# Examining the Factors Influencing Employee Performance in Context to Green Human Resource Practices

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#### ABSTRACT

**Purpose :** This study aims to examine the factors towards employee performance in context to green Human Resources Practices. Today is an era of green economy – one in which consumer and employee expectations and future environmental change will require businesses to address "green" issues. This survey briefly explores types of practices organizations have in place, human resource practices' and employees' perceptions of their organizations' practices, and HR professionals' role in their organizations' environmentally friendly programs.

**Methodology :** This is correlational type of study. The population for this study are employees of the organizations. The sample size is 213 by considering convenient sampling technique. The structured questionnaire was administered to respondents by consisting factors such as; Recruitment, Performance Appraisal, Performance Management, Training and Development, Employee Relations, Pay and Rewards. Total variables are 34 and all are considered as valid respondents. The collected data are analyzed by IBMSPSS20.0 as statistical tool. Demographic profile, scale reliability, measurement of items, descriptive statistics of factors and chi-square test to test the hypothesis are taken into consideration to conclude the study.

**Research Implications :** It indicates that Recruitment, Performance Appraisal, Performance Management, Training and Development, Employee Relations, Pay and Rewards are playing important role as motivational factors towards employee job performance in context to Green Human Resource Practices. So that these factors should not be loosely shunted with job performance of employees. Further research can be held with more samples and population before generalization can be made in order to measure the firms' performance.

Key words : Recruitment, Performance Appraisal, Performance Management, Training and Development, Employee Relations, Pay and Rewards

#### Introduction

Sustainable development is concerned with meeting theneeds of people today without compromising the ability offuture generations to meet their own needs. Companies nowrealize that they have to develop a powerful socialconscience and green sense of responsibility where corporateresponsibility is not an altruistic nice to have, buta businessimperative. The HR function will become the driver of environmental sustainability within the organization by a ligning its practices and policies with sustainability goals reflecting an eco-focus. The HR strategy must reflect andinspire the ambitions of the HR team and other employees, aligning with the company's strategy, values and culture,deliver sustainable returns to investors, address customerneeds, identify and respond to emerging societal trends,respond to governmental and regulatory expectations, andinfluence the public policy agenda. In a nutshell creating agreen World where consumers and employees force change.

Green human resources refer to using every employee touch point/interface to promote sustainable practices and increase employee awareness and commitments on the

\*Assistant Professor, C Z Patel College of Business & Management, New Vallabh Vidyanagar, Anand \*\* Assistant Professor, Faculty of Commerce, M S University of Baroda, Vadodara, Gujarat. issues of sustainability. It involves undertaking environment-friendly HR initiatives resulting in greater efficiencies, lower costs and better employee engagement and retention which in turn, help organizations to reduce employee carbon footprints by the likes of electronic filing, car-sharing, job-sharing, teleconferencing and virtual interviews, recycling, tele commuting, online training, energy-efficient office spaces etc. In this green world the green HR or people management function has sustainability at its core as part of its people management and talent management focus and organizations engage with the society by aligning their agendas with it.Communities, customers and contractors all become equal stakeholders along with employees and shareholders.

Some of the benefits associated with this adoption include improvements related to firms operational performance (Jackson et al., 2012), promotion of teamwork (Jabbar et al., 2010), improvements in organizational culture (Jabbar et al., 2012) and reduction on overall cost (Hart 1997). It is identified that the management of environmental systems will enable improvements in synchronization with other management strategies of the firm (Wagner, 2007). There is considerable evidence in Green HRM literature to suggest that senior management leadership and staff participation are important in producing environmental innovations symptomatic of a learning organization (egWehrmeyer, 1996; Ramus, 2002; Brio, Fernandez &Junquera, 2007; Jabbour& Santos, 2008). Senge (1990) speaks of the need for both senior management commitment and staff participation in terms of organizational learning. Since higher-level learning impacts on the whole of the organization, it is likely to involve senior management (Fiol& Lyles, 1985). It is widely argued that senior management commitment is essential in environmental improvement (egWehrmeyer, 1996; Brio, Fernandez &Junquera, 2007). However, environmental management is implemented by middle managers and operatives (Rothenberg, 2003). Brio, Fernandez and Junquera (2007) found that both employees' motivation and participation and senior management commitment are key success factors in companies' environmental performance.

