

The Impact of Green HRM on Employee Engagement with special reference to Banking Sector

Madhuri Gehi

Asst. Professor, IPS Academy, IBMR Indore, India

ABSTRACT

In recent times organizations are taking usage of natural environment such as land, coal, minerals, water and tree as natural resources and this Green movement across the world gave birth to Green HRM. Green human resources management refers to set of principles, systems, and practices used to encourage employees to adopt green behavior in the workplace to promote green skills in HR for the employee awareness and commitments on the issues of sustainability. It involves adaptation of environment-friendly HR initiatives resulting in greater efficiencies, reduces costs and better employee engagement and retention which in turn, help organizations to reduce employee carbon footprints by the techniques of electronic filing, car sharing, job-sharing, tele-conferencing and virtual interviews, recycling, telecommuting, online training, energy-efficient office spaces etc.

Thus Green HRM started once a employee being hired online through online job advertisements shows companies social and ecological concerns, selecting candidates to have green behaviour, induction initiatives designed to facilitate consolidation of new employees with company's green culture and values. providing digital training to reduce waste, save energy and resources, recognizes employees sustainable performance and recognizes employees green contribution towards company's strategic sustainability goals. The paper focuses on impact of green human resource practices i.e recruitment, training and development, performance management and compensation on employee engagement in banking sector. Engaging employee for green behaviour results in transforming normal employee behaviours to green behaviour that help the banking sector to become 'Greener'.

KEYWORDS: *Green human resource management, Green recruitment, Green Selection, Green performance management, green, Employee engagement.*

CONCEPTUAL FRAMEWORK:

The word “Green” stands for nature, growth, harmony, wealth and stability. HRM refers to the acquisition, selection of human resource, trained them, compensating them, engaged the workforce at workplace. Green HRM follows the principle of sustainability development which refers to improving the economic well being and quality of work life without compromising future generation’s ability to meet the needs. Green HRM is the use of HRM policies to promote the sustainable use of resources within organizations and, more generally promotes the causes of environment sustainability” (Marhatta & Adhikari, 2013, p. 2). GHRM is directly responsible in creating green workforce that understands, appreciates, and practices green initiative and maintains its green objectives all throughout the HRM process of recruiting, hiring, training, compensating, developing, and advancing the firms human capital (Mathapati, 2013, p. 2). It refers to the policies, practices, and systems that make employees of the organization green for the benefit of the individual, society, natural environment, and the business (Opatha & Arulrajah, 2014, p. 104). The purpose of Green HRM is to create, enhance and retain Greening within each employee of the organizations give a maximum individual contribution to each of the four roles, i.e., preservationist, conservationist, non-polluter, and maker. The concept Green HRM journey starts at recruitment

GREEN HRM PRACTICES:

1. Green Recruitment: The word “Green Recruiting” is coined by John Sullivan, HR Consultant and Professor of Management at the San Francisco State University’s College of Business in June 2007. He quoted “If you want an edge in recruiting, green recruiting is the way forward. Green recruitment means paper less recruitment process with an objective of minimum environmental disturbance. Approaching potential candidates through advertisement is not worthwhile nowadays, even companies are reducing recruitment cost and creating a green difference by posting job requirements on email and career’s site. It involves sending online job descriptions, applications to candidates, hiring potentials through video conferencing, online interviews and placed them. Green recruitment gives platform where organization differentiated them from other marketing leaders by encouraging paper less office, turning off lights, use of e-banking services etc can make a wonder.

2. Green Training and development: Training and development enhances employee skills, knowledge, attitude, bring changed behaviour towards achieving

environmental goals. Green training and development is a vital section of Green HRM, as it imparts green knowledge and value to the entire process of hiring, developing, rewarding and building green employees who value the environmental sustainability to save energy, minimizes waste and creates realization towards environment values, practices and programs Green Training and development involves providing training through virtual platform, shared the training content digitally to add green values to trainees as digitalization promotes an eco-friendly attitude.

3. Green Performance Management: Performance management refers to evaluate and monitor the performance of employee. Likewise Green performance management integrated environmental management into performance systems. Epstein and Roy (1997) in their study concluded that when HR managers integrate environmental performance into PM systems, they safeguard environment management against any damage. The objective of green performance management is to have a measurable outcome of an organization's ability to meet its environmental objectives and targets. Employee green performance measure the extent to which resources are effectively utilized, employee innovative environmental initiatives and employee contribution to Corporate Environmental Management Initiatives. This measures the engagement of employee in taking actions, doing activities and producing results in respect of greening during specific period of time.

