

IMPACT OF GREEN HRM PRACTICES ON ORGANISATIONAL EFFECTIVENESS AND PRODUCTIVITY

A. Sivasankaran

Assistant Professor in Commerce, Thiruvalluvar Arts and Science College, Arunachala City, Ponnur Hills, Vandavasi, Thiruvannamalai District, Tamil Nadu – 604 505, India

Received: 15 Jun 2025

Accepted: 17 Jun 2025

Published: 25 Jun 2025

ABSTRACT

Green Human Resource Management (Green HRM) has assumed a strategic propose with the main aim of integrating a sustainability concept in the core business of organisation with environmental concerns around the world becoming of very serious concerns. It is a critical analysis of the ambivalence of results of Green HRM practices on organisational effectiveness and productivity and the first synthesis at the levels of the theory, empirical evidence and experience. Green HRM can be defined as a group of practices which include eco recruitment, green training green performance management and reward systems, and which have the goal of fostering a culture of environmental responsibility at all levels of any organisation. All these can be guaranteed through Green HRM which incorporates human capital into ecological objectives and makes total participation and organisational citizenship with eventual invention, operations and also competitiveness over time possible. The chapter is fair in discussing the practices based on how they contribute to improved resource utilisation, reduction of operational costs and employment of people and last but not least, the contribution can also be measured in terms of effectiveness and productivity. In addition, it addresses the problem of the implementation and gives practical implications of maximising the benefit of Green HRM. This broad discussion informs Green HRM as a significant lever which an organisation can deploy in a bid to achieve sustainable growth despite serving the demands of an ever-shifting business world.

KEYWORDS: *Green HRM, Organisational Effectiveness, Productivity, Sustainability, Employee Engagement, Environmental Management, Operational Efficiency, Innovation, Human Resource Practices, Sustainable Development*

INTRODUCTION

Green HRM background and Significance of Green HRM

Rising environmental destruction and the stakes on issues facing global sustainability have compelled organisations to reposition operational and strategic priorities. At that, Green Human Resource management (Green HRM) has entered the scene and revolutionized the concept whereby environment objectives have been introduced in the traditional functions of Human Resource management with the aim of creating a workforce, which is not only prolific but also environmental conscious. The green HRM has been significant in that the practices of the employees, the organisational culture and the business strategies are geared towards the bigger aim of the environmental stewardship and sustainable development. Such alignment is also exerting some competitive advantage, to assist organisations respond to the demands of regulations, in meeting the demands of the stakeholders and achievement of sustainable organisations in the high tempo competitive

business environment. The importance of Green HRM may be condensed to the capacity to insert the idea of sustainability in the real organisational life. By lending a greener voice, at all the levels, green HRM can not only be used to comply with the environmental regulations but it can also maintain a source of innovation, a better employer branding and a higher engagement rate of the employees. Green HRM plays an important role in trying to ensure that organisations balance a good economic performance with their social and environmental duties by assisting them to achieve a whole and sustainable organisational performance.

Purpose, Scope of the Chapter

The chapter has tried to present a critical and elaborate review on the role played by Green HRM practices and its effects on organisational effectiveness and productivity. The latter is expected to attempt to synthesise the theoretical background, practical knowledge and the presentation of empirical research aimed at explaining how Green HRM can serve as a strategic agent of sustainable growth. The following is discussed in the chapter:

- Putting Green HRM in perspective of the overall concept of HRM and sustainability'
- Answering the question of main elements and processes of Green HRM practices.
- Examining the effect of Green HRM towards the organisational effectiveness like employee engagement, innovation and operational efficiency
- The analysis of the Green HRM impacts on the productivity within the frames of resources optimisation and output of the working force.
- The review of empirical studies and case-based illustration of the Green HRM practice and its outcome in the real-life setting
- Identification of the issues and stumbling blocks on the way of successful implementation
- Prescribing logical steps and best practices to organisations that is interested in deriving maximum value in relation to Green HRM. Commenting on such dimensions the chapter will assist to add to existing body of knowledge regarding the gyrating role of Green HRM in formation of environmentally sustainable and performing organisations and assist practitioners and scholars to position themselves in the area where HRM and environment management interrelate.