#### **REVIEW OF LITERATURE**

A key role for HR environmental executives is to guide line managers in terms of gaining full staff co-operation towards implementing environmental policies (Wehrmeyer and Parker, 2005), which means HR need to 'seek out allies, nurture supporters and create networks of problem-solvers willing to act to change the status quo' (Hart,1998). HR can link HRM and Green Environmental Management together in an integrated way, Rothenberg (2003). There, HR factors like recruitment, performance appraisal, training and development, reward system and employee relations, have been integrated together to produce environmental improvements for the firm.

#### RECRUITMENT

General Job descriptions can be used to specify a number of environmental aspects. These include environmental reporting roles and health and safety tasks, which staff are exposed to harmful substances/potential emissions (and their extent), and matching personal attributes to needed environmental competencies, i.e. buying-in specialist competencies via new hires or investing in training. Induction for new recruits is seen to be needed to ensure they understand and approach their corporate environmental culture in a serious way (Wehrmeyer, 1996).

# Performance Management (PM) and Performance Appraisal (PA)

Using Performance Management (PM) in Environmental Management (EM) presents the challenges of how to measure environmental performance standards across different units of the firm, and gaining useful data on the environmental performance of managers. Firms have tackled them by installing corporate-wide environmental performance standards to measure environmental performance standards, and developing green information systems and audits, which include a green audit programme that contains field audits which are seen as important, as they can give employees a mechanism by which they can raise any recurring problems, and gain information and feedback on past and future environmental performance of their firm (Milliman and Clair, 1996). One way in which PM systems can be successfully initiated in an organisation is to develop performance indicators for each risk area in environmental awareness and education. (TUSDAC, 2005). Performance Appraisal (PA) can cover such topics as environmental incidents, usage of environmental responsibilities, and the communication of environmental concerns and policy (Wehrmeyer, 1996). Issues involved in environmental PA's concern the need for managers to be held accountable, so that they familiarise themselves with

compliance issues. Overall, the literature suggests that if environmental criteria are integrated into the process of staff appraisal (by writing such responsibilities into all staff action plans), then a learning culture in EM can be encouraged (Rees, 1996).

#### **Training and Development**

Training is seen in the literature as a key intervention to manage waste and occurs through organisations training teams of front-line employees to produce a waste analysis of their work areas. Such employees are seen as ideal staff to spot and reduce waste as they are closest to it, but they must be knowledgeable on how to collect the relevant data. Issues surrounding the future use of environmental training practices include the need to counter employee cynicism associated with such programmes; to evaluate their effectiveness; to communicate with and gain feedback from external regulatory stakeholders; and how to deliver such training in terms of cost and learning objectives (Milliman and Clair). A number of steps may be used to establish an environmental training system, such as an audit of existing training system resources and activities, forming a corporate environmental committee a job analysis producing a job description, and environmental awareness as part of induction training.Some authors see that there is a need to change education and training programmes in EM to broaden environmental specialists into managers, meaning that the competencies the environmental executives require are similar to other business leaders (James and Stewart, 1996). Examples of this shifting skill set can be seen in the chemical industry.

#### **Employment Relations**

Employee Involvement (EI) and Participation (EP). A number of rationales for using Employee Involvement (EI) teams in EM include the ideas that they can cut waste and can manage such complex work well; and that using them helps build employee pride and commitment in their work. Using EI in the EM domain is not only seen as changing how work processes are performed, but also in terms of improving worker health and safety too. Other firm policies that support employee eco-initiatives and supervisors who support employee environmental actions have been seen in firm practice. An advanced environmental approach demands a culture based on ecological values', which is made in part by managers leading EI in environmental issues – a mix of manager and worker training, ecological awareness and high levels of motivation to generate enhanced environmental performance

#### **Pay and Reward**

Work organisations are ideally seen to benefit from establishing a reward system for waste reduction practices that teams develop. It may be that as per their experience, negative reinforcements are needed to get employees to make environmental improvements. But using such negative reinforcements does not teach staff how to dispose of waste properly, and may result in them failing to disclose environmental problems at source. So, instead, organisations may wish to engage in giving employees positive rewards in terms of verbal feedback from supervisors, as such informal verbal and written feedback which might help motivate employees towards environmental improvements (Govindarajulu and Daily, 2004).