4. Green Compensation: Green compensation refers to recognition given to employee in terms of services rendered and efforts improving environmental influences. It is the result of the success of employees in their performance (PM) and works as proof that a company's strategic sustainability goals are being accomplished (at least up to some degree). Compensation given in the forms of :

1. Monetary-based rewards – in the form of salary increase, cash incentives, and bonuses;
2. Non-monetary rewards – sabbaticals, special leaves, discounts, or gifts to employees;
3. Recognition-based rewards – highlighting the green contributions of employees through wide publicity, public praise, and appreciation of sustainability efforts by the top management.

LITERATURE REVIEW

Rashi Baliyana , Misbah Fatima, (2021) study provides the employees and the organization a sense to increase the work efficiency and enhance the

organization's environment to increase the employee's involvement and dedication towards the environment.

Z hu, J.; Tang, W.; Wang & H.; Chen, Y. (2021) in their research identified that GHRM can significantly predict the employee green behaviour at work-place and organizations can effectively improve the employees' environmental behaviors by educating the organization's green values through human resource management.

Kanwar Pravir Singh, Dr Krishna Nath Pandey, (2020) analyse the Green HRM practices affecting employee engagement in the auto clusters in Delhi/NCR. Research identify and extract the key Green HRM practices in the auto clusters, and identify the significant relationship between Green HRM practices and employee engagement. The quantitative cross-sectional study design approach was adopted, and data collected from 300 employees and analysed using exploratory factor analysis (EFA) and multiple regression analysis, in SPSS 25.

Mohammed Aboramadan, (2020) suggested the effects of green human resource management on employee in-role, extra-role and green innovative work behavior (GIWB). Their investigation also demonstrated the role of GHRM in context of higher education.

Prof. Ritu Saxena , Dr. Vivek Pachauri, (2020) emphasizes upon developing the important HR practices which are required to achieve the objectives of Green HRM. Study suggested some suggestions and recommendations to the organizations in the form of positive and inclusive HR practices which are people-centric to achieve the ultimate objective of adding value towards organization Green value.

Swati Tomer, Dr. Geeta Rana, (2020) revealed the awareness about GHRM concept by adopting green practices within the organization to achieve environmental sustainability.

Jayashree, Sandeep Patil & A P Sarode ,(2019) observed the contribution of employees in effective implementation of New HRM practices and procedures. Designed Questionnaire and collected data from 110 employees from manufacturing units and 82 from service industries and Concluded that contributions of employees make considerable difference in implementing EMS (Environmental Management System) in the organization.

Jyoti Koshish, (2019) research work described two areas: a. A Model of HR forms associated with Green HRM. b. Nature and degree of green HR activities embraced by organization constrained. The study started with the survey of

writing on the HR parts of ecological administration, at that point looks at the HR job, and proposes a procedure model of HR issues included in green HRM.

Yap Peng Lok, Stanley & Tay Lee Chin, (2019) explained the direct relationship between green HRM practices and employee sustainable engagement. Hypothesis was formulated to provide the logical relationships between green HRM practices and employee sustainable engagement. This study helps the organizations to attract the investors. Engaged employees are being to communicate to the business investors about the organizations' genuine efforts in conserving resources. The study provides comprehensive study on employee sustainable engagement useful to researchers and managers in various industries to understand employee sustainable engagement. Nandini Borah, Papori Baruah, (2014) attempt to trace the evolution of the concept of 'employee engagement' and added value to the current body of knowledge by performing a systematic review of the existing literature. They also proposed a comprehensive overview of the construct and proposed a working definition of employee engagement by using integrated literature review method.

OBJECTIVES OF STUDY

1. To understand the various Green HRM practices adopted by banking sector.
2. To analyse the impact of Green HRM practices on Employee Engagement.
3. To measure the impact of demographic variables in adopting Employee Engagement in banking sector.

RESEARCH METHODOLOGY:

The Universe- The universe of study is Indore Division (banking sector).

The Study- This research investigation is empirical in nature, in which the impact of Green HRM on Employee Engagement in banking sector is measured. The study also measures the impact of demographic variables on Employee Engagement and Green HRM practices.

Sampling Technique- The convenient sampling used for data collection.

