

DO GOOD, HAVE GOOD: ANALYZING THE EFFECT OF GREEN HUMAN RESOURCE MANAGEMENT PRACTICES ON ORGANIZATIONAL CITIZENSHIP BEHAVIOR TOWARDS THE ENVIRONMENT IN DEVELOPING ECONOMY

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ABSTRACT

Green human resource management is vital to environmental efficiency and long-term organizational sustainability. It empowers the employees through green training and rewards and helps them to improve organizational citizenship behavior. The current study investigated the impact of green human resource management on organizational citizenship behavior towards the environment. The questionnaire was used as a data collection tool. The sample comprises managers of the banking sector in Pakistan. The data was analyzed using SmartPLS 4 software. The results found that all hypotheses supported green employee empowerment mediated the relationships between green training, green reward, green performance, and organizational citizenship behavior toward the environment. The current study provides numerous theoretical and practical implications for managers and practitioners working in the banking industry to improve organizational citizenship behavior toward the environment.

Keywords: green training, green reward, green performance management, green employee empowerment, organizational citizenship behavior toward environment, Pakistan.

1.0 INTRODUCTION

The industrial revolution has increased environmental degradation that impacts the organization's sustainability. The firms develop an eco-friendly environment to promote green performance (Hameed et al., 2020; Islam et al., 2021). The green organization's phenomenon is elevated due to sustainability. The financial sector faces diverse environmental factors that need to be analyzed by the management. Corporate social responsibility becomes essential for organizational growth and improving clients' image. Firms that implement sustainable practices maintain their competitive advantage and survive longer in markets. Green practices such as green supply chain management and green human resource management have become essential for the sustainability and growth of organizations in the modern era (Anwar et al., 2020).

Environmental management is utilized in various fields of business, like marketing, operations management, and many more. In the developed world, companies have also initiated a groundbreaking campaign centered around green human resource management (GHRM). Additionally, GHRM practices help to enhance employees' performance and dedication to enhance their environment's efficiency. The GHRM approach involves altering HRM's structures, culture, strategies, and policies for safeguarding the planet (Jayabalan et al., 2020).

The Green HRM Approach is involved in changing HRM culture structures, strategies, and policies to protect the environment. GHRM plays a vital part in the sustainable development of businesses and is designed to assist companies in improving their environmental performance. Various organizations are rapidly adopting GHRM to help create an eco-friendly culture that helps to reduce

ecological effects in the current technological age of industrialization (Saputro & Nawangsari, 2021). The GHRM practices are changing employee behaviors every day, and promoting techniques of green management influences organizational sustainability. Green training involves sessions and development to improve individuals' and employees' skills to deal with environmental issues and maintain sustainable management. The significant development of employee skills enhances the performance of employees. They provide a way for green rewards and compensation (Islam et al., 2021).

The reward system makes the organizational environment system healthier. It influences the individual and employee to improve their performance and get tips in the shape of bonuses, cash, or certification. Employees' green performance will help reduce waste, create working awareness, adopt new working strategies or tactics, and provide new opportunities for employees to get a unique working experience. The green performance will help employees to understand all environmental situations and resolve them with knowledge and awareness. The practices of green human resource management play an essential role in employee empowerment, and they are successful due to the environment of an organization (Malik et al., 2021). The above literature leads toward the following research questions:

RQ 1: Do green human resource management practices (green reward training, green performance management, green reward) influence green employee empowerment in the Pakistani banking sector?

RQ 2: Do green employee empowerment influence organizational citizenship and the employee's behavior toward the environment in the Pakistani banking sector?

RQ 3: Does green employee empowerment mediate the relationship between green human resource management practices (green training, green performance management, green reward) and employees' organizational citizenship behavior toward the environment in the Pakistani banking sector?

