

## **Effect of Green Human Resource Practices on Productivity in the Manufacturing Industry of Pakistan**

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### **Abstract**

This study aims to investigate the relationship between green human resource practices, employee satisfaction, job satisfaction, and the recruitment process in the manufacturing sector of Pakistan. The research methodology employed a positivism philosophy with a deductive research approach and quantitative research strategy. Primary data was collected through a closed-ended questionnaire from 195 participants working in manufacturing organizations. The findings indicate a significant positive association between green human resource practices and employee performance, job satisfaction and employee performance, and the recruitment process and employee performance. The study concludes that implementing green human resource strategies in Pakistani industrial businesses yields favorable benefits and leads to increased employee satisfaction and performance.

**Keywords:** green human resource practices, employee satisfaction, job satisfaction, recruitment process, manufacturing sector.

### **Introduction**

In order to characterize employee attitudes, work satisfaction, job participation, and organizational commitment for organizational psychology, the function of human resource management has been studied in the literature (Shantz, Arevshatian, et al., 2016). To characterize the evolving link between HR and engagement, research still has to be written about the effects of human resource practices on the workplace and employee engagement (Presbitero, 2017).

The world is increasingly moving towards a green economy since it must consider sectors and future environmental and climate change scenarios. As a result, organizations must address these issues and address environmental concerns. Those organizations that claim to care about customers and provide various consumer services in the framework of corporate social responsibility must also care about environmental and climatic issues. With the green economy in mind, academics have studied the change from conventional to green human resource activities. The study by (Johari et al., 2013) to ascertain the link between human resource

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practices and employee engagement discovered that the two were unconnected and had a negative correlation. Additional research has been done to experimentally assess the relationship between employee behavior and results and has produced notable findings (Aktar & Islam, 2019; Arrowsmith & Parker, 2013). Presently, it is clear that the majority of organizations use human resource management strategies to encourage work and employee engagement.

Green human resources could refer to employee participation in advanced practices and process improvement for employee motivation and overall performance. Green HRM techniques enable firms to enhance their HR policies and build a sustainable application of human resources in the company while focusing on the environmental application of these procedures. Green human resource management techniques are distinct from conventional strategies and subsystems. The emergence of green HRM has drawn the attention of several researchers and caught the attention of organizational scientists. The green part of corporate management has been portrayed as an improved sense of vigilance and duty towards society and its stakeholders (Panzabekova et al., 2019).

Understanding of the environment will develop if organizations and companies make climate care their major goal. To eliminate carbon emissions from the planet, each employee should focus on green human resources, not simply business management (Amjad et al., 2021). The initial goal of green human resources is to create an ecologically friendly human resource structure that preserves the company's skills and wealth. Most people believe green human capital refers to company measures that reduce carbon footprints by lowering paper use (Ahmad, 2015). Online form filling, video conferencing, and online interviews may be done by concentrating on technology. Most observers agree that the changing economic conditions will allow firms to reclaim their best employees. Many firms are ready to abandon their staff in bad times, thereby losing their knowledge capital (Fuji et al., 2015).

GHRM's operations aim to transform standard representatives into green dogmatic representations through green methods, practices, and frameworks. Everything from enlisting to PMS to allies and benefits was covered. (Ghoulem et al., 2019) Craving wants ordinary HR action and conduct of persons inside the association to enhance the global green system used in HR recruiting. Through training on the impact (Ahmad, 2015) and climate benefits on organizations, groups, and individuals, green HR recruitment will focus on fostering the awareness of others within the same association to green work. These HR practices ensure the organization's disposition, standards, and attitude toward reducing waste are advanced and inventive.

*Problem Statement*

Organizations may increase the value of their green process innovations by capitalizing on the green social capital they already have in place. Given the importance of green social capital in facilitating the spread of information within an organization, businesses can use this resource by bolstering internal channels of communication and sharing of information in order to increase staff understanding of green process innovations. Additionally, business leaders should implement suitable human resource management practices to encourage these interactions, which will in turn build trust and social cohesiveness among staff members. Green process innovation can have fewer problems with isolation and fragmentation if members have a stronger sense of community and are eager to share knowledge and resources with one another (Al-Swidi et al., 2021).