Sampling Units- Data collected from banking sector

Sample Size- The data is collected from 80 respondents.

HYPOTHESIS:

H01: There is no significant impact of Green HRM on Employee Engagement.

H11: There is significant impact of Green HRM on Employee Engagement.

H02: There is no significant impact of Age on Employee Engagement .

H12: There is significant impact of Age on Employee Engagement.

H03: There is no significant impact of Gender on Employee Engagement .

H13: There is significant impact of Gender on Employee Engagement .

INTERPRETATION AND DISCUSSION :

I. Impact of Green HRM on Employee Engagement: interpreted through Regression Analysis through SPSS.

| Descriptive Statistics | | | |
|------------------------|---------|----------------|----|
| | Mean | Std. Deviation | N |
| GREENHRM | 81.7000 | 14.73513 | 80 |
| EMPEGG | 50.9000 | 6.54411 | 80 |

| CORRELATIONS | | | |
|--------------|---------------------|----------|--------|
| | | GREENHRM | EMPEGG |
| GREENHRM | Pearson Correlation | 1 | .647** |
| | Sig. (2-tailed) | | <.001 |
| | N | 80 | 80 |
| EMPEGG | Pearson Correlation | .647** | 1 |
| | Sig. (2-tailed) | <.001 | |
| | N | 80 | 80 |

** . Correlation is significant at the 0.01 level (2-tailed).

| CONFIDENCE INTERVALS | | | | |
|----------------------|---------------------|-----------------|--|-------|
| | Pearson Correlation | Sig. (2-tailed) | 95% Confidence Intervals (2-tailed) ^a | |
| | | | Lower | Upper |
| GREENHRM-EMPEGG | .647 | <.001 | .498 | .759 |

a. Estimation is based on Fisher's r-to-z transformation.

Interpretation: r value is 0.647 which shows moderate degree of correlation between Green HRM practice and Employee engagement for banking employees.

2. IMPACT OF AGE ON EMPLOYEE ENGAGEMENT:

| DESCRIPTIVE STATISTICS | | | |
|-------------------------------|-------|----------------|----|
| | Mean | Std. Deviation | N |
| AGE | 1.80 | .753 | 80 |
| EE | 50.90 | 6.544 | 80 |

| CORRELATIONS | | | |
|---------------------|-----|-------|-------|
| | | AGE | EE |
| Pearson Correlation | AGE | 1.000 | -.066 |
| | EE | -.066 | 1.000 |
| Sig. (1-tailed) | AGE | . | .281 |
| | EE | .281 | . |
| N | AGE | 80 | 80 |
| | EE | 80 | 80 |

| MODEL SUMMARY^B | | | | | |
|----------------------------------|-------------------|----------|-------------------|----------------------------|---------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
| 1 | .066 ^a | .004 | -.008 | .756 | 2.532 |
| a. Predictors: (Constant), EE | | | | | |
| b. Dependent Variable: AGE | | | | | |

ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------------------------------|------------|----------------|----|-------------|------|-------------------|
| 1 | Regression | .194 | 1 | .194 | .339 | .562 ^b |
| | Residual | 44.606 | 78 | .572 | | |
| | Total | 44.800 | 79 | | | |
| a. Dependent Variable: AGE | | | | | | |
| b. Predictors: (Constant), EE | | | | | | |

INTERPRETATION

The value of F is 0.339, which does not reach to statistical significance level with p value 0.562 which is greater than 0.05 alpha level shows no significant difference between two independent groups. That is there is no significant impact of Age on Employee Engagement.

3. IMPACT OF GENDER ON EMPLOYEE ENGAGEMENT:

| Descriptive Statistics | | | |
|-------------------------------|-------|----------------|----|
| | Mean | Std. Deviation | N |
| GENDER | 1.60 | .493 | 80 |
| EE | 50.90 | 6.544 | 80 |

| Correlations | | | |
|------------------------|--------|------------|-------|
| | | GENDE R | EE |
| Pearson Correlation | GENDER | 1.000 | -.013 |
| | EE | -.013 | 1.000 |
| Sig. (1-tailed) | GENDER | . | .456 |
| | EE | .456 | . |
| N | GENDER | 80 | 80 |
| | EE | 80 | 80 |

| ANOVA^a | | | | | | |
|-------------------------------|------------|----------------|----|-------------|------|-------------------|
| Model | | Sum of Squares | df | Mean Square | F | Sig. |
| 1 | Regression | .003 | 1 | .003 | .012 | .912 ^b |
| | Residual | 19.197 | 78 | .246 | | |
| | Total | 19.200 | 79 | | | |
| a. Dependent Variable: GENDER | | | | | | |
| b. Predictors: (Constant), EE | | | | | | |

Interpretation : The value of F is 0.012 which does not reach the statistical significance level with a p value of 0.912, which is greater than the 0.05 alpha level. This shows no significant difference between two independent groups. That is, there is no significant impact of Gender on Employee Engagement.