2.0 REVIEW OF LITERATURE

2.1 GREEN TRAINING

Green training is essential to create an environmentally healthy system for work. Green training offers organizations an environment for sustainable employment and assists their development. The green training system regulates the workplace's atmosphere and helps monitor employees' performance. Every company has a green environment for a training management system that monitors employee performance and attempts to improve it. Many research studies were conducted with employee training to ensure an organization's well-being routine. Systems for training and assessment within organizations can help create employees feel safe in the environment. Every HR department strives to encourage new and innovative training methods that help employees be in a comfortable working atmosphere (Gull & Idrees, 2021).

2.2 GREEN REWARD

Researchers have described human resource management as a green reward system that positively affects work sustainability. Numerous studies suggest that a system of green rewards enhances the employee's skills and is free of blunders. The green system influences employees' or individuals' positive and green working behavior. Green HRM initiative systems of green rewards increase the motivation of employees to work better. Many organizations employ various strategies to increase employees' green empowerment. The reward system that improves the performance of employees is linked to the work environment. Green reward systems try to positive recognition of the work environment through cooperation (Amjad et al., 2021).

2.3 GREEN PERFORMANCE MANAGEMENT

Green performance management is the method that encourages employees to enhance their abilities to help the company achieve its goals and goals in unique ways. The performance of the organization is based on two aspects: the first is environmental performance, and the second one is the performance of the organization. An organization's environmental performance depends on the environment around the company. The organization's performance depends on various elements like financial and non-financial questions, marketing or sales stakeholder, corporate shares, and the company's reputation. Green Performance management refers to the workplace environment for employees, products that are environmentally friendly for customers with minimal waste and the potential use of waste, and an efficient operating system (Pham et al., 2020).

2.4 GREEN HRM PRACTICES AND GREEN EMPLOYEE EMPOWERMENT

HRM research on behavior has argued that HRM practices affect employees' green behaviors. Empowering employees to be green is one key to meeting organizational green goals. Employers can use the green empowerment of employees to inspire them to reconsider their jobs' requirements, locate meaning in their work and improve their competence within the job. Research has suggested that employees' sense of empowerment increases their desire to participate in EM initiatives of the business. The study by (Zhang et al., 2019) found that employees who feel empowered experience inner motivation, which can lead them to better outcomes at work, like satisfaction with their jobs. (Aboramadan, 2020) identified a variety of advantages associated with a motivated green workforce, including increased work quality, incredible dedication, self-efficacy, and job satisfaction.

2.5 GREEN EMPLOYEE EMPOWERMENT AND ORGANIZATIONAL CITIZENSHIP BEHAVIOR TOWARD THE ENVIRONMENT

The behavior of organizational citizenship toward the environment is an act of voluntary choice. It can be described as social discretionary and individual behavior that is not acknowledged in the reward systems, which contribute to more efficient environmental management systems by companies". (Cop et al., 2020) declared that organizational citizenship behavior towards the environment can lead to a sense of sustainability inside and outside of the company and can help the company reach its environmental goals. Kim et al. (2020) defined organizational environmental citizenship in three dimensions. More inclusive eco-initiatives are actions that promote sustainability that employees take, like recycling and water-saving, as well as energy-saving and other voluntary activities to preserve the natural environment. Eco-helping is based on the assumption that employees cooperate with colleagues when dealing with environmental concerns, and eco-civic involvement is the participatory feeling and actions of employees involved in environmental improvement, including seminars and workshops organized by corporations or other companies.

2.6 GREEN EMPLOYEE EMPOWERMENT AS MEDIATING VARIABLE

Empowering employees with green energy can mediate the effects of green practices in human resource management, and the employees' organizational behavior towards the environment could also be rational. Blau, 1964 based on Social exchange theory, the mediation role of green employees' empowerment in green practices in human resource management and the employees' organizational behavior. Based on this model, employees feel empowered when positive HRM practices are offered and can freely contribute to administrative tasks. In turn, employees' empowerment to achieve green goals can be attributed to the green practice of human resources, which increases their participation and understanding of green-friendly activities. This increased or improved perception of empowerment can encourage employees to display discretionary behavior and organizational behavior of citizenship towards the environment towards environmental management. In the present study, we found that the green empowerment of employees mediates the effects of green HR management on the employees' organizational citizenship attitude towards the environment (Zhang et al., 2019).

