

# **Green Human Resource Management Practices and Employees Job Performance in Commercial Banks in Eastern Province, Sri Lanka**

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## **Abstract**

Green human resource management (GHRM) has been rapidly implemented in most of the developed countries in recent years, but fewer developing countries have been implementing the GHRM concept. The concept of Green is slightly popular in Sri Lanka, even though most of the organizations are not aware of the advantages that can gain by practicing green HRM. This concept widely used by the academic and professionals in Sri Lanka. Therefore this investigation highly focuses on the impact of GHRM practices on employees' job performances in the commercial Banks in the Eastern province in Sri Lanka. The GHRM practices will help the employees by creating awareness and new ideas about the eco-friendly practices in the organization. The researchers adopted the primary data collection method to obtain the raw data. The data were collected from 175 managerial and non-managerial levels employees in the licensed commercial banks in the Eastern province in Sri Lanka. The results of this study show that there is a positive significant effect by adopting GHRM practices on employees' job performance in commercial banks in the Eastern Province in Sri Lanka. This investigation aid the human resource manager in encouraging employees to practice and adopt GHRM in any organization in order to uplift the life of every employees and the individual performance in the organization.

**Keywords:** Commercial banks, environmental goals, green, human resource management, waste segregation

## **1. Introduction**

In the contemporary world, organizations aren't merely battling against economic, natural and environmental challenges. Presently are all the fellowships have a great awareness about environmental issues? Now a day's people were facing a lot of difficulties to overcome several barriers in their day-to-day life. Green practices can help people to overcome all these barriers. The recent past number of researches were conducted under the Green practices such as; Green Marketing, Green Accounts, Green Retailing, and Green Management, etc. These green adaptations can also lead the world to eradicate the prevailing global pandemic issue. Green Human Resources Management (GHRM) is an Environmental Management concept that can be adopted in every corporate environmental agenda. The people working in any organization have a responsibility to protect our Nation. The solution behind the protection and the sustainable development of our planet would be "Go Green". GHRM means adopting HR practices to encourage the efficient use of organizational

resources by the organizational member in order to achieve the organizational goals. Since attracting quality employees are one of the reliable goals of the organization. Quality employees are a costly asset of the organization. They are the back bone for the growth of the organizations. Therefore the employer should enrich and motivate the employees towards organizational goals. Currently, organizations need to align corporate goals with environmental goals in order to compete successfully. The adaptation of the green workforce is one of the leading factors to achieve the proper growth of the organization.

This is one of the trending topics in concern of environmental awareness in the modern business field. Therefore, this investigation will enhance the knowledge of GHRM practices in commercial banks in the Eastern Province in Sri Lanka. This paper can able eliminate the prevailing gap in this area. "Green HRM" is used to the concern of people management system, guidance, and practices towards the wider corporate environmental practices. The practice of green HR includes recruitment, selection, and compensation, performance management, training and development, employee involvement, and participation. There are only a few researches regarding GHRM, and there are none that regarding the GHRM practices and the job performances of the employees. To fulfill this research gap, the researcher has identified the research problem that needs to find the answer through this study. So the researcher conducts this study to identify the GHRM practices implementation and their impact on the job performance of the employee in licensed commercial banks in the Eastern Province in Sri Lanka.

## **2. Research Problem and Objectives**

The prevailing global pandemic is one of the arising burdens for every Nation whole over the world. Organizations are facing a lot of unpredictable issues back to back. Since there is a need for every organization to move towards "Green". Green HRM has been understood with different meanings by different people. Green HRM is one of the important techniques to utilize organizational resources in order to achieve the sustainable development of the organizations. In Sri Lanka, the concept of Green HR need to be enhanced to attain its whole purpose. Currently, there are few organizations that have realized the benefit of GHRM and adopted it in their organizations even though it can be adopted by the rest of the Nation. But the organization not much aware of these new practices. Therefore, the primary objective of this investigation is to identify the impact of Green HRM practices on the performances of employees in the licensed commercial banks in the Eastern Province in Sri Lanka.

## **3. Literature Review**

This study indicates an overview of prior works of literature by the various authors. Empirical review is classified into three different categories such as GHRM, Green Human resource management practices, and the impact of green human resource management practices on the employee's performance.