#### **OBJECTIVES OF STUDY**

The objectives of this research are mentioned as under

- 1. To study the relationship between employee green performance and organizational recruitment policy.
- 2. To study the relationship between employee green performance management policy.
- 3. To examine the relationship between employee green performance and organizational training and development efforts.
- 4. To examine the relationship between employee green performance and pay and rewards.
- 5. To examine the relationship between employee green performance and employee relations.

#### **HYPOTHESES**

- 1.  $H_{01}$ : There is no significant relationship between employee green performance and organizational recruitment policy.
- 2.  $H_{AI}$ : There is significant relationship between employee green performance and organizational recruitment policy.
- 3.  $H_{02}$ : There is no significant relationship between employee green performance and performance management and appraisal.
- 4.  $H_{A2}$ : There is significant relationship between

employee green performance and performance management and appraisal.

- 5.  $H_{13}$ : There is significant relationship between employee green performance and organizational training and development efforts.
- 6.  $H_{A3}$ : There is significant relationship between employee green performance and organizational training and development efforts.
- 7.  $H^{04}$ : There is no significant relationship between employee green performance and pay and rewards.
- 8.  $H_{A4}$ : There is significant relationship between employee green performance and pay and rewards.

#### **RESEARCH METHODOLOGY**

This is correlational type of study. The population for this study is employees of the organizations. The sample size is 213 by considering convenient sampling technique. The structured questionnaire was administered to respondents by consisting factors such as; Recruitment, Performance Appraisal, Performance Management, Training and Development, Employee Relations, Pay and Rewards. Total variables are 34 and all are considered as valid respondents. The collected data are analyzed by IBMSPSS20.0 as statistical tool. Demographic profile, scale reliability, measurement of items, descriptive statistics of factors and chi-square test to test the hypothesis are taken into consideration to conclude the study.

#### **RESULTS AND DISCUSSION**

The following results are obtained after analyzing the collected data from the respondents. The results are in tabulated form in annexure.

Table-1 indicates on results of demographic profile of respondents. The total 213 sets of questionnaire were administered to various employees through email and in person. The filled questionnaire was collected back and all the sets were found valid. The descriptive statistics indicates the classification of demographic profile of respondents. The males are 183(86.1%) and females are 30(13.9%). The employees having age group of 21-35 are 26(12.2%) The employees having age group of 36-44 are 38(17.6%)The employees having age group of 45-54 are 72(33.65%) and the employees having age group of 55-60 are 78(36.55%). All the respondents are married. The post graduation level of education seems to be 22(10.1%) of

the respondents. The maximum respondents are graduate 191 (89.9%). The non executive categorical respondents are 188 with 88.2%, where as executive respondents are 25 by 11.8%. The work experience of the employees indicates that themaximum length of service is more than 20 years for 187(87.8%) respondents and minimum respondents are 22(10.4%) who have less than 10 years of experience.

The results of scale reliability analysis in Table-2 indicate the consistency of questionnaire i.e. the degree to which measures are free from error according to George and Mallery (2003) The range of Cronbach alpha for all the factor is 0.713-0.902. It means the scale used for this study is enough good and response is valid for further investigation.

**Table-3** indicates on results of measurement of items. All the six factors have total 34 items and none of them is dropped. Five point Likert scale is used as scaling technique.

**Table-4** indicates on results of descriptive statistics by registering mode and standard deviation of variables. The table-4 also focusing on mode value "1"(one) is repeatedly obtained. The value of standard deviation is observed at the range at 1.62-1.92.

**Table-5** indicates on results of correlations amongst variables by conducting chi-square test. "Employee green performance" is considered as constant and the rest of the factors are tested in terms of testing the hypothesis in the following manner.

- 1.  $H_{01}$ : There is no significant relationship between employee green performance and organizational recruitment policy.
- 2.  $H_{A1}$ : There is significant relationship between employee green performance and organizational recruitment policy.

Employee green performance and organizational recruitment policy have significant relationship by registering contingency coefficient at the range of 0.811-0.830 for the following items with significant value 0.00(p<0.05). That is why H01is rejected and H11 is accepted with the following interpretation.