2.7 ABILITY–MOTIVATION–OPPORTUNITY (AMO) THEORY

According to the theory of ability-motivation-opportunity (AMO), HRM practices are linked with performance concerning knowledge, inspiration, and opportunity (Yu et al., 2020). The AMO theory states that HRM practices improve an organization's human capital through enhanced human capabilities that result in higher performance, such as less waste and better quality. According to AMO theory, HRM practices might influence employees' behavior on a discretionary basis (Shen & co., 2016). The literature on HRM's behavioral impact suggests that HRM policies can influence employees' attitudes to work and behavior through various psychological and social factors. Empowering employees with green is a mental mechanism that can affect employees' green behavior (Safari et al., 2018).

2.8 THEORETICAL FRAMEWORK

In the current study, the framework incorporated three independent variables green training, green performance management, green reward mediating variable green employee empowerment, and dependent variable Organizational citizenship behavior toward the environment as shown in theoretical framework figure 1 mentioned below:

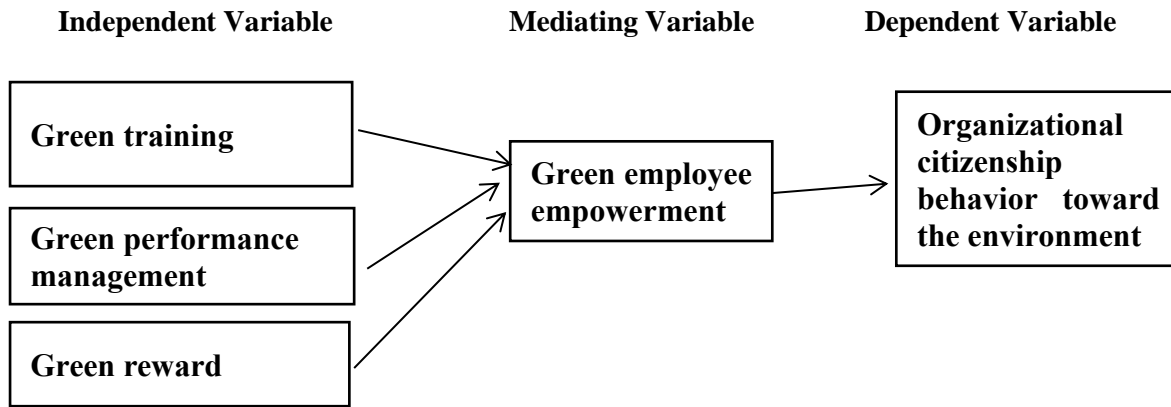


Figure 1: Theoretical framework

The following hypotheses were developed from the above-mentioned theoretical framework:

- H1:** Green training is positively related to green employee empowerment.
- H2:** Green performance management is positively related to green employee empowerment.
- H3:** Green reward is positively related to Green employee empowerment.
- H4:** Green employee empowerment is positively related to organizational citizenship behavior toward the environment.
- H5:** Green employee empowerment mediates the relationship between green training and organizational citizenship behavior toward the environment.
- H6:** Green employee empowerment mediates the relationship between Green performance management and organizational citizenship behavior toward the environment.
- H7:** Green employee empowerment mediates the relationship between green reward and organizational citizenship behavior toward the environment.

3.0 RESEARCH METHODOLOGY

3.1 POPULATION AND SAMPLING

The population of the current study banking sector and data were collected from a manager working in Pakistani private banks. A structured close-ended questionnaire was used to collect data utilizing a seven-point Likert scale. The researcher surveyed using a random sampling technique.

