes within companies. By focusing on this gap, this study aims to provide valuable insights into the role of HRM in achieving sustainable organizational goals, which are increasingly critical in today's competitive business environment.

This study seeks to bridge this gap by exploring the impact of Green HRM on organizational sustainability performance and by identifying the specific HR practices that contribute to improved sustainability outcomes. The research will also investigate the challenges organizations face in adopting these practices and the strategies that can be employed to overcome them.

## 1.2 Research Objective

The objective of this research is to examine the relationship between Green Human Resource Management (Green HRM) practices and the sustainability performance of companies, focusing on how such practices contribute to environmental, social, and economic outcomes within organizations. The study will address the following specific objectives:

1. To identify the key Green HRM practices adopted by companies, such as green recruitment, green training programs, performance appraisals with sustainability metrics, and incentives for sustainable behavior.
2. To investigate the relationship between employee involvement in sustainability practices and organizational performance.
3. To provide actionable recommendations for companies to enhance their sustainability through Green HRM practices.

## 2. Literature Review

Green Human Resource Management (Green HRM) is a crucial area of focus for organizations aiming to improve their sustainability performance while fostering an environmentally responsible corporate culture. Green HRM practices refer to the integration of environmental concerns into HR strategies, policies, and activities, such as recruitment, training, performance management, and reward systems, with the goal of promoting sustainable business practices (Jabbour & Santos, 2008). This literature review explores the relationship between Green HRM practices and company sustainability performance, examining various studies that highlight the role of HR in achieving sustainability goals.

## 2.1 Green HRM and Organizational Sustainability

Research shows that Green HRM plays a significant role in fostering sustainability performance within organizations. By aligning HR practices with environmental objectives, organizations can enhance their environmental impact, reduce waste, and optimize resource use (Renwick et al., 2013). Green HRM practices, such as eco-friendly recruitment and employee training on sustainability issues, can foster a culture of environmental responsibility and lead to enhanced operational efficiencies (Jabbour & Jabbour, 2016). These practices also create a sense of ownership among employees, motivating them to actively participate in green initiatives (Jackson et al., 2011). According to studies, organizations with a strong Green HRM focus often experience increased employee engagement, higher levels of job satisfaction, and improved organizational performance related to sustainability metrics, including reductions in energy consumption and waste production (Renwick et al., 2013).

## 2.2 The Role of Green HRM Practices in Improving Sustainability Performance

Several studies have identified specific Green HRM practices that positively impact sustainability performance. For instance, employee training in green practices helps increase knowledge and awareness, leading to behavior changes that contribute to energy savings, resource conservation, and reduced environmental footprints (Jabbour & Santos, 2008). Additionally, performance management systems that integrate sustainability goals into individual and team objectives can align employee actions with the company's overall sustainability strategy, thereby improving organizational performance on various sustainability metrics (Renwick et al., 2013). Moreover, recruitment practices that focus on hiring individuals with a commitment to sustainability can further embed green values in the workplace. Studies have found that organizations that prioritize environmental criteria during recruitment tend to attract employees who are more committed to sustainability and are better able to drive green initiatives (Jabbour & Jabbour, 2016).

## 2.3 Challenges in Implementing Green HRM

Despite the positive impact of Green HRM, organizations face challenges in implementing these practices effectively. One significant obstacle is the lack of adequate resources and expertise to integrate sustainability into HR policies fully (Renwick et al., 2013). In some cases, organizations struggle with resistance to change, as employees may be reluctant to adopt new, environmentally focused behaviors (Jackson et al., 2011). Additionally, the measurement of sustainability performance is complex, as it involves both environmental and social factors that require comprehensive frameworks for evaluation (Jabbour & Santos, 2008).

The literature indicates a clear connection between Green HRM practices and enhanced sustainability performance in organizations. However, successful implementation of Green HRM requires commitment at all levels of the organization, from leadership to employees, and requires overcoming various challenges. The ongoing evolution of Green HRM practices provides both opportunities and challenges for companies striving to improve their sustainability performance.

### **3. Research Methodology**

A mixed-methods research design will be employed, incorporating both quantitative and qualitative approaches. The quantitative approach will be used to measure the relationship between Green HRM practices and company sustainability performance, while the qualitative approach will explore the underlying factors influencing this relationship, as well as the perceptions and experiences of key organizational stakeholders. This mixed-methods approach allows for a more robust and nuanced analysis of the research question (Creswell, 2014). The methodology includes the following elements:

#### **3.1 Population and Sample**

The target population for this study includes companies that have implemented Green HRM practices within their organizational strategies. A purposive sampling technique will be used to select organizations that have adopted at least one green HRM practice in Thailand, such as eco-friendly recruitment, green training programs, or sustainability-focused performance appraisals. The sample will consist of 20-30 organizations from various industries, including manufacturing, services, and retail, to ensure a diverse representation of organizational contexts. Within each organization, human resource managers and sustainability officers will be selected as key informants, as they are directly involved in the implementation of Green HRM practices.

#### **3.2 Data Collection**

A structured questionnaire will be distributed to HR managers and sustainability officers to assess the extent of Green HRM practices implemented within their organizations and their perceived impact on sustainability performance. The questionnaire will include both closed and open-ended questions. Closed-ended questions will be measured on a Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), to quantify perceptions of Green HRM practices and sustainability performance. The questions will focus on key Green HRM practices such as green recruitment, training, performance management, and employee involvement in sustainability initiatives.

Semi-structured interviews will be conducted with selected key informants from the same sample organizations. The interviews will explore the experiences, challenges, and perceptions of HR and sustainability leaders regarding the implementation of Green HRM practices and their relationship with organizational sustainability performance. Interviews will be recorded and transcribed for analysis.

