Does green organizational identity mediate green human resource management on employee green behavior?

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Abstract

This study aims to analyze and explain the mediating role of green organizational identity on the influence of green human resource management on employee green behavior. This research was conducted at PT Yoga Barn. The population in this study amounted to 95 people. The number of samples used was 95 employees, using the non-probability sampling census method. Data collection was obtained through questionnaires and interviews. The analysis technique used is descriptive statistical analysis and inferential statistical analysis. The data were analyzed with a Structural Equation Model (SEM) with a Partial Least Square (PLS) approach and using SmartPLS 4.0 software. The results showed that green human resource management has a positive and significant effect on employee green behavior and green organizational identity, green organizational identity has a positive and significant effect on employee green behavior. Green organizational identity partially mediates the effect of green human resource management on employee green behavior. Companies need to pay attention to the implementation of green human resource management and green organizational identity comprehensively so that employee green behavior in employees can be better implemented.

Keywords: Green organizational identity; Green human resource management; Employee green behavior; Human Resource; Green Behavior

1. Introduction

Human resources are the main drivers of policy in organizations. Workers are the main contributors in the search for corporate environmental plans and the intensity of environmental policies has an influence on green behavior (Leidner et al., 2019). The achievement of green performance reflects the level of commitment of the company in protecting the natural environment, it depends on the collaboration of employee behavior (Umrani et al., 2020).

The key to success for human resource (HR) managers to create a competitive advantage is to implement initiatives that encourage well-being, green behavior and employee engagement, especially in organizations in the tourism industry that put significant pressure on the environment (Ribeiro et al., 2022). PT Yoga Barn is a company engaged in fitness / wellness tourism and is one of the largest wellness centers located in Ubud District, Gianyar Regency, Bali Province. PT Yoga Barn is owned by three owners namely Made Gunarta, Meghan Pappenheim, and Charley Patton. PT Yoga Barn was established in 2002, has 9 studios, provides yoga classes, meditation, dance, healing, health and fitness sessions. PT Yoga Barn also offers a wide range of ayurvedic spa treatments, as well as a healthy food restaurant.

Meghan Pappenheim, one of the shareholders of PT Yoga Barn, pointed out that the founders of PT Yoga Barn had a vision to create and nurture a sustainable wellness tourism business that became a space for visitors and employees to experience positive self-change through yoga and a healthy lifestyle, redirecting modern lifestyles to a more sustainable
and environmentally friendly path. The effort to build a sustainable wellness tourism business in question is to create a balance of life for both business actors, management, and consumers in accordance with the Tri Hita Karana concept as the philosophical foundation of PT Yoga Barn, which is to maintain three causes of happiness that come from harmonious relationships between humans and their God, humans and humans, and humans and the environment. The basic principle of balance according to the concept of Tri Hita Karana not only shapes the growth of PT. Yoga Barn as an environmentally friendly business, but also influences the management of the business and its human resources.

The manager of the HR department of PT The Yoga Barn stated that the company has 192 employees, 95 of whom have more than 1 year of service. Employees who have more than a year of service have passed the trial period and initial orientation about understanding PT Yoga Barn as a sustainable wellness tourism business. PT Yoga Barn conducts company management and implementation of human resource management that leads to environmentally friendly efforts, for example by providing training on waste sorting and maintaining hygiene to employees, encouraging employees to save electricity resources when not in use, sorting waste in landfills, and striving for business operations using environmentally friendly products. These steps are taken to increase employee awareness in environmentally friendly behavior in the workplace and position PT Yoga Barn as a company that has an environmentally friendly image.

The results of the preliminary study by conducting interviews with 5 managers and 5 employees of PT Yoga Barn including from the Human Resources, Sales & Marketing, Accommodation, Guest Experience, and Wellness departments, in general it was found that some employees understood well about their obligation to keep the workplace sustainable by taking steps such as always using electrical energy efficiently, printing double-sided documents to save paper, and sorting waste at the final disposal. This understanding is not in accordance with the application of environmentally friendly behavior in the workplace, Employees admit that they still do not fully carry out job duties and initiatives in accordance with what they expect and the environmentally friendly vision of the company owner. The practice of environmentally unfriendly behavior in question is the mixing of waste in landfills even though waste disposal facilities have been distinguished in several places, the use of pest control and chemical-based pool and bathroom cleaning drugs, the large use of paper and plastic laminating on printed promotional materials, the large number of printed company documents and papers that are not recycled, the lack of employee initiative in turning off lights and air conditioners when the room is not in use.

