



Volume and Issues Obtainable at Center for Business Research and Consulting
IBMAS, The Islamia University of Bahawalpur Pakistan

South Asian Review of Business and Administrative Studies

ISSN: 2710-5318 ; ISSN (E): 2710-5164

Volume 3, No.1, June 2021

Journal homepage: <https://journals.iub.edu.pk/index.php/sabas>

The Impact of Green Human Resource Management on Environment Performance: A Roadmap Towards Sustainable Development in Hotel Industry

Amir Rafique, Assistant Professor, COMSATS University Islamabad, Pakistan

Sheryar Shahid, Research Scholar, COMSATS University Islamabad, Pakistan

Muhammad Umer Quddoos, Assistant Professor, Department of Commerce, Bahauddin Zakariya University, Pakistan

ARTICLE DETAILS

History

Revised format:

May 2021

Available Online:

June 2021

Keywords

Green human resource management, employees' eco-friendly behavior, employees' organizational commitment, hotel environmental performance, sustainability

ABSTRACT

The purpose of this study is to analyze the impact of Green Human Resource Management (GHRM) upon the hotel's environmental performance (HEP) in view of the global call for sustainability. The study was conducted by sampling the employees from different hotels of twin cities of Rawalpindi and Islamabad. SPSS and PLS were used for data analysis. The findings show that GHRM has a positive impact on HEP, but the direct relationship between employees' organizational commitment (EOC) and HEP is negative, while EOC plays a negative role in the relationship between GHRM and HEP. The sequential mediation shows that the EOC and employees' eco-friendly behavior (EEB) positively mediate the relationship between GHRM and HEP. This research shows that it would be helpful for the employees to understand the effects of green human resource strategies and practices for improvement in the hotel environment and thereby leading towards sustainable performance.



© 2021 The authors, under a Creative Commons Attribution Non-Commercial 4.0 international license

Corresponding author's email address: umerattari@bzu.edu.pk

DOI: <https://doi.org/10.52461/sabas.v3i1.468>

Introduction

Global warming is becoming one of the major issues of many governments and organizations, particularly corporations working in areas that have a poor impact on the environment and natural resources, such as construction companies, oil exploration companies and hotels / resorts. Thus, many agencies have emphasized the development of strategies that highlight the green factors of active environmental management. In the hospitality sector, using environmental practices in human resource administration has been seen as one of the major goals of organizations to limit wastes, save costs and beautify employees' environmental awareness and green popularity. The important issue of the past decades about the hotel environment is that how waste should be consumed and how to improve the employees' commitment to the environment. Top management should develop a strategy to deal with the issues related to waste and water that affect the environment. It is traditionally an HR responsibility to make policies that can enhance the

organizational commitment of the workers. The GHRM program aims to create awareness to employees and consumers to reduce the harmful effect of the environment. Employees establish higher level of organizational commitment, when they are emotionally attached to the organization which is engaged in the GHRM program.

The human resource management, environmental and hotel management are interlinked and are relevant to the hospitality industry. Environmental management is a hot topic these days (Renwick, Redman, and Maguire, 2013), and when environmental management planning is combined with human resource management, the result is Green Human Resource Management (GHRM) (Renwick, Redman, and Maguire, 2013). Employees should also take part in the organization's environmental citizenship conduct (Robertson and Barling, 2017), where this behavior improves organizational commitment towards the environment (De Groot and Steg, 2010). In hospitality sector, planning and management of the green activities are very much important as the sector is considered to be the major contributor of carbon emission, and this will not only upgrade the ecology but also improves the organization performance (Koseoglu, Rahimi, Okumus, & Liu, 2016).

Literature Review

A few researchers have focused on HRM with environment management, so naming it as "Green Human Resource Management" (Renwick, Redman, and Maguire, 2013). This study also studies HRM in connection with Environment Management (GHRM). There are four stages of GHRM: Environment Planning (constructing ecological vision and objectives), train Human Resource to share their views on ecological vision and objectives, execution of the ecological planning by the employees, assess execution of the ecological planning by the employees. Daily and Huang (2001) proposed a model of HRM which is very effective in environment management.