Literature Review

Occupying a position of a Green Human Resource Management (Green HRM) to the human resource policies is the notion of sustainability that influences the phases of recruitment, training, performance management, as well as the reward systems [1], [2]. There exists green recruitment (recruiting candidates with positive environmental values), green training (training the competencies of employees in issues connected with sustainability) [3], [4]. Organisations relate the green goals to performance appraisal and rewards thereby seeing sustainability as an aspect of a daily job profile [5]. These are activities of the still green culture and they match individual behaviour and company environmental standards. According to the studies, the effectiveness of the organisation increases under the Green HRM, by improving the innovation, engagement, brand image and adherence to the environmental legislation [6], [7]. Efficiency in operations and optimisation of resources, good perception by the stakeholders are the results of green HRM [8]. Regarding productivity, Green HRM

will create shift towards healthier workers with reduced absence rate, less wastages and greater motivations [9], [10]. More moral and loyalty are exhibited towards companies which are socially responsible towards its workers [11]. Green HRM is successful due to the following issues like leadership commitment, green organisational culture and employee involvement [12], [13]. Organisations that encourage environmental practices and refer to sustainability goals are definitely in a better position to deliver superior outcomes. Nevertheless, risks of resistance to change, the absence of support by the top management, and the unclear metrics are the implementation bottlenecks [14]. The following areas should be reflected in the prospective studies, namely effects of sector-specific impact, instruments of digitalisation to Green HRM, and long-term beneficial practice within the different organisational contexts [15].

THEORETICAL FRAMEWORK OF GREEN HRM

The Term and the Development of Green HRM

Green Human Resource Management (Green HRM) is a process in which environmental management is integrated within the human resource policy, practice and systems where the connections are directed towards outline of a sustainable business operation and generation of a culture of sensitivity environments. Green HRM is the developed version of the initially existing HRM strategies that were rather compliance-based (organisation wanted to meet the environmental standards) to the strategic one where sustainability is incorporated at the very core of HR operations. The above development could be perceived as a greater consciousness on the role of the employees in the achievement of the environmental objectives and HRM as a potentially powerful agent in the transformation of organisations to become sustainable. Table 1 shows the improvement of the Green HRM at four levels of compliance-based intervention (the 1990s), strategic incorporation (the 2000s), to the mainstream (the 2020s) usage, and alignment with international sustainability goals.

Table 1: Evolution of Green HRM

Phase/Period	Focus Area	Description
1990s	Compliance	Meeting environmental regulations and standards
2000s	Strategic Integration	Aligning HRM with environmental strategy
2010s	Employee Engagement	Fostering green culture and employee involvement
2020s	Organisational Sustainability	Embedding sustainability across all HRM functions

Key Components and Practices

Formulation of green HRM is done through a collection of inter-connective practices, which embrace environmental values and objectives into the workforce life cycle. The significant aspects are:

- **Green Recruitment and Selection:** Recruitment and selection of the job applicants who are environmental conscious and sustainable. Job description may be given some environmental roles and selection criteria can be based on green competencies.
- **Green Training and Development:** Ensuring that the employees are imparted with knowledge skills and attitudes in an attempt to support environmental programs. The training may be conducted on the basis of problems such as energy, save, minimization and sustainable working procedures.

- **Green Performance Management:** The initial context is involving the environment goals and measures in the performance appraisals. The employees are also evaluated based on their contribution in the sustainability objectives and also provided with feedback to improve on the green behaviours.
- **Green Rewards and Compensation:** Rewarding and recognition of the participation of the employees in green/environmental activities. The motivation will be in the form of bonus, recognition program or non-financial reward on achieving green targets.

