

A Study on Green Human Resource Management practices and its impact on organisations

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ABSTRACT

Contemporary organisations aim for eco-friendly initiatives to prove their Corporate Social Responsibility (CSR). The go green initiatives are given core preference in each aspect to bring down environmental constraints. It is considered as a critical tool for success of the business in the long run. Green HRM stimulates greater effectiveness by promoting environmental supportive initiatives. GHRM comprises of Human Resource functions in the respective departments of the organisations. It deals with implementation of HR policies like Green Planning, Recruitment, Selection, Training, Employee Relations Management.

GHRM influences a green work environment to enhance the organizational working. The need has started emerging on a wider basis for the reason being each employee started realising the importance of environmental protection and sustainability. The organisations have taken attempt to attain competitive advantage without compromising sustainability. Environmental Management System is attainable with the right set of competencies.

Green Management initiative is considered as a pro-active approach for businesses operating with forecasting initiatives to retain the human capital. The

objective of the study is to gain and provide a basic understanding on Green HRM, its benefits and to suggest few initiatives to build or retain a green work environment. To satisfy the objective the study followed an empirical approach by using Factor analysis and identified that the HR practices like Green Recruitment, Selection, Training, Employee Management has a greater impact on organizations.

KEY WORDS: *Human Resource Practices, Green initiatives, sustainable management, Corporate Social Responsibility, Human Capital.*

INTRODUCTION

HRM is the effective tool in creation of human capital contributing to organizational Performance and Competitive advantage. Organisations around the Globe have started prioritizing on environmental issues. The green policies developed by the organization stand as a crucial tool for success of organization in long term. To prosper and satisfy the stakeholders or to cater to the needs of the stakeholders both internal and external the organizations have started focusing on Green HRM practices. Green HRM is the use of HR policies to sustain the resources within the organization for environmental sustainability. Green

initiatives promote Corporate Social Responsibility (CSR). The two basic elements of Green HR are practicing of eco-friendly HR initiatives and preservation of human capital with employee friendly practices. Green Human Capital is the preservation of knowledge, skills, abilities, attitudes and philosophies that are unique and in line with the strategic values of a green enterprise and capable of bringing positive environment and business benefits to the enterprise. Organisations with Green Human Capital can put their green innovation to good use and help the enterprise to enhance its competitiveness. Employees following green initiatives design products that save energy and resources to production methods, manufacturing processes, production planning and management as well as other environmental solutions to lessen the impact of daily activities on environment and reduce pollution.

LITERATURE REVIEW

GHRM involves the use of environment friendly HR initiatives to obtain greater effectiveness, optimum cost and foster employee engagement in the organization. It helps in reduction of paper usage and implementation of green HRM practices such as Planning, Recruiting, Selecting, Managing employee relations. It strives for creation of green workplace and creates value addition for employees of the company.

Aravamudha (2012) GHRM involves reducing the use of papers, unwanted travel. GHRM is the holistic application of green activities to gain competitive advantage.

Lin (2010) Business organizations take a key role in environment management.

Suhaimi Sudin(2011) Green Management is an important factor in forwarding the business.

Lee and Ball(2003) Green Management refers to management of corporate interaction with and impact upon the environment.

Green Recruitment

Green Recruitment denotes the process carried on paper free basis. It involves the use of practices such as paper less interview, eco friendly locations.

Green Training and Development

It is a practice to educate employees about environment management and training on reduction of waste, preservation of energy and creation of environmental awareness. Green T&D helps employees to provide opportunity to engage employees in environmental problem solving Zoogan(2011). Formulation of green teams can be established to impact specific training.

Green Employee Relation

The GHRM practice creates awareness and new ideas about the eco-friendly practices in an organization. It gives encouragement to employees to promote and to sustain the eco-friendly initiatives. Green management facilitates employee engagement and provides possible solutions to environmental problems.

Green Employee Involvement(EI) and Employee Participation(EP)

Top Management encouragement or Involvement enables them to make their employees, organize financial, human and natural resources. They can facilitate green products. Top Management can facilitate participation in two ways. Formulations of suggestion program, problem solving circles are the ways in enabling employees in green project formulation. Encouraging employees in green commuting habits like flexi-work hours, car pooling programs, car sharing etc.,

Recognition and Rewards

Green incentives provides non-monetary rewards to employees like using solar water heaters at home, downsizing the family car, personally recycling, increase home energy, efficiency etc.,

Green Printing

Organisations should encourage for recycling, reusing for printing and advertising. This method uses the low VCO(Volatile Organic Chemical) inks, recycled paper, energy efficient computer and equipment, remanufactured laser toner cartridges.