3.2 OPERATIONALIZATION OF CONSTRUCTS

The items of all variables were adopted through past literature. The items were reliable and valid, as the values of AVE and CR are mentioned in Table 1. The Likert scale was used to gauge items. Out of 250 questionnaires, 219 questionnaires were accepted, as 31 were incomplete. The operationalization table is mentioned below:

Table 1: Operationalization Table

Variable	Items	AVE	CR	Reference
Green training	5	0.545	0.795	(Amjad 2021)
Green performance management	5	0.607	0.839	(Amjad 2021)

Green reward	3	0.741	0.814	(Amjad et 2021)
Green employee empowerment	4	0.570	0.900	(Hameed 2020)
Organizational citizenship behavior toward the environment	6	0.560	0.900	(Hameed 2020)

3.3 DATA ANALYSIS TOOLS

The partial least squares structural equation modeling (PLS-SEM) technique was used to test and analyze the research data in the current study through Smart PLS 4.0 software. The present study utilized the bootstrapping procedure to assess the hypotheses. Mediation analysis was analyzed using the bootstrapping method (Hair et al., 2014).

4.0 RESULTS AND FINDINGS

4.1 RESPONDENT PROFILE

According to the demographic study, male participants have a greater response rate than female participants. Female participants accounted for 8.67 percent of the total, while male participants accounted for 91.32 percent. The education variable depicted that 22.83 percent of the respondents had completed their education. The respondents' ages revealed that the majority, 68.49 percent, are between 20 and 30 as shown in Table 2.

Table 2: Demographic profile of respondents

Demographic variables	Frequency	Percentage
Gender		
Male	200	91.32%
Female	19	8.67%
Education		
Intermediate	100	45.66%
Graduation	50	22.83%
Master	50	22.83%
Others	19	8.67%
Age		
20-30 years	150	68.49%
31-40 years	50	22.83%
41years and	19	8.67%

4.2 ASSESSMENT OF MEASUREMENT MODEL

In the current research, 23 items were used to analyze five components and form the outer model, with items labeled as indicated. Constructs were described using latent variables. As shown in Figure 2, Confirmatory Composite Analysis (CAA) was calculated using the software Smart PLS and partial least structural equation modeling.