Individuals can only develop constructive ideas in a social settings (Hogg and Abrams, 1990; Kim, Kim, Choi, and Phetvaroon, 2019). The ideas are further improved in individuals with their engagement in social participation (Ashforth and Mael, 1989; Turner, 1999). The workers must be trained to work in a social setting to perform certain activities related to the society (Ashforth and Mael, 1989; Peterson and Seligman, 2004). The workers who have an impression of HR commitment to certain activities show their obligations towards those activities (Brammer, He, and Mellahi, 2015; Turker, 2009). The workers positive behavior shows improved commitment towards the desired objectives (Lin et al., 2013). The social character theory hypothesizes various levels of workers' commitment towards their obligations (O'Reilly & Chatman, 1986; Shen and Benson, 2016). The Social Identity Theory is a famous social psychological theory that tries to explain intergroup conflicts, people's choice of groups, and the influence of groups on people's views (Hogg and Abrams, 1990; Ashforth and Mael, 1989).

Theoretical Background and Hypotheses Development

The literature shows that GHRM is important to improve Environmental Performance in the hotel sector, where the Employees Organizational Commitment (EOC) and Employees Environmental Behavior also play the pivotal role in the relationship between GHRM and Hotel Environmental Performance (HEP).

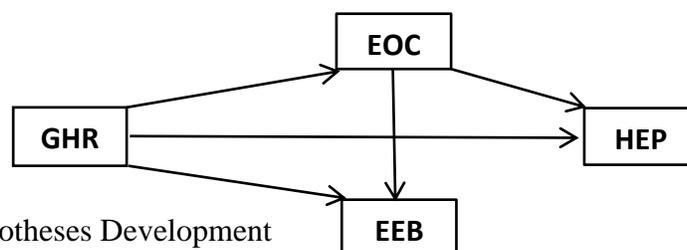


Figure 1: Hypotheses Development

We created the following hypothesis for this investigation based on the previous literature review. The GHRM and HEP have the most important link.

Hypothesis 1: GHRM significantly influences HEP.

It is argued that the HRM practices impact employees behavior (Kim et al., 2019). Gould-Williams and Davies (2005) found that human resource practices improve employees' commitment and behavior to achieve the desired objectives. HRM plays a key role in improving the skills and controlling the actions of the employees (Bratton and Gold, 2017). HRM can play a significant role in improving the hotel environment performance by affecting employees organizational commitment and employees eco-friendly behavior (Kim et al., 2019). So, it is concluded that GHRM is the most important aspect in improving the hotel environment performance by influencing the behavior of employees. Podsakoff and MacKenzie (1997) found that Employees' Organization Commitment is also required to achieve the desired objectives of the organization. GHRM effects the EOC to achieve the desired objective of HEP.

Hypothesis 2: GHRM significantly influences EOC.

HRM practices affect employees behavior (Homan, Van Knippenberg, Van Kleef, and De Dreu, 2007) to motivate them for some desired organizational objectives (Xu et al., 2004). GHRM policies improve the environmental concern of the employees (Kollmuss and Agyeman, 2002). Eco-friendly behavior centers around explicit practices related with efficient utilization of resources, minimum water use, and decrease in wastage. So, it is concluded that GHRM improves the Employees' Eco-friendly Behavior (EEB).

Hypothesis 3: GHRM significantly influences EEB.

Employees' behavior is required to achieve the desired objectives of an organization (Carmeli, Gilat, and Weisberg, 2006). EEB plays a significant role in improving the Hotel Environmental Performance (HEP) of any organization in the hotel industry.

Hypothesis 4: EEB significantly influences HEP.

Commitment plays major role in improving the performance of an organization. Employees' commitment to improve the environment of a hotel will result in increased Hotel Environment Performance (HEP).

Hypothesis 5: EOC significantly influences HEP.

EOC also mediates the relationship between GHRM and EEB because the behavior cannot be changed merely by the HRM practices but also needs a great deal of commitment by the employees.

Hypothesis 6: EOC mediates the relationship between GHRM and EEB.

