

THE INTERNATIONAL JOURNAL OF BUSINESS & MANAGEMENT

Empirical Study on the Impact of Green Human Resource Management Practices (GHRM) on Sustainability Development with Technology Variable as Mediation

Mohamed Ayman Abdel Latif Ashoush

Professor, Department of Business Administration, Cairo University, Egypt

Jaklin Refaat Youseef Dimian

Assistant Lecturer, Department of Human resource management, Cairo University, Egypt

Abstract:

This paper aims to investigate the demand for both public and private nations to apply sustainability that arise the need for GHRM to apply green practices in all fields of green human resource management (GHRM).

Green recruitment, green training, green performance and green rewards are the independent variables that are used in this research with sustainability development as dependent variable and using technology as mediating variable applied in six Egyptian private banks.

A descriptive research has been applied with using at first an in-depth interview with both public and private managers and employees working in Egyptian banks, to find that the public banks do not apply GHRM except for high level managers, then six private Egyptian banks are included in the study by using close ended questionnaires to collect data from 316 employees by using five-point likert scale.

The data was analyzed by using both structural model and confirmatory factor analysis (CFA).

The results indicate that all the independent variables have positive and significant impact on sustainability development; except for green rewards.

In addition, the findings emphasize that technology used is a mediator between 'green recruitment, green training and green performance' and sustainability development except for green rewards.

The findings suggested managerial and practical implications for the Egyptian public and private banks that must be applied in the desired way to have its significant impact.

Future researches must be applied by using different GHRM practices and also must applied on other different sectors.

Keywords: Sustainability development, green recruitment, green training, green rewards, green performance, technology used

1. Introduction

Economic development has become nowadays the main reason behind increasing pollution, health damage and climate change, which alarm all the society of the need to apply green which becomes a social responsibility (Pavitra Mishra, 2017).

Since the bank sector is the main leading system to any organization and using technology becomes important in globalization century, so the banking as a system must lead the society towards achieving its social, environmental and economic responsibilities by continuous changes in the culture of the employees and the banking environment to move towards their role in 21st century (K.A. Goyal, 2011).

Green thinking becomes an important role for both individual and organization that requires continuous changes in the employees and the organization culture by inspiring employees and increase their awareness of sustainability and environmental management. (Shulgana Sarkar 2014).

Shulgana also indicate that the main responsibility for creating policies and strategies for the sustainable development must be done with the human resource management that implement these strategies through recruitment process of employees that are able to respond to the green shift, then share employees in the training process to increase their capabilities and awareness then measure their performance by applying performance-based system.

Banks must know the impact of the green movement and the main role of HRM to change the mission and policies of the bank towards green, the employees' culture to eco-culture and also change the bank capabilities to the new green shift. (Nlizwa Rashid et al., 2015).

2. Literature Review

The literature emphasizes the impact relationship between GHRM and sustainability development with mediating role of technology used because of its crucial effect on the economic by decreasing costs and increasing profits; society by

ensuring safety workplace; environmental by conserving of natural resources and reducing pollution; Also, technology used accelerates this relationship by decrease the energy used and in the same time improve the quality of services applied.

2.1. Previous Studies That Addressed Green Human Resource Management

Green is pro-social activity that classifies the employee's behavior in to in-role and extra-role behaviors, in which they are important for achieving the environmental goals and in the same time increase the organization outcome by creating an added value.(Dumont et al., 2016).

It was found in a theoretical research in India that applying GHRM practices have an impact on the employee performance as improve brand recognition, enhance the organization productivity, help in employee involvement and also increasing engagement of employees to try to find solutions to environmental problems (J.K. Kalpana Devi, 2018).

The role of GHRM becomes important in motivating employees to change to the green culture and in the same time reshape the practices of the HRM to improve the employee's behavior. (J.K. Kalpana Devi, 2018).

In the same aspect, studies show that GHRM practices has positive impact on organization performance; Nancy Quansah, (2013) in a study on employee working in rural banks in Ghana, stated that the first green practices that have impact on the organization performance is green recruitment by selecting qualified employees, a succession plan is then used to predict the organization requirements in the future, after that atraining program is needed to increase employees competence and at last rewarding employees is used for increasing the employees performance.

2.2.Previous Studies That Addressed Technology Used

In a study in Indonesia, Dicky Hida Syahchari et al. (2020), they examine the impact relationship of technology used on competitive advantage to found that technology used must be applied widely as it has a positive and significant impact on competitive advantage.

2.3 Previous Studies That Addressed Sustainability Development

Sana Arz Bhutto (2016) in a study on Pakistani firms, she explains the impact relationship of GHRM on sustainability development and organization performance, she found that organization must adopt green culture to change the behavior of the employees to green, and that when organizations adopt environmentally friendly practices, they can achieve a high organization performance.