The practice of environmentally unfriendly behavior is caused by the company’s environmentally friendly vision and mission that has not been well defined and employees’ understanding of the cultural tradition of environmental management of PT Yoga Barn as an environmentally friendly organization and the attention to environmental protection management by the company has not been seriously carried out. Green human resource management (GHRM) at PT Yoga Barn has not really been fully practiced, especially in terms of performance appraisal, awarding and promotion. The preliminary study that has been mentioned identifies that there are problems with the environmentally friendly behavior of employees at PT Yoga Barn. One indicator of environmentally friendly behavior or Employee Green Behavior (EGB) that has not been fully carried out is the behavior of employees to act environmentally friendly in the workplace is still less than what is expected, and the fulfillment of environmentally friendly responsibilities specified in the job description is not maximized. Factors that can increase employee green behavior are the implementation of green human resource management (Dumont et al., 2020; Ribeiro et al., 2022; Zhu et al., 2021; Darvishmotevali and Altinay, 2021) and green organizational identity (GOI) which plays a role in mediating the effect of green human resource management on employee green behavior (Zhu et al., 2021; Ribeiro et al., 2022; Shen et al., 2016; Chaudary, 2019; Dumont et al., 2016; Saeed et al., 2018; Liu et al., 2020).

Employee green behavior must be aligned with the goals of environmental sustainability in the organization and the achievement of environmentally friendly performance (Anwar et al., 2020). Employee green behavior, which is behavior that supports the organization’s environmental goals, has an impact on the organization’s green performance (Pham et al., 2019). In addition, research leads to the discovery that increased employee green behavior results in better green performance (Kim et al., 2019). Organizational carbon emissions will be drastically reduced, so companies can contribute to environmental sustainability when employees are committed to environmental sustainability, due to their moral obligations, or concerns about the extent of environmental damage, or perhaps due to extrinsic motivations such as rewards (Fawehinmi et al., 2022).

Companies offering education and training programs on environmental protection measures to employees, helping them to better understand the importance of environmental conservation as well as the organization’s environmental policies, as well as employees who are more aware of the benefits of such education and training programs can create a greater sense of Identity with their organization as green training creates a positive image of a responsible organization and as suggested by social identity theory where employees can identify themselves with the organization (Kim et al., 2019).
Social identity theory suggests that fulfilling the needs of belonging, self-enhancement, and uncertainty reduction can drive organizational identity (Hogg and Terry, 2000). Based on social identity theory, employees prefer to identify themselves with organizations that have a reputation/image for example, "green" or "environmentally friendly" (Paillé and Meija-Morelos, 2019). An organization that adopts green human resource management practices sends a clear message to employees that the organization is committed to preserving the environment, creating a sense of organizational pride and emotional attachment to the organization (Renwick et al., 2013). Social identity theory shows that green human resource management can be positively related to organizational identity and affect positive employee outcomes, such as employees' environmentally friendly behavior (Gond et al., 2017). Research conducted by Ribeiro et al. (2022) shows that green human resource management can promote organizational identity which can increase environmentally friendly behavior in employees.

Organizational identity can be considered as a collective cognitive framework of an organization that affects the interpretation process of the organization as well as the cognition and actions of its members (Chang and Cheng-Ze, 2021). According to social identity theory, organizational identity can help members understand organizational goals better and help them keep pace with the organization (Besharov, 2014). Employees who identify with the organization tend to integrate the organization's goals, mission, and values into their self-concept, thus developing a high degree of similarity between them and the organization in terms of goals and values (Zhang et al., 2021). The interpretation framework of environmental management related to environmental maintenance and protection states that green organizational identity (GOI) is something that can build and make the behavior of organizational members meaningful together (Chen, 2011). Employees' green organizational identity can be enhanced by green human resource management, which enables employees to form consistent environmental cognition in the organization by transferring environmental norms and green values (Zhu et al., 2021).

Green human resource management is a philosophy that connects humans with environmental strategies and emphasizes the role of human behavior in environmental management (Chaudary and Mantasha, 2022: 29). One of the functions of green human resource management is to enable employees to integrate environmental issues into their work practices, from the most basic to the most complex, thus green human resource management can be seen as an instrument in the fight against climate change that allows organizations to implement measures to repair environmental damage caused by industrial activities and prevent environmental degradation (Paillé, 2022:4). The adoption of green human resource management practices by an organization reflects its pro-environmental stance and concern for an important stakeholder group, the environment (Chaudhary, 2019). Green human resource management focuses on educating the workforce about environmental goals and creating a competitive advantage based on environmental considerations (Darvishmotevalli and Altinay, 2021).