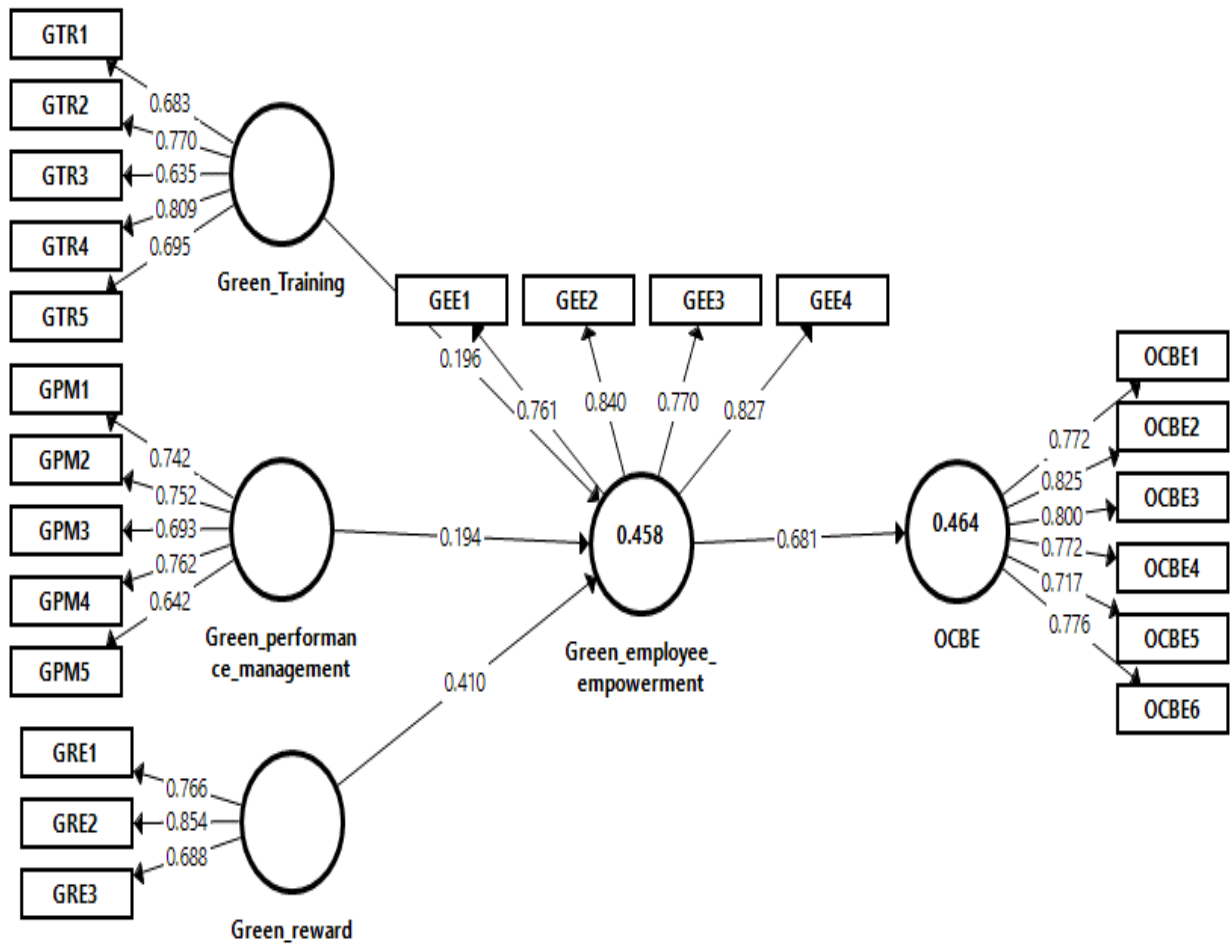


Figure 2: Measurement Model

4.2.1 INTERNAL CONSISTENCY AND RELIABILITY

Table 3 demonstrates the measurement model's outcomes in Smart PLS utilizing the PLS algorithm. Model dependability is expressed by the value of all constructs larger than 0.70, while internal consistency is represented by item loadings greater than 0.70, according to Hair's 2014 and 2017 study. Additionally, each construct's average variance extracted value is higher than 0.5, according to (Hair et al., 2017)

Table 3: Internal consistency and reliability, and validity of convergent

Construct	Items	Loadings	CR	AVE
Green employee empowerment (GEE)	GEE1	0.761	0.877	0.640
	GEE2	0.840		
	GEE3	0.770		
	GEE4	0.827		
Green performance management (GPM)	GPM1	0.742	0.843	0.518
	GPM2	0.752		
	GPM3	0.693		
	GPM4	0.762		
	GPM5	0.642		
Green Reward (GR)	GRE1	0.766	0.815	0.597

	GRE2	0.854		
	GRE3	0.688		
Green Training (GTR)	GTR1	0.683		
	GTR2	0.770		
	GTR3	0.635	0.843	0.520
	GTR4	0.809		
	GTR5	0.695		
ORGANIZATIONAL CITIZENSHIP BEHAVIOR TOWARD ENVIRONMENT (OCBE)				
	OCBE1	0.772	0.902	0.605
	OCBE2	0.825		
	OCBE3	0.800		
	OCBE4	0.772		
	OCBE5	0.717		
	OCBE6	0.776		

Note: CR stands for Composite reliability, AVE stands for Average variance extracted

4.2.2 DISCRIMINANT VALIDITY

The most generally used method for determining discriminant validity is Fornell & Larcker's (1981) criterion, employed in this study. According to Fornell & Larcker, the other constructions' correlation values must be lower than AVE diagonal value. Table 4 further reveals those higher values of all diagonal

