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Employee Satisfaction and Performance Influence on Green Work Behavior in Green HRM: Literature Review

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Abstract

The growing emphasis on environmental sustainability has propelled the adoption of Green Human Resource Management (Green HRM) practices. Green Human Resource Management (Green HRM) refers to the integration of environmental management into human resource practices. It encompasses the development and implementation of sustainable HR policies that promote environmental stewardship within the workplace. This literature review examines the relationships between employee satisfaction, performance, and green work behavior within the context of Green HRM using quantitative methods. Green HRM integrates sustainable practices into HR policies to promote environmental stewardship in the workplace. The review analyzes quantitative data from surveys and performance metrics to assess how employee satisfaction influences performance and how both factors impact green work behavior. Findings indicate a positive correlation between employee satisfaction and performance, with significant implications for green work behavior. Future research should develop tailored strategies to enhance these aspects, thereby maximizing the potential of Green HRM in promoting sustainability and organizational effectiveness.

Keywords

Green HRM, Employee Satisfaction, Employee Performance, Green Work Behavior.

1. Introduction

Green Human Resource Management (Green HRM) has emerged as a critical approach for organizations committed to environmental sustainability. This management framework integrates various HR practices aimed at promoting eco-friendly behaviors among employees. Key practices within Green HRM include environmentally conscious recruitment strategies, eco-training programs, performance management aligned with sustainability goals, and incentive systems that reward green initiatives (AlKetbi & Rice, 2024). The effectiveness of Green HRM hinges on its ability to influence employee behavior towards environmentally responsible actions. Research indicates that when employees are satisfied with their work environment and perceive organizational support for sustainability, they are more likely to engage in green behaviors. These behaviors encompass actions such as reducing energy consumption, minimizing waste generation, and adopting eco-friendly practices both at work and in their personal lives.

Moreover, employee satisfaction and performance play pivotal roles in shaping green work behavior within Green HRM frameworks. Satisfied employees tend to exhibit higher levels of commitment to environmental goals set by the organization, translating into improved overall performance and increased adherence to green practices. Therefore, organizations implementing Green HRM not only contribute positively to environmental sustainability but also enhance employee satisfaction and performance through a holistic approach that integrates environmental concerns into HR practices.

Employee satisfaction plays a crucial role in fostering green work behavior within organizations, according to research findings. When employees feel satisfied, particularly through a sense of alignment with their company's environmental values and goals, they are more inclined to participate in sustainable practices. This satisfaction stems from perceiving organizational commitment to environmental issues, which motivates employees to engage in activities like recycling, energy conservation, and waste reduction. Furthermore, Green HRM practices have been shown to positively impact employee performance. Employees involved in green work behaviors often demonstrate higher levels of motivation and productivity.

Engaging in environmentally responsible actions not only enhances job satisfaction but also contributes to skill development in sustainability-related competencies. These practices include eco-friendly training, performance evaluations aligned with sustainability targets, and incentives for green initiatives, all of which contribute to improved job performance and heightened commitment to organizational goals. In essence, organizations that integrate Green HRM practices not only advance environmental sustainability but also cultivate a work environment where employees are more satisfied and perform better. This dual benefit underscores the strategic importance of aligning HR strategies with sustainability objectives, thereby fostering a culture of responsibility and innovation among employees.

Effective implementation of Green HRM practices can improve overall organizational performance. Organizations that promote green work behavior typically experience enhanced operational efficiency and reduced costs due to better resource management and waste reduction. Additionally, fostering a culture of sustainability can enhance the company's reputation, attract talent, and improve stakeholder relationships. The literature highlights a robust relationship between employee satisfaction, performance, and green work behavior within Green HRM. Organizations that effectively integrate Green HRM practices can expect improved employee morale, enhanced job performance, and overall organizational success in achieving sustainability goals.

2. Literature Review

Putra et al. (2024) conducted a quantitative study examining the influence of workload and the working environment on employee performance, with job satisfaction as a mediating variable at CV. Kebab Bosman Food Indonesia. The research utilized statistical methods to analyze data collected from 50 employees across various levels at the company's Surabaya, East Java location. The study employed a saturated sampling technique to gather data on workload, work environment, job satisfaction, and employee performance. Statistical analysis techniques, specifically Partial Least Squares (PLS), were employed to explore the relationships between these variables and to investigate how job satisfaction mediates employee performance. Hypothesis testing utilized t-tests to assess the impact of independent variables, applying a 95% confidence level. The findings underscored that job satisfaction significantly and positively influences employee performance, suggesting that higher levels of job satisfaction are associated with enhanced performance among employees at CV. Kebab Bosman Food Indonesia.