2. Literature Review and Hypothesis Development

2.1. Green Human Resource Management on Green Organizational Identit

Research conducted by Liu et al. (2020) and Zhu et al. (2021) found that green human resource management is significantly related to green organizational identity, where green human resource management allows employees to form environmental cognitions that are consistent with the organization by transferring environmental norms and environmentally friendly values. Rangarajan and Rahm (2011) found that when companies adopt green human resource management practices, they signal to employees that they have a strong corporate social agenda and value the environment, promoting external prestige, thus the organization tends to become more "attractive" to employees.

According to social identity theory, an individual recognizes that they belong to a particular social group, and at the same time, they also recognize the emotional and value-based significance that group members bring to them. Gond (2017) found that by adopting green human resource management practices, the organization sends a clear message to employees that it is committed to environmentally and socially friendly goals beyond any financial benefits, in addition to developing a positive sense of self-worth, people strive to join and remain with high-status organizations because group membership is fulfilling and creates a sense of pride. Ribeiro et al. (2022) found that green human resource management is positively and significantly correlated with green organizational identity. Shen et al. (2016) also showed that the perception of green human resource management has a positive impact on employees' green organizational identity, through green human resource management, the organization is responsible for helping to increase the level of organizational identity felt by employees because it supports the positive status of the company.

- H1: Green human resource management has a positive and significant effect on green organizational identity
2.2. Green Organizational Identity on Employee Green Behavior

Shah et al. (2020) found that green organizational identity has a positive influence on employee pro-environmental behavior, organizational identity at the individual level is enhanced when the organization is more involved in activities related to corporate social responsibility, and further believes that employee perceptions of these activities not only predict organizational identity but also trigger pro-environmental behavior. Similar research by Cheema et al. (2019) has also found that green organizational identity has a direct positive effect on EGB, which in this study is associated with an indirect effect between the organization’s corporate social responsibility (CSR) activities and employees’ environmentally friendly behavior. Ribeiro et al. (2022) found that worker identity in the organization is positively related to the application of environmentally friendly behavior, the correlation between organizational identity and employee green behavior seems to support the idea that the higher the worker's organizational identity, the higher the likelihood of implementing environmentally friendly behavior by workers. Chaudary (2019) in his research found that green organizational identity has a positive and significant effect on Task-related Green Behavior and Voluntarily Green Behavior.

Research by Blader et al. (2017) shows that organizational identity is significantly correlated with employee attitudes (e.g., job satisfaction, work engagement) and employee behavior (e.g., in-role and out-of-role behavior). Liu et al. (2020) specifically found green organizational identity has a significant and positive influence specifically on employee green behavior extra-role or on voluntarily green behavior. Zhu et al. (2021) in more detail found green organizational identity has a significant and positive influence on employee green behavior specifically on task-related green behavior TGB, employees’ recognition of the company’s environmental goals is enhanced, and they then expect to win more environmental benefits for the organization by performing their tasks in a more environmentally friendly way. Employees feel more satisfied as part of the organization when they can identify with the place where they work so that they will work to achieve environmentally friendly goals, and are more likely to act voluntarily in a more sustainable way (Ribeiro et al., 2022).

- H2: Green Organizational Identity has a positive and significant effect on Employee Green Behavior

2.3. Green Human Resource Management on Employee Green Behavior

Ribeiro et al. (2022) found organizations that implement more environmentally friendly human resource management respect humans and the environment positively affect the attitudes and behaviors of their employees, and make positive contributions to the organization and society. GHRM, which refers to the alignment of human resource management practices such as recruitment, training, and performance appraisal with corporate environmental goals, was proposed and suggested to facilitate environmental stewardship by stimulating employees’ workplace green behaviors (Zhu et al., 2021).

Fawehinmi et al. (2019) found that green human resource management did not have a significant direct relationship with employee green behavior in the eco-friendly hotels studied, this implies that the practice of green human resource management in an organization does not mean that employees are willing to practice green behavior. Green human resource management practices must be effectively implemented to motivate employees to implement employee green behavior. The findings of Fawehinmi et al. (2019) also reaffirm that there is a need for the variables underlying green human resource management to have an effect on employee green behavior. Kim et al. (2019) in their findings revealed that green human resource management positively and significantly influenced employee green behavior only for non-eco-friendly hotels and their combined samples while there was no significant effect in the eco-friendly hotel setting.

- H3: Green Human Resource Management has a positive and significant effect on Employee Green Behavior

2.4. Mediate Green Organizational Identity on Green Human Resource Management on Employee Green Behavior

Research by Shen et al. (2016) revealed that green human resource management has a positive impact on employee green behavior specifically on voluntary employee green behavior through the mediating role of green organizational identity. Based on social identity theory Shen et al. (2016) showed that green human resource management can be positively associated with green organizational identity and has positive workplace outcomes, the study has explained the effect of green human resource management practices on positive employee attitudes and behaviors.