Table 4: Fornell and Larcker Criterion

	GT	GEE	GPM	GRE	OCBE
Green training (GTR)	0.721				
Green Employee Empowerment (GEE)	0.525	0.800			
Green Performance Management (GPM)	0.574	0.525	0.720		
Green Reward (GRE)	0.531	0.618	0.532	0.772	
Organizational Citizenship Behavior towards Environment (OCBE)	0.520	0.681	0.545	0.639	0.778

4.3 STRUCTURAL MODEL ASSESSMENT

The measurement model shows reliability and validity, and the next step is to bootstrap the construct with Smart PLS (Hair et al., 2017). The structural or inner model emphasizes the relevance of construct-to-construct connections. The structure of the model is shown in Figure 3.

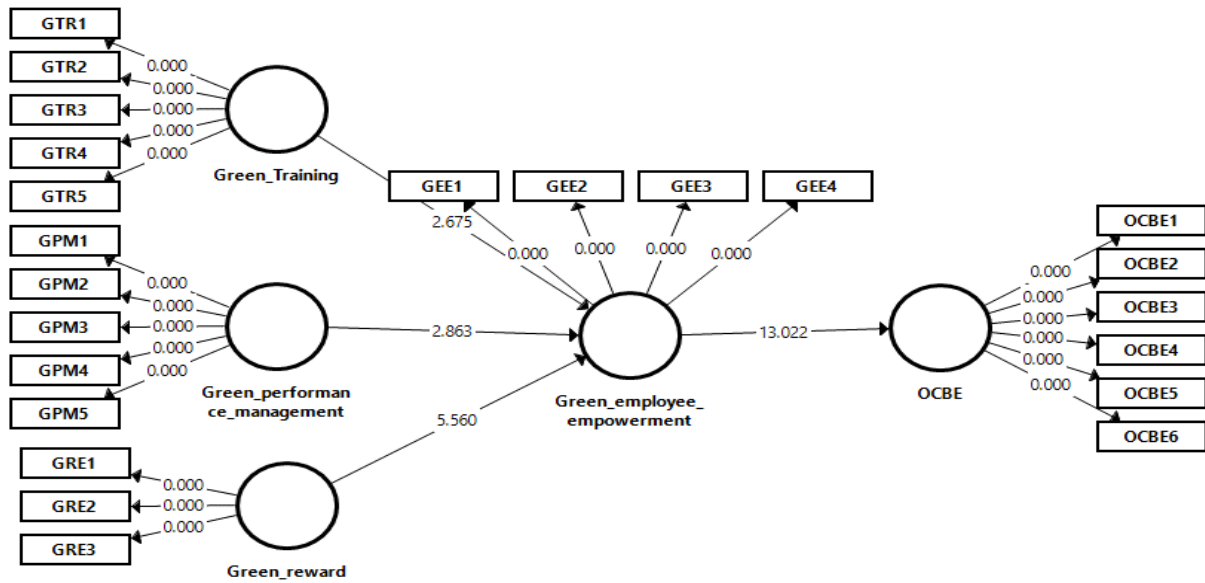


Figure 3: Structural Model

4.3.1 DIRECT HYPOTHESES TESTING

Table 5 reveals all direct hypotheses were supported. Hypothesis 1: Green training and green employee empowerment, as shown in table 5 (0.196, 2.675, 0.08 is the β , t, and p values, respectively), are supported. Moreover, hypothesis 2, green employee empowerment and organizational citizenship behavior in the direction of the environment as results shown in table 5(0.681, 13.022, 0.000 is the β , t, and p values, respectively), is supported. Moreover, in hypothesis 3, green performance management and green employee empowerment, as shown in table 4 (0.194, 2.863, 0.004 is the β , t, and p values, respectively), are supported. Moreover, in hypothesis 4 in the mediation of green reward and green employee empowerment, the results shown in the 5th table (0.410, 5.560, 0.000 is the values of β , t, and p, respectively).

