



The role of green human resources management as mediation in the effect of organizational culture on employee performance

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ABSTRACT

The purpose of this study is to evaluate the role of GRHRM as a mediator in influencing the relationship between organizational culture and employee performance. This research will use a quantitative approach by distributing questionnaires to respondents in several manufacturing companies in the industrial area in Cikarang. The questionnaire will contain items related to organizational culture, GRHRM, and employee performance. Data analysis will use path coefficient to evaluate the role of GRHRM as mediation in influencing the relationship between organizational culture and employee performance. The research shows that the implementation of sustainable GHRM practices can increase employee job satisfaction. Employees who feel involved in the organization's sustainability practices tend to be more satisfied with their jobs and have a more positive attitude towards the company. The implication of this research is that GHRM helps organizations to adopt environmentally friendly practices and build a culture that supports sustainability. This can result in long-term benefits, such as reduced carbon emissions, energy savings, waste reduction, and preservation of natural resources. Employees who engage in these practices feel more satisfied with their jobs and are more motivated to contribute to the organization's sustainability goals.

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INTRODUCTION

Human resources are one of the most important aspects of business management, through innovative approaches that can improve the economic, technological, social and cultural environment of the company. Moreover, economic demands, globalization, domestic diversity and technology have encouraged companies to carry out various management developments in the field of corporate human resources (Čech et al., 2016). In addition to economic demands, globalization, domestic diversity and technology, regulatory demands and awareness of the environment also

encourage management development in the field of human resources. Environmental regulations and awareness developed the idea of GHRM in the business world (Qureshi et al., 2020)

GHRM is a human resource management approach that pays attention to environmental and occupational safety aspects in the recruitment, selection, training, career development, and employee performance management processes. In the current era of globalization, environmental issues and employee welfare are increasingly becoming the concern of governments and companies. Therefore, the role of GHRM is very important to ensure employees work in a healthy and safe environment and strengthen a sustainable organizational culture. The intensification of environmental concerns around the world has encouraged companies to adopt environmental practices at a higher level and such adoption can benefit companies to be green and competitive

GHRM practices can be categorized into three main activities, viz: green employee capability development, motivating green employees, and providing green opportunities (Roscoe et al., 2019). Companies developing green employee performance involves integrating positive environmental thinking into the company using human resource (HR) activities such as recruitment, selection, training, and leadership development (Pellegrini et al., 2018). Employee behavior strongly reflects the ideology of the organization, and over time it turns into a habit, forming an organizational culture (Shafaei et al., 2020)

Good employee performance is an asset for the company to achieve its goals, this is a concern for company leaders. The term employee performance is always correlated with output, efficiency and effectiveness. High performance and work ethic are often associated with productivity (Paramita et al., 2020). Organizational environmental culture is a set of shared beliefs, values, perspectives, norms, and even practices, which guide organizational members to behave properly towards the external environment during economic business processes (Liu & Lin, 2020).

The phenomenon in this research can be seen from the existence of technological advances and globalization has brought changes in the business world, so companies must be able to keep up with these developments and pay attention to environmental aspects and employee welfare. Furthermore, there are still many companies that have not implemented the GHRM approach in their HRM. Organizational culture is an important factor that affects employee performance, but the role of GHRM as a mediator in the influence of organizational culture on employee performance is still unknown.

The current phenomenon shows that companies that implement GHRM effectively can improve employee performance, commitment and loyalty. The lack of research that proves the effect of GHRM on employee performance is an obstacle in the implementation of GHRM in HR management. The role of GHRM as a mediator in the influence of organizational culture on employee performance is an important issue and phenomenon that needs to be considered by companies and the government. Proper implementation of GHRM can strengthen organizational culture and improve employee performance, commitment, and loyalty. However, further research needs to be done to understand the role of GHRM as a mediator in the influence of organizational culture on employee performance.

GHRM practices are the integration of regulations, policies and functions that cover the interests of green activities by various stakeholders (Ren et al., 2018). However, most studies consider that GHRM practices include green recruitment and selection, green training, green performance management, green pay and green reward systems, and environmental engagement (Nejati et al., 2017; Rume & Islam, 2020).