This relationship interprets that the employees green performance has a lot of dependency on the organizations recruitment policy. The work entrusted to employee is essential and mission statement of organization should inspire the employee to perform as per the mission. This relationship interprets the relationship among organizations methods and perceptions of employee selection, employee behavior, employee performance and employee perceptions on organizations mission interpretation. "Professional competency is essential for job performance" and" Establish a reputation of an "elite" organisation. This relationship also focuses on employee's professional competency in recruitment processes.

- 3.  $H_{02}$ : There is no significant relationship between employee green performance and performance management and appraisal.
- 4.  $H_{A2}$ : There is significant relationship between employee green performance and performance management and appraisal.

"Employee green performance and performance management and appraisal" have significant relationship by registering contingency coefficient at the range of 0.812-0.850 for the following items with significant value 0.00(p<0.05). That is why H02is rejected and H12 is accepted with the following interpretation

"Performance management and appraisal is essential for job performance". This relationship interprets that employer implements proper performance management and appraisal policy. Transparency in performance appraisal is essential for job performance. It helps in delegating desired responsibility and autonomy. Cordial relationship between employer and employees can be established through communication of Performance Appraisal and Management policy. This practice also focuses on employee's performance appraisal which paves way for the future understanding of skill enhancement of the employees so as to fit in to the future needs of the employees.

- 5.  $H_{03}$ : There is no significant relationship between employee green performance and organizational training and development efforts.
- 6.  $H_{A3}$ : There is significant relationship between employee green performance and organizational training and development efforts

Employee green performance and organizational training and development efforts have significant relationship by registering contingency coefficient at the range of 0.811-0.878 for the following items with significant value 0.00(p<0.05). That is why H03 is rejected and H13 is accepted with the following interpretation

Organizational training and development leads to the understanding of organizational objectives. When these objectives are integrated with the green objectives, than it gives the possibility of better performance. Training and development leads to the up gradation of the employees skills. Training and development enhances the skills necessary to perform the green objectives of the organisation.

This relationship focuses on need for enhancing employee's skill by giving appropriate training. The key words evaluated from this relationship are; professional competency of employee, skills, abilities and importance of formal training.

- 7.  $H_{04}$ : There is no significant relationship between employee green performance and payand rewards.
- 8.  $H_{A4}$ : There is significant relationship between employee green performance and pay and rewards.

"Employee green performance and pay and reward have significant relationship by registering contingency coefficient at the range of 0.811-0.878 for the following items with significant value 0.00(p<0.05). That is why H04is rejected and H14 is accepted with the following interpretation.

Pay and rewards have a significant impact on the readiness of the employees to abide by and inherit the organizational objectives. Pay and reward system reinforces the employees readiness to align individual objectives with the green objectives of the organisation. This relationship interprets that employee's readiness to follow the organizational objectives widely depends upon the reward system of the organisation. The above results shows relationships among the variables and also indicates that at what level pay and reward factors are influencing green performance of employees.

The key attributes of pay and reward influencing performance of employees are; employee reward, pay, employee reinforcement, awards, recognition.

The results of objective-1 indicate that the positive and significant relationship (contingency coefficient0.830, sig.0.00, p, 0.05) between employee green performance and organizational recruitment policy. The attributes like;employee selection, employee behavior, employee performance and employee perceptions on organisations

mission interpretation, cannot be ignored for better job performance.

The results of objective-2 indicate that the positive and significant relationship (contingency coefficient0.0.850, sig.0.00, p, 0.05) between employee green performance and performance management and appraisal in context to employees. The attributes like; organizations methods and perceptions of employee selection, employee behavior, employee performance and employee perceptions be ignored for better job performance.

The results of objective-3 indicate that the positive and significant relationship (contingency coefficient0.0.878, sig.0.00, p, 0.05) between employee green performance and organizational training and development efforts in context to employees. The attributes like; professional competency of employee, skills, abilities and importance of formal training cannot be ignored for better job performance.

The results of objective-4 indicate that the positive and significant relationship (contingency coefficient0.0.857, sig.0.00, p, 0.05) between employee green performance and pay and rewards in context to employees. The attributes like; employee reward, pay, employee reinforcement, awards, recognition cannot be ignored for better job performance.