### ***3.1 Empirical studies on green human resource management***

Opatha (2013) describes the Green, meaning for GHRM, reason, and importance of GHRM, Requirements of GHR, and functions of GHRM. Their paper leads to gain conceptual background of GHRM. Opatha and Arulrajah (2014) conducted an exploration regarding Green Human Resource Management-Simplified general reflections. This study is focused on the adaptation of GHRM in Sri Lankan context. It contributes

to the community, business field, and the workforce. The researchers adopted the archival method to structure the research. They stated green competencies, green attitude, green behavior, green results are the requirement of greening HR in order to attain the corporate environmental objective. Further, they found that there is a substantial prevailing gap exists in relation to GHRM.

Zaraket and Halawi (2017) suggested that recycling and reuse are one of the main GHRM practices to prevent natural abuse. This suggestion was supported by investigating the impact of GHRM on employee behavior. This study was conducted by choosing two diverse industries as a sample for exploring the Green HRM on employee work behavior. University and banks were the sample element to collect the data. Data were collected through personal observation, and a survey was conducted with a large sample size selected from the employees and HR professionals. Authors found that banking sectors were highly motivated towards Green concerns, and they have gradually improved their attention towards a green economy.

### ***3.2 Empirical studies on green human resource management practices***

Shoeb (2015) conducted a study on Green Human Resource Management: Policies and practices. This study provides a basic idea and understanding of Green HRM practices. The researcher argues that the movement toward greening HR is still in the stage of infancy. A systematic review was done to structure the research paper. The author put forward that Green HR practices are environmentally friendly practices. The paper consists of a new idea about the GHR functions such as green recruitment, Green performance management, Green training and Development, Green compensation, Green employee relation, Green initiative for HR, Green building, Paperless office, Conservation of energy, and Recycling and waste disposal.

Arulrajah, Opatha, and Nawaratne (2015) investigated Green Human Resource Management Practices: A review of organizations. The authors suggested that there only a few functions of GHRM practices were added to the existing literature. Therefore this investigation explored some more function of GHRM Practices to add to the current literature, such as Green job design and analysis, Green Human resource planning, Green Recruitment, Green selection, Green induction, Green performance evaluation, Green reward management, Green health, and safety management, Green employee discipline Management, Green employee relation. This study was adopted using the systematic review based on the Archival method. The study concluded with the benefit of the inherent capacity of GHRM practices in greening the employee of the organizations.

### ***3.3 Empirical studies on the impact of green human resource management practices on employees' job performance***

Ragas, Tantay, Chua and Sunio, (2017) conducted a study on Green lifestyle moderates GHRM's impact on job performance. The authors suggested that the Green lifestyle of the employee will contribute to the organizational growth and great sustainability of the employees' performance. This suggestion was proved by conducting a questionnaire survey. The sample size of this study consist of 332 respondents. A simple random sampling technique was used to get the responses from the different private firms in various industries. The researchers found that there is a positive impact on employees' lifestyle and their job performance by implementing the GHRM.

Kalpana-Devi, (2018) conducted a study on the Influence of Green HRM Practices on Employees Performance Level. This study observed the benefits of green HRM practices among several organization

and their influence on employee's performance levels. The main objective of the study was to study the influence of Green HR practices in motivating employees' level of performance in the organizations. The study concludes that adopting green HRM helps in improving environmental performance as well as improving the financial performance of the organization. Kim, Kim, Choi, and Phetvaroon (2019) Investigated the "effect of green human resource management on hotel employees' eco-friendly behavior and environmental performance" in order to identify the impact of GHRM on employees' organizational commitments. The researcher used 14 hotels which were implemented GHR practices even though there are 177 hotels in Phuket. The findings revealed that there is a positive significant effect of GHR on employees' organizational commitments.

Zoya (2019) explores the impact of Green HR Practices on employees' performance. This research investigates the adaptation and implementation of green HR policies. The data collected from 50 respondents by distributing the questionnaire. Therefore, the study gathered data using the questionnaire using random sampling techniques, and the sample size of the study was 50 responses. The study found that recycling waste, Spreading green thinking, rewarding employees on the basis of green activity, and implementing green technologies increases the performance of the employees as well as the organizational performance. Wlansari, Witastuti, & Siti (2019) conducted a study on Green Human recourse management on performance using the data which were collected from the 232 employees in state universities in Central Java Province. Collected data were analyzed using the Structural Equation Modeling (SEM) analysis, and the hypothesis was tested. The study result showed that GHRM has a significant positive impact on the performance of employees. And they suggested that GHRM has a vital role in the universities.

Most of the organizations are facing difficulties in motivating the employees to adapt to the green practices, to develop green culture, and change the behaviour of the employees in a short span. Adopting green practices would increase the morale and performance level of the employees, which in turn would be beneficial to both the organization and the employees. Adopting green HRM helps in improving environmental performance as well as improving the financial performance of the organization. Green HRM practice improves the well-behavior of the employees in the organization.