Table 2: Comparison of Traditional HRM and Green HRM Practices

HRM Function	Traditional HRM Approach	Green HRM Approach
Recruitment & Selection	Focus on skills and experience	Emphasis on green values and environmental fit
Training & Development	Job-specific skills	Environmental awareness and green skill development
Performance Management	Productivity and output	Inclusion of environmental performance indicators
Rewards & Compensation	Financial incentives	Green rewards and recognition for sustainability

The table 2 presents the Comparison of Traditional HRM and Green HRM practices Description: This table shows how the Green HRM can be an expansion of the traditional HRM because of incorporating the long-term cognitive of sustainability in all major HR activities. By means of a planned integration of such aspects, Green HRM does not only assist in furthering through its own environmental agenda that of the organisation overall but thematises the involvement of the staff, innovation, and overall organisational performance. In the foregoing discussions, mechanisms of these practices will be thoroughly discussed and the impact of these practices to organisational effectiveness and productivity will be evaluated.

THE GREEN HRM PRACTICES AND MECHANISMS

The section deals with the key Green HRM practices, green recruitment and selection, green training and development, green performance management, and green rewards and compensation, their dynamics and their suitability in the organisations.

Recruitment and Selection, Greens

Green recruitment and selection implies attracting and recruitment of individuals whose values and competencies facilitate sustainability vision of the organisation. Value promotions in the job adverts regarding environment can be placed and during the recruitments, the environmental tests of the knowledge of the environmental challenges and the willingness to participate in the environmentally practicing will be conducted regularly. In the process, this would imply that new employees will be in a position to promote the environmental agenda of the organisation immediately.

Green Trainings and Developments

Green training and development is a form of training and development undertaken with an objective of equipping workers with some knowledge and skills that they can use on a day to day basis in instituting sustainable practices. A few of the areas that can be taken care of during the training modules are; resource conservation, waste management and energy efficiency. The employees will be up to date with the changes in environmental demands and developments to produce a flexible working force that is committed to sustainability by the possibility of continued education.

Green Performance Management

Green performance management is an act to integrate environmental goals to employee appraisal programs. The performance appraisals include the indicators related to the impact on the ecology e.g. the reduction of the use of resources or participation in the sustainability program. The expressions of the green performance as well as praise above and beyond should be used regularly which helped to reinforce the importance of always thinking green and made employees strive to achieve the sustainability objective.

Green Rewards and Compensation

Rewards and compensation systems are set aside as the green systems to reward and promote the employees who have exemplary service to the environmental programmes. The rewards will be either financial and non-financial e.g. bonuses on green target achievement, or publicity, and professional development opportunities. These rewards can be used to add sustainability into the organisational culture and reinforce desired behaviours. Table 3 gives the Description of Overview of Green HRM Practices and Their Mechanisms: This table is a summary of the main green HRM practices, their mechanics and the advantage it brings to organisation. Table 3: Overview of Green HRM Practices and Their Organisational Mechanisms

Table 3

Green HRM Practice	Mechanism	Organisational Benefit
Green Recruitment	Eco-focused job ads, green criteria in selection	Attracts sustainability-oriented talent
Green Training	Environmental workshops, ongoing green education	Builds green competencies
Green Performance Mgmt.	Eco-metrics in appraisals, feedback on green goals	Aligns individual and organisational aims
Green Rewards	Incentives for green achievements, recognition	Reinforces sustainable behaviours

By taking up these practices utilised by Green HRM in a systematic manner, it will enable the organisations to build a culture of sustainability, to be able to shape the behaviour of the employees to achieve environmental objectives and to be able to organise the efforts of individuals and teams towards organisational performance and productivity. The next parts will discuss the few impacts of such practices on the organisational outputs.

ORGANISATIONAL EFFECTIVENESS IMPACT

The introduction of green HRM practices lies the foundation of greater organisational effectiveness on the basis of matching the behaviour of the staff to the sustainability goals along with creation of the culture of environmental responsibility. These effects are mediated, by a variety of mechanisms:

Employee Engagement and Retention

The employees will find themselves more in purpose and a sense of belonging through the green practices of HRM since they would receive the feeling that they are contributing to the higher goals of the society and the environment in general. This eliminates more staff turnover and boosts the motivation of the workforce as they are likely to stay in organisations that they share common values with.