Most companies in Pakistan do not care about the harmful toxins they dump into streams and water sources, which include heavy metals and radioactive elements. While the nation has been conducting awareness efforts for some time, companies do not fully support the government's initiatives. Effective laws and regulations have received less government attention. The global industrial industry has significant levels of hazardous pollutants and environmental dangers. Businesses will not achieve sustainability goals without focusing on converting their personnel into green employees. With green human capital management, firms may give an overarching framework to combine services to improve the environment (Hameed et al., 2020).

*Objectives*

The research objectives are:

1. To evaluate the adaptation of green human resource practices and its effects on performance
2. To check the impact of green human resource practices on performance
3. To illustrate the recommendations on the adaptation of green-house resource practice over performance

*Literature Review*

The literature has addressed the function of human resource management in delineating employee attitudes, job satisfaction, job involvement, and organizational commitment within the realm of organizational psychology (Shantz, Alfes, et al., 2016). Notwithstanding, there is a need for literature to address the influence of human resource

practices on work and employee engagement in order to explicate the progressive correlation between HR and engagement (Presbitero, 2017). (Johari et al., 2013) conducted a study aimed at investigating the correlation between human resource practices and employee engagement. The results of the study indicated a lack of positive association between the two variables, with a negative correlation being observed. (Arrowsmith & Parker, 2013) conducted additional research to empirically examine the relationship between employee behavior and its outcomes, yielding noteworthy findings. It is apparent that a significant number of organizations have implemented human resource practices that facilitate the cultivation of employee engagement and productivity.

The emergence of Green Human Resource Management (HRM) has garnered attention from numerous scholars and has become a subject of interest for researchers in the field of organizational science. (Renwick et al., 2013) have illustrated that the aspect of business management that pertains to environmental responsibility and accountability towards society and its stakeholders is commonly referred to as the "green aspect." This aspect is characterized by an enhanced sense of diligence and responsibility. Scholars in the field of research have undertaken the green human resources perspective as a critical area of study due to its significant influence on organizational and business operations, particularly in policy development and responsiveness.

The implementation of Green HR practices allows organizations to engage in activities that facilitate the attainment of their objectives while also demonstrating a commitment to reducing pollution, minimizing carbon emissions, and conserving natural resources. According to (Shafaei et al., 2020) it is imperative to implement environmentally sustainable practices and ensure a healthy workplace environment for employees in order to effectively leverage the advantages of eco-friendly initiatives. Organizations employ various resources, including raw materials and human capital, to carry out their business operations. HR policies play a crucial role in engaging employees and ensuring efficient utilization of resources from a societal standpoint. Studies conducted by academic researchers have revealed that the implementation of green human resource practices can aid organizations in achieving environmental sustainability. Numerous scholars have emphasized the necessity of conducting research on corporate citizenship behavior, which is regarded as a crucial aspect of ethical conduct in the workplace (Alzgoool, 2019).

Green Human Resource Management (GHRMP) encompasses the various processes entailed in establishing, executing, and sustaining a framework aimed at fostering environmentally conscious behavior among an organization's workforce. This pertains to a facet of human resource

management that transforms regular employees into environmentally conscious personnel. The GHRMP pertains to the modification and facilitation of the organizational milieu. Environmental sustainability is a crucial factor that significantly impacts the performance of organizations. GHRM, or Global Human Resource Management, pertains to the set of policies, practices, and systems that are implemented within an organization to manage its workforce, as well as to address the needs of individuals, society, and the natural environment. Facilitate the flourishing of enterprises."(Amran et al., 2017; Elshaer et al., 2021)

The challenges of implementing Green Human Resource Management are becoming increasingly pressing, prompting numerous organizations to adopt corresponding strategies. The implementation of green HRM strategies throughout all human resource levels necessitates a significant investment of time and financial resources, as well as a robust collaboration and coordination effort from the task force. Failure to adhere to an appropriate pattern may result in a significant decline, as noted by (Deshwal, 2015). All implemented or created organizational policies entail inherent risks and obstacles. In order for environmentally conscious human resource practices to yield a positive impact, they must surmount substantial challenges.