#### 4. Conceptual Framework

Literature reveals that there is a relationship between GHRM practices and employee's job performance. Based on the literature few key areas are highlighted as the main dimensions of GHRM practices at the workplace. The following figure clearly explains the variables used in this investigation.

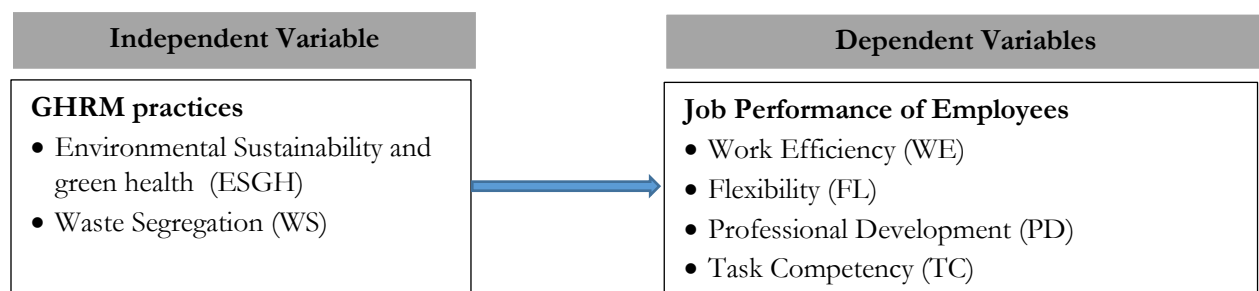


Figure 1: conceptual frame work

Based on the above conceptual framework, the following hypothesis was developed.

**Null Hypothesis**

**H<sub>01</sub>:** There is no significant impact of GHRM practices on employee job performance in licensed commercial banks in the Eastern Province in Sri Lanka.

**Alternative Hypothesis**

**H<sub>a1</sub>:** There is a significant impact of GHRM practices on employee job performance in licensed commercial banks in the Eastern Province in Sri Lanka.

**5. Methodology**

This study is based on the quantitative research method. Data gathered by questionnaire refer as quantitative data, which involves the use of a more structured plan for data collection. Gathered data are used to analyze the impact of GHRM practices on the job performances of the employees in licensed commercial banks in the Eastern Province in Sri Lanka. A total of 175 bankers covering all the managerial and non-managerial levels were taken as the sample of the study by using the Random sampling techniques from four banks among those licensed commercial banks and the branches which are located in the eastern province to collect the data. For the data collection, a structured questionnaire was used. The questionnaire consists of two main sections with 42 questions, including 16 questions to measure GHRM practices (Part I Q1-Q16) and 26 questions to measure employee job performance (Part II Q1- Q26). All these sets of questions are standardized and checked validity by previous researchers. SPSS (version 20) software package used for editing, classification, and tabulation. Five-point Likert scale was used to collected the data.

**6. Data Analysis**

The data collected through the questionnaire were initially used for the descriptive statistical analysis to provide an understanding with regard to the central tendency of variables. Next, Pearson correlation analysis is used to demonstrate associations with variables and test the problem of multicollinearity. Then the regression analysis was used to show the impact of GHRM practices and performance of employees with regard to the overall sample.

**6.1 Descriptive Analysis of Green Human Resource Management Practices (GHRMP) and Employees' Job Performance (JP).**

**Table 1: Descriptive statistics**

	GHRMP	JP
Mean	3.6939	3.6328
Std. Deviation	.36539	.36716
Skewness	-.475	-1.247
Kurtosis	.182	1.871
Minimum	2.53	2.27
Maximum	4.59	4.27

Table 1 shows the result of the descriptive analysis. Mean values and standard deviation of data can be used to identify the nature and the central tendency of the GHRMP and JP. According to the data was presented in table 1, the Independent variable of green human resource management practices (GHRMP) has a mean value of 3.6939 is in the agreed level and the dependent variable job performance (JP) has a mean value of 3.6328, which is also in an agreed level. The standard deviation of both variables is 0.36539 and 0.36716, respectively. It explains that the Standard deviation also at a satisfactory level. Further, both Skewness values for the GHRMP and JP are -0.475 and -1.247, respectively mean time Kurtosis value for the GHRMP and JP variables are 0.182 and 1.871, respectively. Both measures are below +2 and -2, which satisfied the necessary condition for normality. It can be assumed that the data are normally distributed.