Chaudhary (2019) found underlying psychological processes and contingencies by investigating the role of green organizational identity as a mediator of green human resource management and employee green behavior. The findings by Chaudhary (2019) suggest that the implementation of GHRM practices by organizations makes employees identify
strongly with them and display performance behaviors that benefit the organization, the deeper explanation lies in the arguments inherent in social identity theory where people's self-esteem is linked to organizational membership and as a result tend to identify with well-known organizations to enhance their self-concept. Liu et al. (2020) found that green human resource management indirectly and positively affects voluntarily green behavior through the mediating effect of green organizational identity, whereas Zhu et al. (2021) found that green human resource management indirectly and positively affects employee green behavior, especially on task-related green behavior through the mediating effect of green organizational identity, green human resource management transmits organizational green values and environmental goals to organizational members through various practices, employees' recognition of corporate environmental goals is enhanced, and they then expect to win more environmental benefits for the organization by performing their tasks in a more environmentally friendly way. Ribeiro et al. (2022) found when an organization strategically chooses to adopt green human resource management policies and practices it is likely to increase workers' organizational identity and adoption of environmental pro-action behaviors directly as well as employees' green behaviors through green organizational identity as a mediator variable. Commitment to the environment increases the organization's standing in society, thus, making employees strongly identify with and engage in desired organizational performance behaviors (Chaudhary, 2019).

- H4: Green Organizational Identity plays a role in mediating Green Human Resource Management on Employee Green Behavior

3. Methods

The scope of the research includes research subjects, namely employees of PT Yoga Barn, with the subject criteria being employees who have worked for at least 1 year. The reason for choosing a minimum of 1 year of work is to ensure that employees are not new to their field of work and have received orientation and understanding of employee green values, so that the research results obtained can explain the relationship between green human resource management, green organizational identity, and employee green behavior. The total number of employees of PT Yoga Barn is 192 people, this study has a population criterion of 95 people with the consideration that the number of employees who have worked for more than 1 year is used, on the basis that employees who have worked for more than one year have received at least 2 orientations to understand the company's rules and values so that they are considered to be able to understand the company's vision, mission and culture well. The sampling method used is nonprobability sampling, which is a sampling technique that does not provide equal opportunities or opportunities for each element or member of the population to be selected as a sample. The non-probability sampling technique used is saturated sampling, which is a sampling technique using all members of the population, namely 95 employees from PT Yoga Barn. The data analysis technique in this study uses two analysis techniques, namely descriptive statistical analysis and inferential statistical analysis using the SEM (Structural Equation Modeling) analysis method.

4. Result and Discussion

4.1. Structural Model Evaluation (Inner Model)

Inner model or structural model testing is carried out to see the relationship between constructs, significance value and R-square of the research model. The results of testing the inner model can be seen in Figure 1.

Structural model evaluation is carried out using Q-square predictive relevance to measure how well the observed value is generated by the model and its parameter estimates. To calculate the Q-square predictive relevance value, the R-square value of the employee green behavior and green organizational identity variables is required, which is presented in Table 1 below.

<table>
<thead>
<tr>
<th>Construct</th>
<th>R Square</th>
<th>R Square Adjusted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee Green Behavior (Y)</td>
<td>0.723</td>
<td>0.717</td>
</tr>
<tr>
<td>Green Organizational Identity (Z)</td>
<td>0.435</td>
<td>0.429</td>
</tr>
</tbody>
</table>

Table 1 R-Square
Table 1 shows that the R-square value of the employee green behavior variable is 0.723. This can be interpreted that 72.3% of the variability of the employee green behavior construct can be influenced by green human resource management and green organizational identity variables, while the remaining 27.7% is influenced by other variables not included in this study. The next R-Square value on the green organizational identity variable has a value of 0.435, this indicates that 43.5% of the variability of the green organizational identity construct can be influenced by the green human resource management and employee green behavior variables, while the remaining 56.5% is influenced by other variables outside this study. Measuring how well the observation value is generated by the model and also the parameter estimate, it is necessary to calculate the Q-square (Q2) as follows:

\[
Q^2 = 1 - (1 - (R1)^2)(1 - (R2)^2)
\]

\[
= 1 - (1 - 0.723)(1 - 0.435)
\]

\[
= 1 - (0.277)(0.565)
\]

\[
= 1 - 0.156 = 0.844
\]

The Q2 value has a value with a range of 0<Q2<1, where the closer to 1 means the better the model. The results of the Q2 calculation obtained a result of 0.844, so it can be concluded that the model has good predictive relevance. Thus, it can be explained that 84.4% of the variation in the employee green behavior variable is influenced by green human resource management and green organizational identity, while the remaining 15.6% is influenced by other variables outside this research model.