Green Manufacturing

It is a process of producing green products. It aims at reducing pollution and minimize of wastage of natural resources etc.,

METHODOLOGY TO THE STUDY

The study used both analytical and descriptive type of methodology and has used both primary and secondary data.

Sampling Size and Design

The primary data needed for the study was collected through survey method. Survey was conducted using well formulated Questionnaire. Simple Random Sampling was applied for generating data. 75 Samples were systematically chosen to carry out the study.

Questionnaire Design

The primary data were collected through questionnaire survey. The respondents were asked to give their opinion relating to green HRM practices.

Scaling Technique in the Questionnaire

The questionnaire comprised of both optional type and Statements in Likert's 5 point scale. The responses of these sections were obtained from the employees of private

sector banks in the 5 point scale, which ranged as follows: 5 – Strongly agree 4 – Agree 3 – Neutral 2 – Disagree 1 – Strongly Disagree.

Secondary Data

The Secondary data were collected from Journals, Magazines, Publications, Books, Articles, Research Papers, Websites, Company Publications.

DATA ANALYSIS

The Primary data collected were analysed using the SPSS (Statistical Package for Social Sciences) computer packages. The study has used Factor analysis which is a method for reducing large number of variables to a small number of components or factors. After reviewing the National & International literature the researcher identified variables pertaining to GHRM practices in manufacturing sector. It is found that KMO measure of sampling adequacy is 0.652, Bartlett's test of sphericity with approximate chi-square(χ^2) value 2036.009, $p=0.000$ are statistically significant @ 5% level

COMMUNALITIES TABLE

	Extraction
GRI1	.692
GRI2	.887
GRI3	.823
GTF 1	.831
GTF2	.716
GTF3	.832
GRF 1	.741
GRF 2	.737
GRF 3	.848
GEF 1	.702
GEF2	.707
GEF 3	.857
GRCF1	.876
GRCF2	.862
GRCF3	.800
GM1	.822
GM2	.862
GM3	.871

From the above table, it is found that the 18 variables have their variance range between 0.692 to 0.887. This implies they have a range of variances between 69% to 88.7%. This leads to the data reduction process & formation of factors as shown in the total variance table. The table below shows that the variables are reduced in to 6 predominant factors with total variance of 78.459%. Individually the 6 factors have their variance of 13.969%, 13.102%, 9.785%, 9.350%, 9.236%, 8.066%. This implies all the 6 factors are highly significant. The variable loadings are presented in the following descriptions.

Component	Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	10.630	35.433	35.433	4.191	13.969	13.969
2	3.092	10.305	45.739	3.931	13.102	27.071
3	2.515	8.384	54.122	2.935	9.785	36.856
4	1.913	6.376	60.499	2.805	9.350	46.207
5	1.674	5.579	66.078	2.771	9.236	55.443
6	1.386	4.620	70.698	2.420	8.066	63.508

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Factor 1 consist of 3 variables		
(1)Using eco-friendly vehicle pooling for commutation	0.912	
(2)social responsibility like	0.876	GHRM Recognition factor
(3)Improve employee performance	0.895	
Factor 2 consist of 3 variables		
(1)HR programmes to create awareness on HR issues	0.862	
(2)Training on Green practices	0.843	GHRM Training Factor
(3)Promotion of teams	0.846	
Factor 3 consist of 3 variables		
(1)online submission of resume	0.823	
(2)online payroll	0.809	GHRM Recruiting Factor
(3)online induction of employees	0.805	
Factor 4 consist of 3 variables		
(1)Encourage to use double sided photocopies	0.823	
(2)Automatic shut off for equipments	0.809	GHRM Resource conservation Factor
(3)Use of remanufactured toner or catridges	0.805	
Factor 5 consist of 3 variables		
(1) High efficient equipment	0.790	
(2) Encourage individuals to use recycle products	0.775	GHRM encouraging Factor
(3)Promoting cost effective resources	0.755	
Factor 6 consist of 3 variables		
(1) Encourage green products	0.735	
(2) Aiming for pollution free products	0.685	GHRM Eco-friendly Manufacturing Factor
(3)Minimal use of resources	0.685	

HYPOTHESES TO THE STUDY

The elements of GHRM practices & its existence in organisations do not differ significantly.

Since the 30 variables are reduced in to 6 predominant factors with individual variances the factor is rejected @ 5% level & concluded that the factors of GHRM practices differ significantly.

SUGGESTION AND CONCLUSION

Companies are encouraged to conduct energy audit, surveys, recycling of resources, reducing business travel, save water, use of eco-friendly paper, encourage employees to wear textiles manufactured using organic products. Going green policies have resulted in reduced cost. It enabled the companies to maintain market share in a more efficient manner and satisfy the stakeholders. Companies involved in green initiatives believe that it is more economical to go green than to continue adding harmful chemicals to the atmosphere and environment in general.

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