## **6.2 Validity and Reliability Analysis**

Subsequently, researchers have tested the reliability and the validity of data in order to find out the fitness for further analysis.

### **6.2.1 Validity Analysis**

The variable should be greater than 0.5 at the relevant significant level, and Bartlett's test of Sphericity should be significant at less than 0.05. Table 2 shows that the KMO of all the variables are greater than 0.6, and Bartlett's test of Sphericity significant at 0.000. Based on the results, it can be concluded that all the variables are valid for further analysis.

**Table 2: Results of Validity Analysis**

Variable /Dimensions	Kaiser-Meyer-Olkin Measure of Sampling Adequacy. (KMO)	Sig.
<b>GHRM Practices</b>	<b>0.830</b>	<b>0.000</b>
Environmental sustainability and green health	0.841	0.000
Waste segregation	0.715	0.000
<b>Job performance of employees</b>	<b>0.865</b>	<b>0.000</b>
Work efficiency	0.768	0.000
Flexibility	0.758	0.000
Professional development	0.831	0.000
Task competency	0.624	0.000

### **6.2.2 Reliability Analysis**

The following table 3 shows Cronbach's alpha value for all variables. The Cronbach's alpha value for all the variable above 0.5 and close to 0.8 which is indicating that the reliability of the variables are in acceptable level. Therefore the data which were collected by using the questionnaire are fit for further analysis.

**Table 3: Results of Reliability Analysis**

Variable /Dimensions	Cronbach's alpha value	Number of questions
<b>GHRM Practices</b>	<b>0.881</b>	<b>16</b>
Environmental sustainability and green health	0.864	12
Waste segregation	0.658	04
<b>Job performance of employees</b>	<b>0.830</b>	<b>26</b>
Work efficiency	0.745	04
Flexibility	0.624	08
Professional development	0.684	08
Task competency	0.550	06

### **6.3 Correlation Analysis**

The magnitude of the correlation coefficient indicates the strength of the association between variables, and the sign of the correlation coefficient shows the direction of the relationship between variables. Table 4 shows the Pearson Correlation for the independent variable GHRM practices (GHRMP) and the dependent variable job performance of employees (JP).

**Table 4: Results of Correlation Analysis**

		JP	GHRMP
<b>JP</b>	Pearson Correlation	1	
	Sig. (2-tailed)		
	N	175	
<b>GHRMP</b>	Pearson Correlation	.800**	1
	Sig. (2-tailed)	.000	
	N	175	175

\*\**. Correlation is significant at the 0.01 level (2-tailed).*

The correlation coefficient of GHRM practices and job performance is 0.800 at the 0.000 significant level, which describes the positive and strong relationship between these two variables ( $r=0.800$ ,  $P<0.05$ ). It means if GHRMP increases by 1, employee job performance increases by 0.800. On the other hand, if GHRMP decreases by 1, employee job performance decreases by 0.800 in the licensed commercial banks in the Eastern Province in Sri Lanka.

**6.4 Regression Analysis**

**Table 5: Model summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson	F	Sig.
1	0.800	0.639	0.637	0.22116	1.884	306.561	0.000

a. Predictors: (Constant), GHRMP

b. Dependent Variable: JP

According to the result of regression analysis, the ANOVA test shows that the regression model is significant since the significant value is 0.000 ( $P < 0.5$ ). Table 5 shows the model summary of the regression analysis. In here the value of the  $R^2$  shows the degree to which extent the variance of the dependent variable is explained by the independent variables. R square value is 0.639, which shows 63.9 % of the variance of employee's job performance of the licensed commercial bankers is explained by GHRMP. Only 36.1 % of the variance of the employee's job performance is explained by the other influencing factors which are not considered by this study.

**Table 6: Coefficient**

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.		
	B	Beta				
1	(Constant)	.665	.170	3.905	.000	
	GHRMP	.803	.046	.800	17.509	.000

a. Dependent Variable: JP

Table 6 shows the coefficient table of the regression analysis.  $\beta$  (Beta) value of the GHRMP represents the degree to which extent the Job Performance of employees can be affected by the GHRMP (independent variable) while other independent variables remain constant. GHRM practices were be statistically significant because their P value is less than 0.05 ( $P = 0.000$ ).