CONCLUSION & IMPLICATIONS : It can be concluded from the study that Green HRM practices adopted by the banking sector, i.e., Green Recruitment, Green training and development, Green Performance and compensation, together have a significant effect in influencing Employee Engagement, as these practices create awareness among employees to become green, think green, and do green in order to have environmental sustainability in the organization. On this line, HR managers

need to redesign all the jobs and processes in such a way that they address the industry environmental goals and build higher level of employee engagement to perform green practices. It was also found that demographic variables of Green HRM i.e age and gender are not associated with employee engagement so management should incorporate environmental consideration while recruiting those candidates who are familiar with green values and norms. It should provide ample opportunities to the employee to involve and participate in green workshops and introducing green whistle-blowing and help-lines (Renwick et al, 2008 and 2013), to address green issues. However training and development was significantly impacting the employee engagement, this leads management to provide online training to train future green managers. More specifically management can reward extra remuneration to those employees acquiring green skill in banking sector. Thus study provide with evidence on the relative significance of green HRM practices in enhancing the firm's successful and efficient implementation of environmentally related policies and strategies.

LIMITATION & FUTURE SCOPE OF STUDY: The current research has several limitations. Firstly, study conducted only on private sector bank. Therefore the research may not be the fully representative of banking population. Future research should concentrated on public bank also to show the over all impact of green hrm practices on employee engagement. Secondly, only four dimensions of Green HRM used for study so future researchers uses Green HRM in detail and then link with employee engagement , employee satisfaction and organizational citizenship. Thirdly, Green HRM has significant related with employee engagement considering demographic variables. Further research can be extended by considering on various components of employee engagement and its association with employee engagement.

REFERENCES

- Arulrajah, A.A., Opatha, H.H.D.N.P. (2014). Green human resource management: simplified general reflections. *International Review of Business Research Papers*, 11(7):101-112.
- Jyoti, K. (2019). Green HRM–people management commitment to environmental sustainability. *In proceedings of 10th international conference on digital strategies for organizational success*.
- Lok, S. Y. P., & Chin, T. L. (2019). Linking green HRM practices and employee sustainability engagement. *Global Business and Management Research*, 11(2), 151-156.

- Marhatta, S., & Adhikari, S. (2013). Green HRM and sustainability. *International eJournal Of Ongoing Research in Management & IT*, 2.
- Mathapati, C. M. (2013). Green HRM: A strategic facet. *Tactful Management Research Journal*, 2(2), 1-6.
- Patil, J. S., & Sarode, A. P. (2019). Contribution of employees: Engagement and participation of employees in green HRM to achieve sustainability. *International Journal of Human Resources Management (IJHRM)*, 8, 13-18.
- Pham, N.T., Hoang, H.T. and Phan, Q.P.T. (2020), "Green human resource management: a comprehensive review and future research agenda", *International Journal of Manpower*, Vol. 41 No. 7, pp. 845-878. <https://doi.org/10.1108/IJM-07-2019-0350>.
- Saxena Ritu, Pachauri Vivek. (2020). "Innovation on HR Practices: Heading towards Green HRM", *Journal of Xi'an University of Architecture & Technology*, Volume XII, Issue IV, p5411.
- Singh, K. P., & Pandey, K. N. (2020). Green Hrm Practices And Its Impact On Employee Engagement. *International Journal of Management (IJM)*, 11(12), 3350-3364.
- Varma Shilpa, Vij Priya, and Gopal R.(2017) "A Study of the Employee Engagement Practices in the Indian Manufacturing Sector", *IOSR Journal of Business and Management*, p-ISSN: 2319-7668, pp40-46.
- Zhu, J., Tang, W., Wang, H., & Chen, Y. (2021). The influence of green human resource management on employee green behavior—a study on the mediating effect of environmental belief and green organizational identity. *Sustainability*, 13(8), 4544.