

Green HRM Practices and Sustainable Organizations

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Abstract

Green Human Resource Management (GHRM) has emerged as a strategic imperative for organizations seeking to balance economic performance with environmental responsibility. This article examines the core practices of GHRM—green recruitment and selection, green training and development, green performance management, green compensation and rewards, and green employee involvement—and their collective impact on building sustainable organizations. Drawing upon recent systematic reviews and empirical studies from diverse geographical contexts, the analysis reveals that GHRM practices positively influence environmental performance, sustainable organizational outcomes, green innovation, and employee pro-environmental behavior. The research identifies key mediating mechanisms, including green innovation and green organizational culture, which translate HR-related practices into measurable sustainability outcomes. Theoretical frameworks such as the Resource-Based View, Ability-Motivation-Opportunity theory, and Stakeholder Theory provide robust explanations for how GHRM builds organizational capabilities for sustainability. However, the review also highlights persistent challenges, including measurement fragmentation, common method bias in existing research, and the need for longitudinal designs to establish causal insights. Emerging trends point toward digital GHRM, the integration of artificial intelligence for personalized green nudges, and the recognition of nature as a strategic stakeholder in HR architecture. Practical implications for managers emphasize embedding sustainability into core HR systems rather than treating it as peripheral CSR activity.

Keywords: Green HRM, sustainable organizations, environmental performance, green innovation, organizational culture

1. Introduction

The escalating environmental challenges of climate change, resource depletion, and pollution have compelled organizations worldwide to rethink their operational philosophies and strategic priorities. In this context, sustainability has shifted from a normative aspiration to a measurable operational requirement, particularly for production-oriented firms whose activities directly affect environmental, economic, and

social outcomes.

Organizations are now expected to demonstrate simultaneous responsibility across environmental, social, and economic dimensions—often conceptualized through triple-bottom-line performance indicators.

Green Human Resource Management (GHRM) has emerged as a critical strategic approach that integrates environmental considerations into core HR functions, thereby aligning workforce skills, behaviors, and

motivations with organizational sustainability objectives . Rather than treating environmental responsibility as an external compliance obligation, GHRM embeds ecological values into recruitment, training, performance appraisal, reward systems, and employee involvement practices .

This integration enables organizations to institutionalize sustainability-oriented practices across all levels, transforming abstract environmental goals into concrete daily behaviors .

The growing body of GHRM research reflects its increasing strategic importance. Systematic reviews document a large increase in publications over recent years, particularly across Asia and the Middle East, where rapid industrialization intersects with pressing environmental concerns . However, despite this scholarly attention, the mechanisms through which GHRM translates into multidimensional organizational performance remain incompletely understood . This article synthesizes current evidence on GHRM practices, their organizational outcomes, mediating mechanisms, theoretical foundations, and emerging future directions.

2. Core Practices of Green Human Resource Management

GHRM encompasses five key functional practices that collectively embed environmental sustainability into the employee lifecycle .

2.1 Green Recruitment and Selection

Green recruitment and selection involves attracting and identifying candidates who possess environmental awareness, demonstrate pro-environmental values, and exhibit potential for engaging in eco-friendly

workplace behaviors . Organizations increasingly employ eco-friendly recruitment methods, including online job postings, digital application processing, and virtual interviews that reduce carbon footprints . During selection processes, environmental awareness questions and green aptitude assessments help identify candidates whose personal values align with organizational sustainability commitments .

2.2 Green Training and Development

Green training and development focuses on building employees' environmental knowledge, skills, and competencies . Training programs educate employees about the significance of environmental management, instruct them in energy-efficient work practices, and promote waste minimization techniques . Beyond technical skills, green training cultivates environmental sensitivity and awareness, fostering a workforce capable of identifying sustainability opportunities within their roles . Organizations increasingly utilize digital and distance learning methods to reduce the environmental footprint of training delivery itself .

2.3 Green Performance Management and Appraisal

Green performance management integrates environmental responsibilities into individual performance expectations and evaluation systems . This involves establishing environmentally focused goals, monitoring green job behaviors such as recycling participation and energy efficiency improvements, and providing feedback on environmental performance . When environmental criteria are embedded within performance management, employees receive clear signals about organizational priorities and

are held accountable for their contribution to sustainability objectives .