#### CONCLUSION

The objectives of this study have been achieved where the results had shown that green job performance are related to recruitment, training and development, performance appraisal and management and pay and reward. In general terms, it is seen that the personal values that employees demonstrate to EM have not been exploited fully towards achieving corporate environmental initiatives. A key role for HR environmental executives is to guide line managers in terms of gaining full staff co-operation towards implementing environmental policies. HR can link HRM and EM together in an integrated way, There, HR aspects like recruitment, training and development, performance management, pay and reward have been integrated together to produce environmental improvements for the firm.

Many HR staff and work organizations are recognizing the HR factors involved in environmental management. For employers and practitioners, these may be to establish the usefulness of linking employee involvement and participation in environmental management programmes to improved organizational environmental performance, through a specific focus on the above aspects, which may help to adopt Green HRM policies and practices that help safeguard and enhance worker health and well-being.

Sr.No	Demographic	Category Frequency		Percentage%
1	Gender	Male	183	86.1
1	Gender	Female	30	13.9
		21-35years	26	12.2
2	Age	36-44years	37	17.6
2	Age	45-50years	72	33.6
		51-60 years	72	36.5
		Graduate	191	89.9
4	Education	PG	22	10.1
		PG+	0	0
5	Position	Executive	25	11.8
5	Position	Non-executive	188	88.2

# Annexure Table: 1 - Demographic Profile

6		< 10 years	22	10.4
	Experience	10- 20 years	4	1.8
		>20 years	187	87.8
7	Salary	,< 5 lakh Rs	213	100
/	Salary	5-10 lakh Rs	0	0

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# Table: 2- Scale Reliability

Sr.No	Factor	Items	Excluded Items	Valid Items	Measured Cronbach Alpha	Standard Internal Consistency	Decision
1	Green Recruitment	9	0	9	0.713	$0.7 \le lpha < 0.8$	Acceptable
2	Green Performance Management	8	0	8	0.902	α ≥ 0.9	Excellent
3	Green Training & Development	9	0	9	0.870	0.8 ≤ a < 0.9	Good
4	Green Pay & Rewards	8	0	8	0.718	0.7 ≤ a < 0.8	Acceptable

# Table: 3- Measurement of Items

Sr. No	Factor	Items	Excluded Items	Valid Items	Scale	Source
1	Green Recruitment	9	0	9	5 point Likert Scale	Employees
2	Green Performance Management	8	0	8	5 point Likert Scale	Employees

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3	Green Training and Development	9	0	9	5 point Likert Scale	Employees
4	Green Pay and Rewards	8	0	8	5 point Likert Scale	Employees

# Table: 4 - Descriptive Statistics

Sr.No	Factor			Mode	Mode		
			Items	Items	Variable	Value	Deviation
1	Green Recruitment	9	0	9	GR1	5	1.98
	Recruitment				GR2,GR3,GR5	1	
					GR4,GR6	4	
					GR7	2	
2	Organizational Green Performance Management	8	0	8	OPM1 -OPM8	1	1.98
3	Green Training and Development	9	0	9	TD1-TD1	1	1.98
4	Green Pay and Rewards	8	0	8	GP1-GPR-8	1	1.86

Sr.No	Hypothesis	Contingency Coefficient	Sig. (p<0.05)	Decision
1	$H_{01}$ :There is no significant relationship between employee green performance and organizational recruitment policy. $H_{A1}$ : There is significant relationship between employee green performance and organizational recruitment policy.	0.811 to 0.830	0.000	H01 is rejected and H11 is accepted
2	$H_{02}$ : There is no significant relationship between employee green performance and Performance management and appraisal. $H_{A2}$ : There is significant relationship between employee green performance and performance management and appraisal	0.812 to 0.850	0.000	H02 is rejected and H12 is accepted
3	<ul> <li>H<sub>13</sub>: There is significant relationship between employee green performance and organizational training and development efforts.</li> <li>H<sub>A3</sub>: There is significant relationship between employee green performance and Organizational training and development efforts.</li> </ul>	0.811 to 0.878	0.000	H03 is rejected and H13 is accepted
4	$H_{04}$ : There is no significant relationship between employee green performance and pay and rewards. $H_{A4}$ : There is significant relationship between employee green performance and pay and	0.845 to 0.857	0.000	H04 is rejected and H14 is accepted

#### Table: 5 - Chi-square Test

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