In the same context, Saleh Md. Arman (2017) in their study on HR professional working in Bangladesh to show the impact of GHRM on organization performance, he found that of the study variables only 3 variables(green recruitment, marketing and misemployment) have a positive effect on the organization performance because when applying green recruitment the organization is able to attract new employees , marketing also has also positive impact because the information used by the organization becomes attractive , misemployment also has a significant impact as they will improve the organization's image.

Also, SuhaimiSudin (2011) addressed strategic GHRM in his study in Malaysia, he stated that the strategic GHRM is very important as it is a source of sustainable competitive advantage in a fierce competition that led to industrial growth and in the same time preserve the natural resources.

2.4 Previous Studies That Addressed the Direct Impact of Applying GHRM on Sustainability Development

Nadia NewazRimi et al. (2016) in their study in Bangladesh in the banking sector, they found that GHRM practices has a positive effect on the organization outcome and increase the employee performance, they also added that GHRM can apply green banking innovations when they manage their services by offering green products using green procedures and new production process.

Stefan and Paul (2008) stated also that organizations that increase their environmental performance can reduce their costs by (a) management of risk; (b) costs of products and services; (c) costs of labor (d) distinctive products (e) offering a less polluted products.

In the same aspect, Samuel Roscoe et al. (2018) when conduct a survey on employees working in Chinese manufacturing organizations, they showed a positive impact relationship of GHRM on environmental outcome with mediating role of the organization culture as they explicit this relation by stating that applying leadership emphasis, employee involvement and green organization culture in the workplace can achieve the environmental goals.

3. Research Objectives

After reviewing the extant literature emphasizes the impact of GHRM on sustainability development, the researcher aims to achieve the following objectives:

- Q1. Determine the impact of applying GHRM (green recruitment, green training, green performance management and green rewards) in the Egyptian banking sector on sustainability development.
- Q2. Emphasize the impact of applying GHRM on technology used.
- Q3. Know the impact of applying technology used on sustainability development.
- Q4. Illustrate the impact relationship between achieving GHRM and sustainability development with mediating role of technology used.

4. Methodology

The researcher will use qualitative and quantitative methods respectively as follows:

4.1. Qualitative Phase

was conducted using an In-depth interview (using interviewing guide) with human resource managers in banks located in Great Cairo to able to understand their behaviors and attitudes towards green principles. This design allows for a free-flowing discussion to know the extent the participants apply the green principles and also the impact of technology used as a mediating role between GHRM and sustainability development, this helps to develop the core concepts, in addition to gain insights to develop research hypotheses.

4.2. Quantitative Phase

The researcher will depend on single-cross sectional design by using questionnaire with compound sample through two phases:

At first the researcher used a random probability sampling technique in selecting branches located in Great Cairo, then use a random probability sampling technique in selecting employees working in these banks.

5. Results

The researcher conducted his study on 316 employees working in six private banks that apply sustainability in their workplace, to found that these banks apply green recruitment, green training and green performance and that it has a positive significant impact on sustainability development, while green rewards has a negative and non-significant impact, and the reason behind that from the researcher point of view is that most of the banks do not apply green rewards because they see that it is an expense and a burden on them that may not have a return.

Also, the technology used has a mediation role between all variables (except green rewards) and sustainability development; this is also from the researcher point of view because that technology used has nothing to do with green rewards and has no impact on sustainability.

6. Conclusion

It was realized from this research that banks are a leading sector in any organization as they are the main source for the nation economic development, and that they have a major role in shifting the economy towards green and as the employees are the main assets for any organization that play also a main role towards directing the organization towards green.

Also, as a result of increasing industrialization, it becomes an alarming point to all nations to be aware of the ecological imbalance that have aroused and be the cause of increasing pollution, change in the climate and reducing the resources used, from this point the researcher found the importance of addressing the impact and role of GHRM as a way to shift towards green to be able to achieve sustainability.

But one of the main obstacles is that many employees resist to this shift as they are not ready to exert much effort and time to learn new sustainability tools.

Also, Green is still a new concept, that many nations especially the developing nations are not aware of it, and as sustainability becomes an urgent demand for any society to allow offering resources for the next generation, it becomes a necessity for any organization to direct and empower its employees to apply green inside and outside their workplace.

Green needs applying GHRM practices in the organization by adopting green recruiting, providing employees with training programs on sustainability, continuous monitoring their performance and reward those who achieve the organization environmental performance, all this cannot be done without technology used, as technology is a major variable for facilitating reducing using resources and to move towards a less polluted environment as using virtual interviews, online training and teleconference.

7. Implications and Suggestions for Further Research

This research provided insights about GHRM and its impact on sustainability development. As for the managerial implications once, management has abandoned sustainability in their daily work activities the awareness of the employees towards green will increase and thus will increase the organization economic and environmental performance.