Reputation and Employer branding

Sustainable organisations attract the best employees and help them to improve their reputation among their stakeholders. Such green HRM activities as green policies and self-proclaimed environmental activities enable the employer branding process and make an organisation one of the preferred places to work by environment-sensitive applicants.

Efficiency in Operations and Resource Optimisation

Green HRM encourages practices, which reduce wastes, increase resource use as well as streamlining of processes. The trained employees will also identify quad-unproductive areas and propose how things can be done in a more efficient manner that will only be accompanied by reduced expenditure and enhanced levels of operation.

Creativity and Flexibility

Innovation will also be achieved as a result of a sustainable culture as the employees will be encouraged to think of new ways of dealing with environmental problems. Green HRM encourages lifelong learning and flexibility that guarantees responsiveness of organisations to market and regulatory environment dynamics. Table 4 Organisational Effectiveness Results of Green HRM Description The table given below is a summary of the contribution of the Green HRM practices towards important organisational effectiveness dimensions.

Table 4: Organisational Effectiveness Outcomes of Green HRM

Outcome	Green HRM Contribution
Employee Engagement	Higher motivation and retention
Employer Branding	Enhanced reputation and talent attraction
Operational Efficiency	Reduced waste and optimised resource utilisation
Innovation	Increased creativity and adaptability

EFFECT ON PRODUCTIVITY

The green HRM does not only enhance the effectiveness but it has direct effects on the productivity through the following channels:

Wastes and Resource Consumption Decrease

Reduction in Wastes and Resource Consumption Organisations could accomplish this by incorporating sustainable activities in their daily processes so that they reduce material wastes and consumption of energy to a significant level. The measure of productivity can be done by training workers in green practices which leads to behaviour that will conserve resources.

Reduced Turnover and Absenteeism

Green HRM practices also make the working environment healthier thereby reducing stress and absenteeism based on health conditions. Feeling like their input towards sustainability is worthwhile will also mean that the employees will not quit that easily thereby reducing the level of turnover and turnover costs.

Enhanced Teamwork and Collaboration

Green HRM results in a more healthy work place thereby consuming less stress and health related absenteeism. Employees can also reduce turnover and turnover costs whenever they feel the contribution that they made towards sustainability is worthwhile thus they will not quit easily.

Table 5: Productivity Benefits of Green HRM

Productivity Factor	Green HRM Impact
Waste Reduction	Lower costs, improved efficiency
Absenteeism & Turnover	Healthier, more committed workforce
Teamwork & Collaboration	Stronger cooperation and collective achievement

EMPIRICAL EVIDENCE

Survey of Related Research and Results

The empirical research studies have reported on the positive correlation between the Green HRM practices and organisational outcome on an ongoing basis. It has also been found out that organisations that exhibit high Green HRM bring with them high level of employee satisfaction, innovation and financial performance (by means of cost saving and reputation). To illustrate, successful organizations that maintain a green training well established, normally observe a measurable reduction in the consumption of resources and wastes.

Cases

Even one of the largest multinational companies included green objectives into its performance management protocol that served as the possibility to reduce its energy consumption by 20 percent within two years. Another firm has launched green rewards that did not only stimulate the employees to participate in green programs but also increased the morale and retention of all of them.

IMPLEMENTATION PROBLEMATIC SITUATIONS

Despite the aforementioned beneficial aspects, Green HRM has certain implementations barriers: 7.1 Organisational and cultural barriers Adoption of Green HRM practices may be undermined by nature of people opposed to changes, management commitment and deep-rooted organisational cultures.

The Problem of measurement and Evaluation

The effects of Green HRM on the organisational outcomes might be difficult to measure in direct terms and investment and improvement are hard to justify.

Resource and Cost considerations

The preliminary cost of investment in green training, technology and rewards can be high and organisations can be resource limited particularly at initial stages of implementation.

RECOMMENDATIONS

To maximize on Green HRM, organisations should:

- Integrate sustainability objectives within the whole HR practices and policies.
- Develop leadership involvement and dedication amongst levels of employees.
- Develop efficient tools of Green HRM success measurement.
- Still in the spirit of continuing learning and innovating as regards sustainability.