Therefore, Idris et al. (2024) conducted a quantitative descriptive study investigating the influence of work motivation and work environment on job satisfaction, and their subsequent impact on the performance of Bank Mandiri employees in Palembang City. The research involved primary data collection from 192 employees using questionnaires, chosen for their efficiency in capturing specific variables and desired responses across a large respondent group. Data analysis utilized structural equation modeling (SEM) through the LISREL Software Package to examine the relationships between work motivation, work environment, job satisfaction, and employee performance. The findings revealed a direct and significant positive effect of job satisfaction on the performance of Bank Mandiri employees in Palembang City. This suggests that even minor increases in job satisfaction can lead to considerable improvements in employee performance within the banking sector context.

Sundjoto et al. (2024) conducted a quantitative study focusing on the mediating role of job satisfaction in the relationship between the non-physical environment and employee performance. The research targeted staff-level employees from paper companies in East Java, with a sample size of 125 respondents selected randomly from the population. The study utilized a Likert scale in the questionnaire to assess respondents' perceptions of various statements. Data analysis employed Structural Equation Modeling (SEM) with the Partial Least Squares (PLS) method to investigate how job satisfaction mediates the influence of the non-physical environment on employee performance. The findings underscored that job satisfaction not only directly results from a positive non-physical work environment, characterized by factors such as inclusive organizational culture, effective communication, and supportive leadership, but also acts as a mediator enhancing employee performance. This suggests that fostering a supportive and conducive work environment can significantly improve job satisfaction among employees, thereby motivating them to achieve better performance outcomes.

Malokani et al. (2023) examined the impact of green HRM practices on job satisfaction, with a focus on the mediating role of employee green commitment. The study collected primary data via printed questionnaires from 350 pharmaceutical employees in Karachi, Sindh, Pakistan, using a convenience sampling method. SmartPLS was utilized for data analysis, revealing a positive correlation between job satisfaction and green HRM practices. The findings supported the hypothesis that employee green commitment mediates the relationship between job satisfaction and green HRM practices, suggesting that fostering green HRM initiatives can enhance job satisfaction through increased employee commitment to environmental goals.

Meanwhile, Sugiarto & Huruta (2023) investigated the antecedents of green creativity, emphasizing the mediating role of employee green commitment and job

satisfaction. This research employed questionnaires to gather responses from 200 employees in Indonesian companies committed to sustainability practices. Partial Least Squares Structural Equation Modeling (PLS-SEM) was used for statistical analysis, revealing both direct and indirect effects of green HRM, employee green commitment, and job satisfaction on green creativity. The study's findings provided empirical evidence that nurturing green HRM practices and fostering employee commitment to environmental goals not only enhances job satisfaction but also stimulates green creativity within organizations in Indonesia.

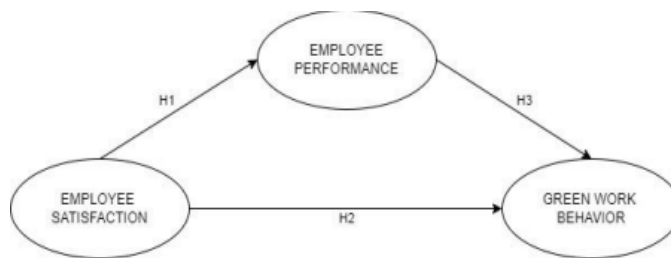


Figure 1. Research Framework

- H1: Employee satisfaction has significant effect on employee performance
- H2: Employee satisfaction has significant effect on green work behavior
- H3: Employee performance has significant effect on green work behavior

3. Method

The research method used is literature review, adopting findings from previous studies to investigate variables such as employee satisfaction, employee performance, and green work behavior. This study references related studies including Putra et al. (2024), Idris et al. (2024), Sundjoto et al. (2024), Malokani et al. (2023), and Sugiarto & Huruta (2023). In this context, Putra et al. (2024) discuss how job satisfaction influences employee performance through mediating variables, while Idris et al. (2024) explore the relationships between work motivation, work environment, job satisfaction, and employee performance in the banking sector. Sundjoto et al. (2024) focus on the mediating role of job satisfaction in the influence of non-physical environments on employee performance, whereas Malokani et al. (2023) and Sugiarto & Huruta (2023) highlight the impact of Green HRM practices on job satisfaction, green work behavior, and employee commitment to the environment. This research uses literature as a foundation to compare and analyze previous findings to gain a deeper understanding of how employee satisfaction, performance, and green work behavior are interconnected. This approach aims to contribute new insights and a better understanding in the context of sustainable human resource management and environmental orientation.