Employee's organizational commitment plays an important role in organization. So, they play a vital role in improving environmental performance if properly directed by GHRM practices.

Hypothesis 7: EOC mediates the relationship between GHRM and HEP.

GHRM improves Employees Organizational Commitment (EOC), which is only fruitful in achieving the desired results of Hotel Environmental Performance (HEP) if improves the Employees' Eco-friendly Behavior (EEB). EOC and EEB both have a direct and indirect impact on HEP. In sequential mediation, we'll look at how various mediators affect HEP as a result of GHRM policies being implemented.

Hypothesis 8: EOC and EEB sequentially mediate the relationship between GHRM and HEP.

Data and Methodology

In this section, we discuss data collection, measurement of variables and instrument development. The information is gathered by a questionnaire from the top management of various hotels' human resource departments. The majority of the questions concern hotel training programmes aimed at environmental conservation. We were able to determine whether or not the hotels have adopted GHRM practises on their premises by asking the questions. Each item of the GHRM, ECO, EEB, and HEP is measured using a 5-point Likert scale ranging from "strongly disagree (1)" to "strongly agree (5)" on the questionnaire. The purposive sampling is used to collect the data. In the study we use different analysis tools and techniques. First of all, we checked the reliability and validity of the instrument. PLS-SEM are used for further analysis.

Data Analysis and Results

We collected 200 responses from different hotels in Islamabad and Rawalpindi and conducted different test to check the data validity and reliability. We used the researchers' recommended approaches due to the small sample size compared to the amount of measurement items.

Reliability and Validity

Table 1 shows that all Cronbach's Alpha and AVE values are greater than the cutoff values of 0.7 and 0.5, respectively. This shows the reliability and validity of the data collection instrument.

Table 1: Reliability and Validity

	Cronbach's Alpha	Rho-A	Composite reliability	Average Variance Extracted (AVE)
EEB	0.880	0.882	0.907	0.582
EOC	0.896	0.904	0.918	0.616
GHRM	0.872	0.875	0.904	0.610
HEP	0.900	0.905	0.923	0.666

Direct Effects

The Table 2 shows the direct effects between the variables. We accept the hypothesis, H1, that Green Human Resource Management has a positive and significant impact on EOC, with a beta value of (0.647), where the T value is (9.256) and the P value is (0.000). With a beta value of (0.504) and a T value of (5.377) and a P value of (0.000), GHRM likewise demonstrates a positive link with EEB, thus we accept the hypothesis, H2. The findings reveal that EEB has a positive link with HEP, with a beta value of (0.376), a T value of (3.312), and a P value of (0.001), so we accept hypothesis H3. The table reveals a positive link between GHRM and HEP with a beta value of (0.368), where the T value is (3.083) and the P value is (0.002), so we accept the hypothesis, H4. The data also demonstrate that EOC has a positive association with HEP, with a beta value of (-0.002), a T value of (0.032), and a P value of (0.974), indicating that we reject hypothesis H5. Past studies proved that GHRM contributes to EOC. Chae, Yen, and Sheu (2005) found that GHRM affects HEP. Likewise, many researchers found that EEB was a strong determinant of HEP (Demir, 2008; Herrera, 2010).

Table 2: Direct Effects

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	P Values
GHRM -> EOC	0.647	0.646	0.070	9.256	0.000
GHRM -> EEB	0.504	0.498	0.094	5.377	0.000
EEB -> HEP	0.376	0.375	0.114	3.312	0.001
GHRM -> HEP	0.368	0.362	0.119	3.083	0.002
EOC -> HEP	-0.002	0.003	0.065	0.032	0.974

Mediation Effects

Employee Organizational Commitment (EOC) mediates the association between GHRM and EEB, as shown in Table 3, with a beta value of 0.172, a T value of (2.73), and a P value of (0.007), respectively, thus we accept the hypothesis, H6. The results of the mediation effect of EOC between GHRM and HEP show that the beta value is (-0.001), while the T and P values are (0.031) and (0.975), respectively, indicating that the hypothesis, H7, is rejected. The beta value for the sequential mediation of EOC and EEB between GHRM and HEP is (0.065), while the T and P values are (2.300) and (0.002), respectively, so we accept the hypothesis, H8.