The implementation of effective human resource management strategies and methodologies has been demonstrated to enhance workplace conditions and foster employee satisfaction. Due to the favorable work environment, the employees exhibit high levels of motivation and receive ample compensation. The implementation of green human resource management practices commences with the recruitment process and extends throughout the employee lifecycle until their departure from the organization. Implementing environmentally sustainable practices and strategies within the context of business operations, particularly with regard to the workforce, presents a significant challenge. Several potential hypotheses regarding green human resource management warrant empirical investigation. Modifying an employee's conduct post-hiring is a challenging task. There exists a disparity in the level of motivation among workers towards the promotion of environmental sustainability. Human resource specialists commonly engage in employee selection with consideration for green initiatives. The assessment of the viability of environmentally sustainable human resources was conducted without the use of biased information (Kodua et al., 2022).

#### *Job design that prioritizes environmental consciousness*

The company mandates that its employees fulfil their Community Service Responsibility (CSR) obligations. Despite the fact that

corporations are increasingly integrating corporate social responsibility (CSR) into their business practices, the responsibility to restore the environment is incumbent upon all individuals, irrespective of their affiliation with the manufacturing industry (Bombiak, 2019). In order to cultivate a sense of accountability among employees or laborers in the manufacturing industry, it is imperative for companies to conduct a distinct initiative that centres on environmentalism and illustrates the adverse effects of human actions on the environment in prior periods. It is recommended that individuals be educated on how to incorporate environmentally sustainable work practices into their organizational culture, as a means of contributing to this field (Mishra, 2017).

As previously noted by (Huang et al., 2020) employees exhibit a greater inclination towards companies that prioritize environmentally sustainable practices. This is due to their aversion towards being associated with industries that cause environmental harm without taking adequate measures to mitigate it. The authors of a recent study suggest that employees in the manufacturing industry may lack knowledge regarding their potential contributions to the broader scope of green human resource management. However, by promoting awareness and instilling a sense of responsibility towards environmental stewardship in their daily duties, employees can be empowered to make meaningful contributions towards this cause (Gupta, 2018). Numerous responsibilities ought to have an environmental focus, which can impact the psychological well-being of employees and modify their perspective regarding the environment and the adverse effects caused by the industrial sector.

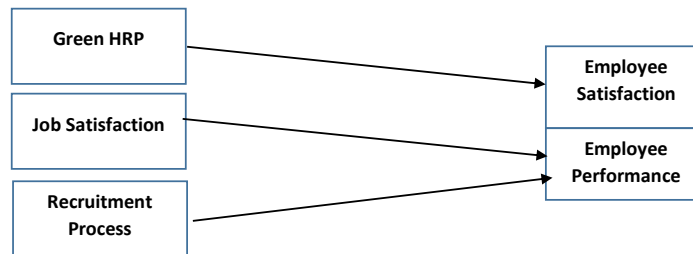
### **Conceptual Framework and Hypotheses**

This study investigates the following hypotheses based on the above literature review:

H1: The relationship between green human resource practices and the satisfaction of the employees is significant.

H2: The effect of job satisfaction on the performance of employees is significant.

H3: There is a significant role in the performance of the employees and the recruitment process.



### Research Methodology

The positivism philosophy is used for this research, quantifying the data and leading to statistical analysis. Further for this study, deductive research is used and the researcher used a quantitative research strategy for this study because it corresponds to its subject, "Paradigm Shift of Conventional Human Resources to Green Human Resource Practices in Pakistan's Manufacturing Sector."

### Data Collection Method

In this study, a primary research survey approach was employed. Primary data were acquired from personnel who work in manufacturing organizations and are familiar with green human resource practices in Pakistan's manufacturing industry. Data was collected using a closed-ended questionnaire to strengthen the validity and reliability of the results.

### Sampling

For the given study, most of the people participating in this investigation were male, with a percentage of 69.2%, followed by females 30.8%. The age of participants was 29-39 years with 40.5%, followed by 40-50 years (31.3%), 18-28 years (14.4%) and 51 years and above (13.8%). The total number of participants is 195; out of 195, 135 are male, and the remaining 60 are female.