4. Result

Employee satisfaction's profound impact on employee performance is substantiated by various theoretical frameworks put forth by renowned authors in organizational behavior and human resource management. According to Herzberg's Two-Factor Theory (1959), job satisfaction is influenced by motivators such as recognition, achievement, and the nature of the work itself, which directly enhance employee performance. When these intrinsic motivators are present, employees are not only satisfied but also motivated to excel in their roles, thereby improving overall performance outcomes. Maslow's Hierarchy of Needs, which was introduced in 1943, suggests that job satisfaction fulfills higher-level needs such as esteem and

self-actualization, leading to greater job engagement and commitment, which in turn positively impacts performance (Maslow, 2013). Additionally, Social Exchange Theory posits that satisfied employees reciprocate organizational support with higher levels of effort and dedication, thereby contributing to enhanced performance (Blau, 1986). Empirical evidence consistently supports these theories, demonstrating that satisfied employees are more likely to exhibit higher productivity, quality of work, and organizational citizenship behaviors. By aligning organizational practices with these theories, such as providing opportunities for achievement, recognition, and supportive work environments, organizations can cultivate higher levels of job satisfaction that ultimately bolster employee performance and contribute to organizational success in a competitive business environment.

Green HRM practices can help workers care more about their jobs and be more committed to the company. If a company shows it cares about sustainability and the sustainable environment, workers may think it is also socially responsible and decent. It can make people happier at work because they can relate to the company's morals and goals during their jobs. Green HRM practices that include workers in sustainable efforts and decision-making can make workers more interested in their jobs (Ercantan & Eyupoglu, 2022). When workers are involved in environmental projects and feel they own the sustainability efforts, they are likelier to be happy with their jobs (Jamal et al., 2021). When workers feel like their work is contributing to a more significant cause, they feel like they have a feeling of meaning and fulfillment. It is essential to remember that Green HRM practices may affect job satisfaction differently according to the person and the company. The strength of the connection can be affected by things like the organization's mindset, how employees feel about Green HRM practices, and how widely they are used (Alavi & Aghakhani, 2023). GHRM plays an important role in employee job satisfaction. Saha et al. (2020) also claim that the GHRM increased job satisfaction and commitment, resulting in increased productivity and sustainability. The original theoretical model was developed through another empirical study that linked the GHRM with the employee job satisfaction. It discovered that "green" training has a positive effect on employee job satisfaction as well as their mediating mechanism (Pinzone et al., 2019).

GHRM practices with environmental work behavior is crucial for organizations striving for sustainability. Amjad (2020) argues that there has been limited exploration of the role of GHRM systems in business organizations striving for environmental sustainability, highlighting the necessity of integrating GHRM practices with environmental management. The implementation of green human resource management in a company demonstrates multifaceted benefits for organizations. Mishra et al. (2014) underscore the significance of GHRM practices in recruitment, training and development, rewards, and performance appraisal in foresting organizational greening and enhancing employee performance. GHRM influence various aspects within a company, including the evaluation of employee performance. Several studies (Alam et al., 2021; Amjad et al., 2020; Gim et al., 2022) indicate that employee performance impacts green behavior in the workplace. Strong employee performance fosters a sense of ownership towards the company and contributes to the cultivation of green practices at work. Moreover, employees who perceive their company as environmentally responsible are more likely to engage in green behaviors themselves, creating a virtuous cycle of sustainability. The implementation of GHRM, particularly through enhancing employee performance, can be a strategize and advance sustainability initiatives. It aimed to creating a green environment through the workforce, thereby supporting the organization's sustainability objectives. Effective GHRM practices can also improve employee retention and attract talent who prioritize working for environmentally conscious organizations, further embedding sustainability into the company's core values operations.

5. Conclusion

The interrelationship between employee satisfaction, employee performance, and Green Work Behavior practices reveals a complex yet cohesive narrative essential for organizational success. Employee satisfaction significantly impact employee performance, as evidenced by various theoretical framework such as Herzber's Two-Factor Theory, Maslow's Hierarchy of Needs, and Social Exchange Theory. These theories collectively underscore that satisfied employees, motivated by intrinsic factors and higher-level needs, exhibit improved performance outcomes. Aligning organizational practices with these motivational theories fosters a supportive work environment that enhances job satisfaction and performance. Moreover, integrating GHRM practices further amplifies employee satisfaction and performance by aligning employee's personal values with organizational goals of sustainability and environmental responsibility. GHRM practices, such as involving employees in sustainability effort and decision-making, instill a sense of purpose and fulfilment, thereby boosting job satisfaction. Studies have shown that implementation of GHRM in various HR functions enhance job satisfaction and commitment, leading to increased productivity and sustainability. Additionally, the implementation of GHRM practices directly influences employee performance by fostering a sense of ownership and responsibility toward the organization's, green objectives. This is achieved through strategic HR practices in all aspects geared towards promoting environmental sustainability. Strong employee performance, influenced by GHRM, thus contributes to the cultivation of green behaviors in the workplace, supporting the organization's overall sustainability goals.

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