Hypothesis testing is done with the t-test, which is sorting out testing direct effects and indirect effects or testing mediating variables. The description of the results of testing direct effects and indirect effects or testing mediating variables is as follows.

4.2. Direct Effect

This study uses the Partial Least Square / PLS analysis approach to test the research hypothesis. The results of the empirical research model analysis can be seen in Figure 2.

Figure 2 explains that green human resource management and green organizational identity have a significant direct effect on employee green behavior with a t-statistic value of more than 1.96. The results also show that green human resource management has a significant direct effect on green organizational identity with a t-statistic value of more than 1.96. Hypothesis testing is evaluated by looking at the t-statistics value and p-value. If the t-statistics value ≥ t-table value of 1.96 and p-value <0.05, the research hypothesis can be accepted. In more detail, the effect between variables is described in Table 2 below.
Hypothesis testing on the effect of green human resource management on green organizational identity gets a path coefficient value of 0.604 which shows a positive correlation, a t-statistics value of 6.326 (> t-critical 1.96), and a p-value of 0.000 <0.05. This shows that green human resource management has a positive and significant effect on green organizational identity, so it can be stated that the first hypothesis (H1) is accepted. The more the implementation of green human resource management, the higher the green organizational identity of PT Yoga Barn employees.

Hypothesis testing on the effect of green organizational identity on employee green behavior gets a path coefficient value of 0.660 which shows a positive correlation, a t-statistics value of 12.286 which is more than the t-critical 1.96, and a p-value of 0.000 <0.05. This shows that green organizational identity has a positive and significant effect on employee green behavior, so it can be stated that the second hypothesis (H2) is accepted. The higher the green organizational identity felt by PT Yoga Barn employees, the higher the employee green behavior will be.

Hypothesis testing on the effect of green human resource management on employee green behavior gets a path coefficient value of 0.320 which shows a positive correlation, a t-statistics value of 2.977 (> t-critical 1.96) and a p-value of 0.003 <0.05. This shows that green human resource management has a positive and significant effect on employee green behavior, so it can be stated that the third hypothesis (H3) is accepted. The better the implementation of green human resource management in PT Yoga Barn employees, the higher the employee green behavior owned by employees.

4.3. Indirect Effect

The mediating role of green organizational identity on the indirect effect of green human resource management on employee green behavior is presented in table 3 below. The results of the analysis of the effect of green human resource management on employee green behavior through green organizational identity show a path coefficient value of 0.399 and a p-value of 0.000 less than 0.05 (p-value <α). then H4 is accepted. This shows that green organizational identity is able to mediate the effect of green human resource management on employee green behavior positively and significantly.
Table 3 Indirect Effect of Green Human Resource Management Variables on Employee Green Behavior

<table>
<thead>
<tr>
<th>Variable</th>
<th>Path Coefficients</th>
<th>Standard Deviation (STDEV)</th>
<th>T-Statistics</th>
<th>P-Values</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Green Human Resource Management (X) -&gt; Green Organizational Identity (Z) -&gt; Employee Green Behavior (Y)</td>
<td>0.399</td>
<td>0.069</td>
<td>5.816</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

The mediating role of green organizational identity on the effect of green human resource management on employee green behavior. Based on the results of investigating these three influences (a. b. and c) show the influence of P1, P2 and P3 are positive and significant. Then the type of mediating variable in the model is complementary partial mediation. This shows that green organizational identity mediates partially complementary to the effect of green human resource management on employee green behavior. The stronger the green human resource management, the higher the green organizational identity felt by employees which results in increased employee green behavior.

5. Conclusion

The results of this study indicate a positive and significant effect of green human resource management on green organizational identity and employee green behavior, a positive and significant effect of green organizational identity on employee green behavior, and the contribution of green organizational identity in mediating the effect of green human resource management on employee green behavior. By seeing and observing the quality of green human resource management practices, a person will have his own green organizational identity in his company, thus creating a sense of pride which is shown by the increase in employee green behavior of employees towards the company. The reliability shown in the instruments used in this study can be used as a basis for further research, and can be used as an empirical consideration for the development of further research in various industries such as manufacturing, banking, and the education industry related to these variables, especially those related to organizational life in general.

Compliance with ethical standards

Disclosure of conflict of interest

No conflict of interest to be disclosed.

Statement of informed consent

Informed consent was obtained from all individual participants included in the study.

References