Table 5: Direct hypotheses testing

Hypot hesis	Relationship	Std. Beta	Std. Error	T value	P Value	Decision
H1	Green_Training-> Green_employee_empowerment	0.196	0.073	2.675	0.008	Supported
H2	Green_employee_empowerment-> OCBE	0.681	0.052	13.022	0.000	Supported
H3	Green_performance_management-> Green_employee_empowerment	0.194	0.068	2.863	0.004	Supported
H4	Green_reward-> Green_employee_empowerment	0.410	0.074	5.560	0.000	Supported

4.3.2 MEDIATION ANALYSIS

The indirect effect was analyzed using the current study's bootstrapping method (Preacher & Hayes). Table 6 shows that the bootstrapping results validated all mediation hypotheses. Hypotheses 5, 6, and 7 had P-values less than 0.05, and zero did not fall within the upper and lower limits of 97.50 percent and 2.50 percent.

Table 6: Indirect Hypothesis Testing

Hypothesis	Relationship	Std. Beta	Std. Error	T value	2.50%	97.50%	Mediation
H5	GTR->GEE->OCBE	0.134	0.05	2.656	0.03	0.226	Supported

H6	GPM->GEE->OCBE	0.132	0.049	2.71	0.049	0.228	Supported
H7	GRE->GEE->OCBE	0.28	0.06	4.672	0.151	0.389	Supported

The primary objective of the present study was to study the impact of GHRM practices on organizational citizenship behavior towards the environment through mediating the role of green employee empowerment, as they contribute to the sustainable development of the banking industry of Pakistan. The results indicate that green rewards and training can have a necessary but not the most significant influence on the employee's performance. Daily et al. (2012) examined Mexico of 220 manufacturing firms, concluding that green development and training had the most significant impact on the performance of employees. As per Masri and Jaaron (2017), the green approach to training and development is a significant contributor to the performance of employees. Mishra et al. (2014) observed similar results in other nations like India regarding gaining employee benefits due to the use and implementation of GHRM practices. The results suggest that Pakistan should invest more money into green performance management, green rewards, and green training to apply GHRM practices more effectively to increase organizational citizenship behavior towards the environment. The results of this study match Baiand Sarkis (2010), who believe that employee performance can be improved through employee training. Ahmad (2018) stated that employee rewards and training programs must cover environmental and social concerns.

The current study's findings show a significant mediation impact of green employee empowerment between green performance management, green rewards, green training, and organizational citizenship behavior towards the environment. Studies have suggested that companies should establish Environmental management systems and environmental audits to ensure that they meet the overall standards of performance. Scholars argue that managers must develop green performance-related goals and responsibilities to quickly assess employee performance

5.1 THEORETICAL AND PRACTICAL IMPLICATIONS

This study offers valuable insights to managers about what they should consider when choosing GHRM to ensure organizational citizenship behavior towards the environment. It also aids managers in understanding how to effectively influence employees to address issues related to the environment more profoundly and constructively. The study focuses on the significance of GHRM techniques in Pakistan's banking sector. In this era of globalization, the top Human Resources and management are now responsible for implementing organizational citizenship behavior towards the environment by infusing GHRM practices into a company's goals and vision. Thus, the top management must integrate environmental initiatives into the corporate perspective and image reflected in their daily decision-making. This research can help and inspire the financial sector managers to establish sustainable goals for strategic planning with specific GHRM.

5.2 LIMITATIONS AND FUTURE PREDICTIONS

Although the investigation is built on data gathered through the banking sector in Pakistan, The findings must be adapted to other industries and cultures to assess the organizational citizenship behavior towards the environment by implementing GHRM practices. Because of the absence of study in this particular context, further research is required to study how GHRM practices can assist organizations in creating cleaner products and lessen environmental risk. Comprehensive studies are required in the developing world to increase the generalization of current findings and determine the most efficient combinations of GHRM practices needed for organizational citizenship behavior towards the environment, ultimately leading to organizational sustainability.

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