Table 3: Indirect Effects

Variable	Original Sample	Sample Mean	STDV	T Value	P Value
GHRM>EOC>EEB	0.172	0.177	0.064	2.703	0.007
GHRM>EOC>HEP	-0.001	0.002	0.043	0.031	0.975
GHRM>EOC>EEB>HEP	0.065	0.064	0.028	2.300	0.002

Conclusion and Recommendations

The term Green HRM is a buzzword nowadays and its importance has increased over time. This is because of the reason that the attention of the governments and businesses towards environmental issues have also increased manifold. GHRM has become an interesting topic of current research world. Green human resource management not only increases awareness about environmental issues, but also improves social image of the organization. The study's findings suggest that implementing green human resource management policies and practises has a beneficial impact on hotel environmental performance by increasing employee commitment and encouraging eco-friendly behaviour. Green human resource management policies and practises, in some way, contribute to the hotel's eco-friendly environment. This study focuses mainly on GHRM, where Dutta and Lanvin (2012) state that the GHRM integrates two key components, HR practices with the environmental concern. The main goal of GHRM in hotel sector is to make employees aware of the complexity of the related environmental issues and environment of the hotel; for example, which activities are required, how they work and how these can be helpful for the environment. By participating in the environmentally friendly programme, the action truly convinces the employees and instils a sense of pride in them.

GHRM motivates the workers to comprehend and improve green culture in an organization. The environmental performance can be improved by the HR policies like recruitment, selection, training, and advancement of the human capital of the organization with more concern about the

environment (Dutta & Lanvin, 2012). An organization's HR office can play a significant job in making a culture of conduct for employees (Harmon-Jones, Harmon-Jones, and Price, 2013). HR policies and procedures can do a significant job in the implementation and effectiveness of the green HR strategy (Renwick, Redman, and Maguire, 2008). The study suggests that employees' appraisal should give a proper weight on the environmental understanding of the employees and commitment to improve the environment. The job descriptions must also include the activities related to environmental concern. The HR policies should enhance the commitment and improve the behavior of the employees which will result in increased environmental performance. The HR training programs should be devised in a manner which should increase the commitment towards the desired objectives of the organization (Liebowitz and Tourian, 2010).

References

- Ashforth, B. E., & Mael, F. (1989). Social identity theory and the organization. *Academy of Management Review*, 14(1), 20–39.
- Brammer, S., He, H., & Mellahi, K. (2015). Corporate social responsibility, employee organizational identification, and creative effort: The moderating impact of corporate ability. *Group & Organization Management*, 40(3), 323–352.
- Bratton, J., & Gold, J. (2017). *Human resource management: theory and practice*. Palgrave.
- Carmeli, A., Gilat, G., & Weisberg, J. (2006). Perceived external prestige, organizational identification and affective commitment: A stakeholder approach. *Corporate Reputation Review*, 9(2), 92–104.
- Chae, B., Yen, H. R., & Sheu, C. (2005). Information technology and supply chain collaboration: Moderating effects of existing relationships between partners. *IEEE Transactions on Engineering Management*, 52(4), 440–448.
- Daily, B. F., & Huang, S. (2001). Achieving sustainability through attention to human resource factors in environmental management. *International Journal of Operations & Production Management*, 21(12), 1539–1552.
- De Groot, J. I. M., & Steg, L. (2010). Relationships between value orientations, self-determined motivational types and pro-environmental behavioural intentions. *Journal of Environmental Psychology*, 30(4), 368–378.
- Demir, K. (2008). Transformational leadership and collective efficacy: The moderating roles of collaborative culture and teachers' self-efficacy. *Egitim Arastirmalari - Eurasian Journal of Educational Research*, (33), 93–112.
- Dutta, S., & Lanvin, B. (2012). *The global innovation index 2012. Stronger Innovation Linkages for Global*.
- Gould-Williams, J., & Davies, F. (2005). Using social exchange theory to predict the effects of HRM practice on employee outcomes: An analysis of public sector workers. *Public Management Review*, 7(1), 1–24.
- Harmon-Jones, E., Harmon-Jones, C., & Price, T. F. (2013). What is approach motivation? *Emotion Review*, 5(3), 291–295.
- Herrera, R. (2010). *Principal leadership and school effectiveness: Perspectives from principals and teachers*. ProQuest Dissertations and Theses, 101.
- Hogg, M. A., & Abrams, D. (1990). Social motivation, self-esteem and social identity. *Social Identity Theory: Constructive and Critical Advances*, 28, 47.
- Homan, A. C., Van Knippenberg, D., Van Kleef, G. A., & De Dreu, C. K. W. (2007). Bridging faultlines by valuing diversity: diversity beliefs, information elaboration, and performance in diverse work groups. *Journal of Applied Psychology*, 92(5), 1189.
- Kim, Y. J., Kim, W. G., Choi, H. M., & Phetvaroon, K. (2019). The effect of green human resource management on hotel employees' eco-friendly behavior and environmental performance. *International Journal of Hospitality Management*, 76(August 2017), 83–93. <https://doi.org/10.1016/j.ijhm.2018.04.007>