### Methods of Data Analysis

SPSS is used to analyze quantitative data. A word cloud will be created to analyze the most frequently used terms. The survey was analyzed using regression and correlation analysis with the respondents.

### Analysis

#### Results to hypothesis

***H<sub>1</sub>: The relationship between green human resource practices and Employee Performance is significant***

Variable	B	Std. Error	t-stats	Sig.
GHRM	.718	.044	16.248	0.000

Dependent Variable: Employee Performance

R Square: 0.578

F-Stats: 264.00 (P-Value: 0.000)

The value of the R-square is .578 which reflects that there are 57.8% variations in the model. The value of F-stats is greater than 4 and its p-value is less than 0.05 which indicates that the overall model is significant. The value of t is positive with a value of 16.248, based on which it can be summarized that employee performance and green human resource management are positively associated.

***H<sub>2</sub>: The effect of job satisfaction on Employee Performance is significant***

Variable	B	Std. Error	t-stats	Sig.
Job Satisfaction	.589	.065	9.122	0.000

Dependent Variable: Employee Performance

R Square: 0.301

F-Stats:83.206 (P-Value: 0.000)

The value of the R-square is .301 which shows that there are 30.1% variations in the model. The value of F-stats is 83.206 which is greater than 4 and its p-value is 0.000 which is less than 0.05 which indicates that the overall model is significant. The value of t is positive with a value of 9.122, based on which it can be summarized that employee performance and job satisfaction management are positively associated. The magnitude of JS towards Employee performance is .589 which shows that a one-unit change in JS will bring a .589-unit change in EP.

***H<sub>3</sub>: There is a significant role of the recruitment process in Employee Performance***

Variable	B	Std. Error	t-stats	Sig.
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Recruitment Process	.683	.033	20.445	0.000
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Dependent Variable: Employee Performance

R Square: 0.684      F-Stats: 417.988 (P-Value: 0.000)

The value of the R-square is .684 which shows that there are 68.4% variations in the model. The value of F-stats is 41.988 which is greater than 4 and its p-value is 0.000 which is less than 0.05 which indicates that the overall model is significant. The value of t is positive with a value of 20.445, based on which it can be summarized that employee satisfaction and the recruitment process are positively associated. The magnitude of RP towards Employee performance is .683 which shows that one-unit change in JS will bring .683-unit change in EP.

**Summary of Hypotheses**

Hypotheses	Status
H <sub>1</sub> : The relationship between green human resource practices and employee satisfaction is significant.	Accepted
H <sub>2</sub> : The effect of job satisfaction on employee performance is significant.	Accepted
H <sub>3</sub> : There is a significant role recruitment process of employee performance.	Accepted

**Conclusion**

This study provides empirical evidence that supports the significant relationship between green human resource practices and various important outcomes in the manufacturing sector of Pakistan. The findings highlight the positive impact of incorporating environmentally sustainable practices into human resource management strategies. The results demonstrate that green human resource practices have a significant influence on employee performance, job satisfaction, and the recruitment process.

By implementing green human resource practices, organizations can not only contribute to environmental sustainability but also enhance employee satisfaction and overall organizational performance. This study emphasizes the importance of embracing sustainable practices in human resource management to thrive in the ever-changing business landscape. The findings contribute to the existing body of knowledge on green human

resource management and provide valuable insights for practitioners and researchers.

It is evident that organizations in the manufacturing sector should prioritize the adoption of green human resource practices to foster a positive work environment and improve employee performance. This entails integrating environmentally friendly initiatives into recruitment processes, job satisfaction measures, and overall HR strategies. The study's findings emphasize the potential benefits and importance of aligning HR practices with sustainability goals.

In conclusion, the implementation of green human resource practices holds great promise for organizations seeking to achieve both environmental sustainability and enhanced employee outcomes. The findings of this study provide valuable insights for decision-makers, highlighting the need for organizations to prioritize green HR practices as part of their broader sustainability efforts. By doing so, organizations can create a more engaged workforce, boost performance levels, and contribute to a greener future.

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