Although the importance of GHRM is increasingly accepted, there are still many companies that have not implemented this approach in their HR management. One of the obstacles is the lack of research that proves the effect of GHRM on employee performance. In fact, the current phenomenon shows that companies that implement GHRM effectively can improve employee performance, commitment and loyalty. Many previous studies have examined the influence of organizational culture on employee performance, but there are still few studies that examine the role

of GHRM as a mediator in the influence of organizational culture on employee performance. This creates a significant research gap, so further research needs to be done to understand how GHRM can mediate the influence of organizational culture on employee performance.

The role of GHRM as a mediator in the influence of organizational culture on employee performance is an important issue that needs to be studied further. This research will provide empirical evidence of the benefits of GHRM for companies and employees, and help address existing problems and research gaps.

RESEARCH METHOD

This study uses a type of quantitative research. The population in this study were employees who worked in manufacturing companies in the Cikarang industrial area. The data collection method was carried out by distributing questionnaires via google form. In this study, the sampling technique used was random sampling. Determination of the number of representative samples depends on the number of indicators multiplied by 5 to 10. So the calculation of the number of samples for this study is 73. The data in this study were measured using a Likert scale with a 5-point scale, namely strongly disagree, disagree, neutral, agree, strongly agree. The method used is quantitative method with SEM Smart PLS software as an analysis tool.

RESULTS AND DISCUSSIONS

Testing the Structural Model (Inner Model)

This test is a test of a structural model by looking at the value of the R-square which is the result of the goodness of fit model test. The organizational culture model for employee performance provides an R-square value of 0.812 which can be interpreted that the variability of the employee performance construct can be explained by the organizational culture construct variable of 81.2% while 18.8% is explained by other variables outside of this study. Another influence model is the green human resources management variable with the indicated value of 0.745 so it can be interpreted that 74.5% of green human resources management constructs with the dependent variable, namely organizational culture and employee performance. Meanwhile, 25.5% is explained by other variables that are not included in this study. Can be seen in the table 1. :

Table 1. R Square

	R Square	R Square Adjusted
EP	0,812	0,807
GH	0,745	0,741

Based on table 1, it shows that the R-square value generated for the employee performance variable is 0.812, or 81.2% and the GHRM variable is 0.745 or 74.5%, identifying that the contribution in this study is quite large.

Struktural Model Test

Tabel 2. Path coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
GH -> EP	0,325	0,341	0,108	3,019	0,003
OC -> EP	0,605	0,585	0,109	5,562	0,000
OC -> GH	0,863	0,864	0,035	24,482	0,000

Based on table 2, it can be explained that the results of P values on the effect of green human resources management on employee performance are 0.003. The effect of organizational culture on employee performance has a p value of 0.000, and the effect of organizational culture on green human resources management is 0.000. It can be concluded that for all relationships the value is below 0.05, meaning that all relationships have significant results.

Spesific Indirect effect

Table 3. Spesific indirect effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
OC -> GH -> EP	0,281	0,294	0,092	3,064	0,002

Based on table 3, it can be explained that the results of P Values on the effect of organizational culture on employee performance mediated by green human resources management are 0.003. It can be concluded that the results of the indirect effect are below 0.05, meaning that the results have a significant effect.

Discussion

Work culture on employee performance

Organizational conditions are an important motivator for practicing pro-environmental activities such as GHRM by organizations (Ren et al., 2018). Therefore, the environmental culture of the organization, by building an environment where green activities are highly valued, encourages green recruitment, training, assessment and incentives, which are dimensions of GHRM (Amini et al., 2018). Stephen (2016) proves that most respondents agree that organizational culture does affect employee performance and satisfaction levels. Research by Zukarnaen et al., (2020) shows a relationship between the influence of the work environment and performance mediated by job satisfaction. Paramita et al.'s research (2020) concluded that organizational culture and organizational commitment simultaneously affect employee performance. Job satisfaction affects the relationship between organizational culture, performance and job satisfaction closer to the moderating variable than the independent variable (Tran, 2021)