As for the practitioners' implications the banks must reshape the green culture in the workplace by adhere the employees' principles by recruiting green employees, offer green training and empowering the employees towards green.

So, the central bank of Egypt must make clear policies towards green and be the leading sector to direct all other sectors towards this new shift.

From the theoretical implications, this study adds to the body of the literature of GHRM and emphasize that green rewards have a negative and non-significant impact on sustainability development that needs further investigation as green rewards is an important factor for encouraging employees to be green.

It is recommended to apply green recruitment when selecting employees and to shift to electronic tools as virtual interviews, virtual meetings and online platforms.

Training also must be set to inform employees about environmental protection and energy conservation and must be E-training.

There must be periodical asses to the performance of the employees to ensure that the employees achieve the organization environmental objectives.

And at the end the organization must reward its employees for their performance either tangible or nonmaterial

intangible incentives and also penalize for not sharing.

Also, green technology must be used in most organization process to facilities offering products and services in less polluted environment as offering green buildings, using double sided photocopies, reduce the waste by using environmental friendly package and use recycle products.

Be green is a behavior that need to be a concept in every one's life in both his daily life and work life.

8. Limitations and Future Researches

There are some limitations in this research that need to be overcome in future researches as follows:

This research covers only six large private banks in Egypt, so future researches need to include other banks to emphasize the impact of GHRM on sustainability development.

As the researcher used questionnaire for gathering data, it is recommended in the future to use other accurate methods for collecting data to be applied to generalize the results of the study.

Also, the researcher used only four green practices in the research which are green recruitment, green training, green performance and green rewards as they are the most commonly used practices in the literature, there are other dimensions that may be used in future researches as green employee empowerment and green induction, and also as the researcher used technology used as a mediator, future researches can use organization culture, green climate and others.

Besides, there is a need to cover other sectors in future studies, because sustainability is a comprehensive effort that if only one sector does not apply sustainability, it will destroy all what other sectors has done.

9. References

- i. DickyHidaSyahchari; HardijantoSaroso; Lasmy; DarjatSudrajat; Maria Grace Herlina, (2020), The Effect of Information Technology, Strategic Leadership and Knowledge Management on The Competitive Advantage in The Chemical Industry , 2020 International Conference on Information Management and Technology (ICIMTech)
- ii. Dumont, J., Shen, J., & Deng, X. (2016), Effects of Green HRM Practices on Employee Workplace Green Behavior: The Role of Psychological Green Climate and Employee Green Values. Human Resource Management
- iii. J.K. Kalpana Devi, (2018), Influence of Green HRM Practices on Employees Performance Level – A study with reference to literature review, International Journal of Research and Analytical Reviews (IJRAR)
- iv. K.A. Goyal and Vijay Joshi, (2011), A study of social and ethical issues in banking industry, International Journal of Exclusive management research.
- v. Nadia NewazRimi, (2016), Green HRM for Green Services: A Proposed Best Practices Green HRM Model for Green Banking Performance in Bangladesh, European journal of business and management
- vi. Nancy Quansah, (2013), the impact of HRM practices on organizational performance: the case study of some selected rural banks, Master Thesis, KNUST.
- vii. Nlizwa Rashid, JuhainiJabar, SallehYahya and Sayed Samer, (2015), State of the Art of Sustainable Development: An Empirical Evidence from Firm's Resource and Capabilities of Malaysian Automotive Industry, Procedia - Social and Behavioral Sciences 195 (2015) 463 – 472
- viii. Pavitra Mishra, (2017), A framework for sustainable organizational development in an emerging economy, International Journal of organizational Analysis.
- ix. Saleh Md. Arman, (2017), Impact of Sustainable Human Resource Management in Organizational Performance: A Study on Bangladeshi HR Professionals, Proceedings of 15thAsian Business Research Conference, Bangladesh.
- x. Samuel Roscoe, Nachiappan Subramanian, Charbel J.C. Jabbour and Tao Chong, (2018), Green human resource management and the enablers of green organizational culture: Enhancing a firm's environmental performance for sustainable development, Wiley Business strategy and the environment.
- xi. Sana Arz Bhutto, (2016), Effects of Green Human Resources Management on Firm Performance: An Empirical Study on Pakistani Firms, European Journal of Business and Management.
- xii. Shulgana Sarkar, (2014), Green HRM: Innovative approach in Indian Public enterprise, World Review of Science Technology and sustainable development.
- xiii. SuhaimiSudin, (2011), Strategic Green HRM: A proposed model that supports corporate environmental citizenship, (2011), International Conference on Sociality and Economics Development IPEDR Vol.10
- xiv. Stefan Ambec and Paul Lanoie, ((2008), Does it pay to be green? A systematic overview, Academy of Management perspective.