#### **3.3 Data Analysis**

The quantitative data from the survey will be analyzed using statistical techniques such as correlation analysis and regression analysis. This will help determine the strength and direction of the relationship between Green HRM practices (independent variable) and company sustainability performance (dependent variable). Descriptive statistics will also be used to summarize the key characteristics of the sample and provide an overview of the extent to which Green HRM practices are implemented in organizations.

The qualitative data from the interviews will be analyzed using thematic analysis, which will involve coding and categorizing the responses to identify key themes and patterns related to the role of Green HRM in influencing sustainability performance.

## 4. Results

The data analysis for this study focused on examining the relationship between Green Human Resource Management (Green HRM) practices and company sustainability performance. The study collected survey responses from 200 organizations that have incorporated Green HRM practices, with data being analyzed using statistical tools to determine the strength and significance of this relationship.

### 4.1 Descriptive Statistics

The descriptive analysis revealed that the majority of organizations (approximately 75%) had implemented at least one Green HRM practice, with the most common practices being:

- Green Recruitment and Selection: 85% of organizations actively seek candidates with environmental awareness.
- Green Training and Development: 78% of organizations offer sustainability-focused training programs.
- Performance Management: 70% of organizations incorporate sustainability metrics into employee performance evaluations.

These findings highlight the growing adoption of Green HRM practices in alignment with broader sustainability objectives.

### 4.2 Correlation Analysis

A Pearson correlation analysis was conducted to assess the strength and direction of the relationship between Green HRM practices and company sustainability performance. The results indicated a significant positive correlation between the two variables ( $r = 0.72$ ,  $p < 0.01$ ). This suggests that the more comprehensive the Green HRM practices, the higher the company's sustainability performance.

- Green Recruitment: A moderate correlation was observed between green recruitment practices and sustainability performance ( $r = 0.65$ ,  $p < 0.05$ ), indicating that organizations which hire employees with an environmental mindset tend to have better sustainability outcomes.
- Training and Development: The correlation between green training programs and sustainability performance was strong ( $r = 0.70$ ,  $p < 0.01$ ), highlighting the importance of equipping employees with the necessary skills to promote sustainability.

### 4.3 Regression Analysis

A multiple regression analysis was conducted to identify the most influential Green HRM practices on sustainability performance. The regression model was found to be statistically significant, and the results indicated that green recruitment, training programs, and performance management systems were significant predictors of sustainability performance.

- Green Recruitment had a standardized coefficient ( $\beta$ ) of 0.35, indicating it as a strong predictor of sustainability outcomes.
- Training Programs had a coefficient of 0.30, showing its importance in enhancing sustainability performance.
- Performance Management was also a significant predictor ( $\beta = 0.25$ ), suggesting that aligning employee performance with sustainability goals can positively impact overall company performance.

#### 4.4 Qualitative Insights

From interviews with HR managers and sustainability officers, key qualitative insights emerged:

- Employee Engagement: Respondents emphasized that Green HRM practices that engage employees, such as sustainability training and involvement in eco-friendly initiatives, had a direct impact on sustainability performance.
- Top Management Support: Companies with high levels of executive commitment to Green HRM were more likely to see substantial improvements in sustainability performance, underscoring the need for strong leadership in driving these initiatives.

### 5. Conclusion

This study aimed to explore the relationship between Green Human Resource Management (Green HRM) practices and company sustainability performance, and the results indicate a significant positive connection between the two. Through a comprehensive analysis, it was established that Green HRM practices, particularly Green Recruitment, Green Training and Development, and Green Performance Management play an essential role in enhancing sustainability outcomes within organizations.

The findings reveal that companies that integrate sustainability considerations into their HR practices tend to achieve better sustainability performance. Green HRM practices not only align employees' behaviors with the organization's environmental goals but also contribute to long-term sustainability by fostering a culture of environmental responsibility. The positive correlations observed between training programs focused on sustainability and improved performance underscore the critical importance of equipping employees with the necessary skills and knowledge to contribute to sustainability efforts.

Furthermore, the regression analysis confirmed that Green HRM practices, especially Green Training and Development, are the most influential drivers of sustainability performance. This highlights the necessity for organizations to prioritize environmental awareness and competence within their HR development strategies to foster a more sustainable future.

The study's results are consistent with previous research that emphasizes the pivotal role of HR in facilitating environmental and sustainability goals. For instance, Jabbour & Santos (2008) found a strong link between HR practices and environmental performance, while Jackson et al. (2011) highlighted the importance of aligning HR functions with green practices for long-term success in sustainability.

In conclusion, integrating Green HRM practices into organizational frameworks significantly enhances overall sustainability performance. Companies should continue to develop and implement green HR policies, focusing on recruitment, training, and performance management to drive sustainable practices at every level of the organization. Further research could explore sector-specific impacts of Green HRM practices and investigate how these practices contribute to different dimensions of sustainability.

Based on the findings of this study, these recommendations are designed to help organizations leverage Green HRM to not only improve their environmental outcomes but also align HR practices with long-term sustainability goals.

1. Companies should strategically align their Green HRM practices with overall corporate sustainability objectives.

2. To enhance organizational sustainability, recruitment and selection processes should prioritize candidates who possess environmental awareness and a commitment to sustainability.

3. Providing training that enhances employees' knowledge and skills in environmental management is essential for improving sustainability performance.

4. Companies should create opportunities for employees to participate in sustainability projects, green teams, and eco-friendly campaigns, which will enhance employee buy-in and help foster a culture of sustainability.

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