- Kollmuss, A., & Agyeman, J. (2002). Mind the gap: why do people act environmentally and what are the barriers to pro-environmental behavior? *Environmental Education Research*, 8(3), 239–260.
- Koseoglu, M. A., Rahimi, R., Okumus, F., & Liu, J. (2016). Bibliometric studies in tourism. *Annals of Tourism Research*, 61, 180–198.
- Liebowitz, M. R., & Tourian, K. A. (2010). Efficacy, safety, and tolerability of desvenlafaxine 50 mg/d for the treatment of major depressive disorder: a systematic review of clinical trials. *Primary Care Companion to the Journal of Clinical Psychiatry*, 12(3).
- Lin, N.-H., Tsay, S.-C., Maring, H. B., Yen, M.-C., Sheu, G.-R., Wang, S.-H., ... Fu, J. S. (2013). An overview of regional experiments on biomass burning aerosols and related pollutants in Southeast Asia: From BASE-ASIA and the Dongsha Experiment to 7-SEAS. *Atmospheric Environment*, 78, 1–19.
- O'Reilly, C. A., & Chatman, J. (1986). Organizational commitment and psychological attachment: The effects of compliance, identification, and internalization on prosocial behavior. *Journal of Applied Psychology*, 71(3), 492.
- Peterson, C., & Seligman, M. E. P. (2004). *Character strengths and virtues: A handbook and classification* (Vol. 1). Oxford University Press.
- Podsakoff, P. M., & MacKenzie, S. B. (1997). Impact of organizational citizenship behavior on organizational performance: A review and suggestion for future research. *Human Performance*, 10(2), 133–151.
- Renwick, D., Redman, T., & Maguire, S. (2008). Green HRM: A review, process model, and research agenda. *University of Sheffield Management School Discussion Paper*, 1, 1–46.
- Renwick, D. W. S., Redman, T., & Maguire, S. (2013). Green Human Resource Management: A Review and Research Agenda*. *International Journal of Management Reviews*, 15(1), 1–14. <https://doi.org/10.1111/j.1468-2370.2011.00328.x>
- Robertson, J. L., & Barling, J. (2017). Toward a new measure of organizational environmental citizenship behavior. *Journal of Business Research*, 75, 57–66.
- Shen, J., & Benson, J. (2016). When CSR is a social norm: How socially responsible human resource management affects employee work behavior. *Journal of Management*, 42(6), 1723–1746.
- Turker, D. (2009). Measuring corporate social responsibility: A scale development study. *Journal of Business Ethics*, 85(4), 411–427.
- Turner, J. C. (1999). Some current issues in research on social identity and self-categorization theories. *Social Identity: Context, Commitment, Content*, 3(1), 6–34.
- Xu, W., Xu, Z., Lin, L., Olland, S., Mosyak, L., & Somers, W. (2004, May 13). Crystal structures of Kv channel proteins and uses thereof. Google Patents.