CONCLUSION

Green HRM is an organisational planning concept that enables effectiveness and productivity within the organisation that balances human capital and the sustainability imperative. The organisations will achieve high returns such as engagement, innovation, efficiency, and effectiveness with the assistance of the environmental goals built into the HR practices. The future research should be focused on the constitution of the effective measurement tool along with exploration of the sector differently based the best practices that may contribute the additional impact to Green HRM.

REFERENCES

1. 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>
2. Jabbour, C. J. C., & Santos, F. C. A. (2008). *The central role of human resource management in the search for sustainable organizations*. *The International Journal of Human Resource Management*, 19(12), 2133–2154. <https://doi.org/10.1080/09585190802479389>
3. Jackson, S. E., Renwick, D. W. S., Jabbour, C. J. C., & Muller-Camen, M. (2011). *State-of-the-art and future directions for green human resource management*. *Zeitschrift für Personalforschung*, 25(2), 99–116. <https://doi.org/10.1177/239700221102500203>
4. Mandip, G. (2012). *Green HRM: People management commitment to environmental sustainability*. *Research Journal of Recent Sciences*, 1(ISC-2011), 244–252.
5. Tang, G., Chen, Y., Jiang, Y., Paillé, P., & Jia, J. (2018). *Green human resource management practices: Scale development and validity*. *Asia Pacific Journal of Human Resources*, 56(1), 31–55. <https://doi.org/10.1111/1744-7941.12147>
6. Dumont, J., Shen, J., & Deng, X. (2017). *Effects of green HRM practices on employee workplace green behavior*. *Human Resource Management*, 56(4), 613–627. <https://doi.org/10.1002/hrm.21792>
7. Saeed, B. B., Afsar, B., Hafeez, S., Khan, I., Tahir, M., & Afridi, M. A. (2019). *Promoting employee's pro-environmental behavior through green HRM*. *Corporate Social Responsibility and Environmental Management*, 26(2), 424–438. <https://doi.org/10.1002/csr.1694>
8. Yusliza, M. Y., Othman, N. Z., & Jabbour, C. J. C. (2017). *Deciphering green HRM in an emerging economy*. *Journal of Management Development*, 36(10), 1230–1246. <https://doi.org/10.1108/JMD-01-2017-0027>

9. Pham, N. T., Hoang, H. T., Phan, Q. P. T., & Bui, H. T. (2019). Green human resource management: A comprehensive review. *International Journal of Manpower*, 40(8), 1163–1190. <https://doi.org/10.1108/IJM-03-2019-0155>
10. Mousa, S. K., & Othman, M. (2020). Impact of green HRM on sustainable performance in healthcare. *Journal of Cleaner Production*, 243, 118595. <https://doi.org/10.1016/j.jclepro.2019.118595>
11. Opatha, H. H. D. N. P., & Arulrajah, A. A. (2014). Green human resource management: Simplified reflections. *International Business Research*, 7(8), 101–112. <https://doi.org/10.5539/ibr.v7n8p101>
12. Norton, T. A., Zacher, H., & Ashkanasy, N. M. (2014). Organizational sustainability policies and employee green behavior. *Journal of Environmental Psychology*, 38, 49–54. <https://doi.org/10.1016/j.jenvp.2013.12.008>
13. Singh, S. K., Del Giudice, M., Chierici, R., & Graziano, D. (2020). Green innovation and environmental performance. *Technological Forecasting and Social Change*, 150, 119762. <https://doi.org/10.1016/j.techfore.2019.119762>
14. Guerici, M., Longoni, A., & Luzzini, D. (2016). Stakeholder pressures and environmental performance. *The International Journal of Human Resource Management*, 27(2), 262–289. <https://doi.org/10.1080/09585192.2015.1065431>
15. Shah, S. Z. A., & Soomro, B. A. (2021). Green HRM: A review and future research directions. *European Journal of Innovation Management*, 24(4), 1225–1249. <https://doi.org/10.1108/EJIM-01-2020-0012>