Work culture on GHRM

Both formal and informal institutional contexts have cascading effects on organizational culture and environment, making culture one of the key antecedents of GHRM.. In other words, Green Human Resources Management is defined as human resource practices that focus on environmental sustainability through the creation of "green" employees, who can recognize and appreciate the organization's environmental initiatives. It concentrates on "green" selection and recruitment, "green" training and development, "green" performance management and appraisal and "green" pay and reward systems that expand the human resources organization (Shafaei et al., 2020). These identified antecedents of Green Human Resources Management are considered as proximal contextual cues, which indicate the need, value and urgency of Green Human Resources Management practices in organizations. In addition, organizational conditions are important motivators for practicing pro-environmental activities such as Green Human Resources Management by organizations. Ren et al. (2018), If an organization values green activities by going beyond the goal of only making profits, and seeks ways to minimize the negative and maximize the positive consequences of its activities on the environment, it creates a culture that promotes Green Human Resources Management and its related practices. Therefore, the environmental culture of the organization, by establishing an environment where green activities are highly valued, encourages green recruitment, training, assessment and incentives, which are dimensions of Green Human Resources Management (Yeşiltaş et al., 2022)

GHRM on employee performance

GHRM as an instrumental strategy helps organizations achieve their environmental goals through the creation of a green environmental culture and green employees who care about environmental issues (Kim et al., 2019). Protecting the environment is a worthwhile goal for organizations, and despite increasing the workload of employees, they still believe that organizations should focus on the environment. This is in accordance with the goal of GHRM to value environmental protection by focusing on activities that reduce negative effects and increase positive effects on the environment. When employees have the environmental awareness to protect the planet, and contribute to a healthier, better, and safer environment, they feel that they are contributing something positive to the environment. By emphasizing shared environmental goals and values, GHRM promotes an environment where employees and employers feel that they are doing something meaningful. This will lead to the development of a sense of meaningfulness through work which can ultimately result in performance (puspa Gustiah & Nurhayati, 2023). Employee "green" behavior is considered to provide enormous benefits and does not damage the environment. Green Human Resource Management improves Employee Green Behavior, Employee Organizational Commitment, and Work Performance (Chaudhary, 2020).

Work culture on employee performance through GHRM

Organizational culture, structure, leadership and strategy are among the important predictors of GHRM (Hastuti & Muafi, 2022). These identified antecedents of GHRM are considered as proximal contextual cues, which indicate the need, value and urgency of GHRM practices in organizations. In addition, organizational conditions are important motivators for practicing pro-environmental activities such as GHRM by organizations (Alshammari, 2020). Therefore, the environmental culture of the organization, by building an environment where green activities are highly valued, encourages green recruitment, training, assessment and incentives, which are dimensions of GHRM (Amjad et al., 2021). The status of green human resource practices such as green recruitment and selection, green training and development, green performance management, green engagement and green payments and rewards are simultaneously related to employees' green human behavior whether duty or voluntary in the organization (Al-Swidi et al., 2021). Employee green behavior is considered to provide enormous benefits and does not damage the environment. GHRM increases Employee Green Behavior Employee Organizational Commitment, and Job Performance (Manzoor et al., 2019).

CONCLUSION

GHRM can integrate policies and practices that focus on environmental sustainability with the existing organizational culture. In this way, GHRM can promote and maintain sustainable environmental values within the organizational culture. GHRM can educate employees on the importance of sustainability and provide the necessary training to implement environmentally friendly practices in daily work. This will influence the organizational culture by encouraging more sustainable behavioral changes. GHRM can also facilitate communication between management and employees about the importance of sustainability and its impact on organizational performance. By involving employees in decision-making related to sustainability practices, an organizational culture can be better established. Through the implementation of GHRM, a sustainability-focused organizational culture can shape employees' perceptions and attitudes towards sustainability. A culture that values and supports sustainability will motivate employees to perform better, as they feel connected to a greater purpose than just individual achievement. Thus, GHRM can serve as a strong mediator between organizational culture and employee performance. By changing the organizational culture to be more sustainable and integrating sustainability values in HRM practices,

employees will be more motivated and high-performing, while the organization will also achieve sustainable goals. Research in this area often focuses on specific industries or organizations, which may limit the generalizability of the findings. Future research should aim to include diverse samples from different sectors to enhance the generalizability of the results.

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