Based on the above results the researcher has developed the model as follows;

$$JP = 0.665 + 0.803 \text{ GHRMP}$$

JP = Dependent variable (Job Performance of employees)

a = Y axis intercept point

b = Slope of the line ( $\Delta X / \Delta Y$ )

$X_1$  = Independent variable (Green Human resource management practices)



### 6.5 Test of Hypothesis

Base on the result of regression analysis  $H_{01}$  or the null hypothesis cannot be accepted, and alternative hypothesis  $H_{a1}$  can be accepted. Hence according to these results, it can be statistically concluded that there is significant positive impact of GHRMP on JP of employees in the licensed commercial banks in the Eastern Province in Sri Lanka. the following table shows the result of hypothesis testing.

**Table 7: Summary Result of Hypothesis Testing**

Hypothesis	R <sup>2</sup>	Significant value	Null Hypothesis ( $H_{01}$ )	Alternative hypothesis( $H_{a1}$ )
Impact of GHRM practices on job performance of employee	0.639	0.000	Rejected	Accepted

## 7. Findings and Discussion

The survey findings are compiled and presented here in relation to the research objectives. Researchers use descriptive statistics, correlation analysis, and simple linear regression analysis to come up with the final output.

The employees in any organization should be motivated and inspired towards the adaptation of green management. At least the organization should adopt GHRM in the organization. Going Green is considered a necessary component in any field, such as green production, green wastage system, Organizational Green IT adaptation, Green supply chain practices, Green purchasing, adaptation of a green product, and Green marketing going green.

Therefore, there is a positive influence in Green HRM practices on the job performance of employees in the organization. The above statement is supported by the data presentation and findings. It shows a relationship between GHRM practices (GHRMP) and the job performance of employees (JP). The correlation coefficient of GHRM practices and job performance is 0.800 at the 0.000 significant level, which describes the positive significant and strong relationship between these two variables. The results in line with (Ragas et al., 2017).

Summary of the regression analysis, the value of the R square shows the degree to which extent the variance of the dependent variable is explained by the independent variables. According to the result of regression analysis 63.9 % of the variance of employee's job performance of the bankers is explained by GHRM practices. Only 32.1 % of the variance of the employee's job performance is explained by the other influencing factors which are not covered by the current study.

The value of GHRM practices is 0.000, which is less than 0.05, which indicates that the GHRM practices implementation impact on employee's job performance with 95% confident interval, and the Beta value of this independent variable is 0.803, which is a positive value. Therefore it is statistically concluded that there is a significant positive impact of GHRMP on job performances of employees in licensed commercial banks in the Eastern Province in Sri Lanka.

## **8. Conclusion**

Even though GHRM is a hot topic and trend-setting phrase all over the world, it is not widely recognized in Sri Lanka. Therefore, this investigation provides wider information about the GHRM practices and their impact on the employee's job performance in the banking industries. This study suggests that GHRM practices can lead to eradicating the environmental issues faced by any organization, and it helps to attain the sustainable development of the organization and the environment. With the transformation of the global weather condition and recurring calamities worldwide. Sri Lanka is a country which faces lots of environmental disasters annually in the recent past. So the concept of Green is slightly popular in Sri Lanka, even though most of the organizations are not aware of the advantages that can gain by practicing green HRM. Therefore, this investigation can lead to motivate several industries for the implementation of the GHRM.

The main objective of this research was to examine the impact of the implementation of GHRM practices in the workplace on the job performance of the employee's in the licensed commercial banks in the Colombo district. The results of this study show that how the implementation of GHRM practices in the workplace impact to the job performance of employee's in the licensed commercial banks in the Eastern Province in Sri Lanka. According to the analysis results and discussion of the study, conclusions are made. Environmental sustainability, green health, and waste segregation have a positive impact on the work efficiency, flexibility, and efficiency of the employees, professional development, and task competency of the employees of the licensed commercial banks in the Colombo district. The finding of this study in line with (Wlansari, Witastuti, & Siti, 2018; Ragas et al., 2017; Zoya, 2019).

Waste segregation is one of the leading GHRM practices to increase the employee's job performance in the organization in line with (Delmas & Pekovic, 2013; Cherian & Jacob, 2012). This investigation aid the HR manager in encouraging employees to practice and adopt GHRM in any organization in order to uplift the life of every employees and the individual performance in the organization.

## **9. Recommendation for Future Studies**

This study is one of the trending topics in the world. Even though there are little researches conducted on this field in Sri Lanka, this research would be new evidence for the prevailing literature in Sri Lanka. This study can be used as a benchmark for future researchers to study further on the implementation of the GHRM practices in various industries. This study only focused on the employee's job performance, since there are other factors that also can be effect by the GHRM practices such as employee's job satisfaction, growth of the organization, The performance of the organization, which can highly contribute to the Nation. Therefore the future studies can be carried out on the above-mentioned variables.

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