2.4 Green Compensation and Rewards

Green compensation and rewards encompass both monetary and non-monetary incentives tied to environmental performance . Organizations may offer bonuses for achieving sustainability targets, recognition programs for innovative green ideas, or non-financial rewards such as public acknowledgment of environmental contributions . Research indicates that green rewards significantly strengthen employee motivation for pro-environmental behavior, though this practice has received comparatively limited scholarly attention relative to other GHRM dimensions .

2.5 Green Employee Involvement

Green employee involvement refers to the degree to which employees are engaged with and committed to the environmental direction of their organization . This includes participation in green teams, contribution to environmental suggestion schemes, involvement in sustainability decision-making, and engagement in voluntary pro-environmental activities . Employee involvement transforms GHRM from top-down policy into lived organizational practice, creating opportunities for bottom-up innovation and sustained behavioral change .

3. Theoretical Foundations of GHRM

Multiple theoretical frameworks explain how GHRM contributes to organizational sustainability.

3.1 Resource-Based View and Natural Resource-Based View

The Resource-Based View (RBV) posits that organizations achieve competitive advantage through internal capabilities that are

valuable, rare, inimitable, and non-substitutable . Within sustainability research, RBV explains how firms move beyond short-term compliance by developing internal environmental capabilities that support long-term economic, environmental, and social performance . The Natural Resource-Based View (NRBV) extends this perspective by explicitly incorporating environmental considerations, arguing that capabilities such as pollution prevention, eco-efficient processes, and sustainable resource management constitute critical strategic assets . GHRM functions as a capability-building system that cultivates these environmental competencies across the workforce .

3.2 Ability-Motivation-Opportunity Framework

The Ability-Motivation-Opportunity (AMO) framework provides micro-foundational logic explaining how HR systems translate sustainability intentions into employee behaviors . GHRM enhances employees' green knowledge and technical skills (ability), strengthens intrinsic and extrinsic motivation for pro-environmental behavior (motivation), and provides structured opportunities for participation in environmental initiatives (opportunity) . This integrated approach ensures that employees possess the capacity, desire, and organizational space to contribute meaningfully to sustainability goals .

3.3 Stakeholder Theory

Stakeholder theory frames corporate social responsibility, including environmental stewardship, as a response to the expectations of diverse stakeholder groups—customers, employees, local communities, regulators, and environmental advocates . From this perspective, GHRM enables organizations to

meet stakeholder demands for environmental responsibility by embedding sustainability into human capital management. Organizations that effectively address stakeholder environmental expectations enhance their legitimacy, reputation, and long-term viability.

4. Organizational Outcomes of GHRM

Systematic reviews and empirical studies document the positive impact of GHRM across multiple organizational performance dimensions.

4.1 Environmental Performance

Environmental performance represents the most extensively studied outcome of GHRM. Research consistently demonstrates that GHRM practices positively influence environmental performance metrics including energy efficiency, waste reduction, water conservation, and greenhouse gas emissions reduction. Studies across manufacturing, hospitality, and construction sectors confirm that organizations implementing comprehensive GHRM systems achieve superior environmental outcomes. Environmental performance is often measured through alignment with certification standards such as ISO 14001, ISO 50001, and LEED, providing objective benchmarks for evaluating GHRM effectiveness.

4.2 Sustainable Organizational Performance

Beyond environmental metrics, GHRM contributes to sustainable organizational performance encompassing social, environmental, and economic dimensions—the triple bottom line. Research in emerging economy manufacturing contexts demonstrates that GHRM is positively associated with integrated sustainability outcomes, particularly when mediated by green innovation and green

organizational culture. Sustainable performance metrics include not only environmental indicators but also cost efficiency, profitability, workplace safety, employee satisfaction, and community engagement.

4.3 Green Innovation

Green innovation—the development of environmentally improved products, processes, or practices—represents a key organizational outcome stimulated by GHRM. By fostering employee creativity, environmental awareness, and collaborative problem-solving, GHRM creates conditions conducive to green innovation. Examples include adoption of energy-efficient technologies, development of eco-friendly materials, and implementation of circular economy practices. Green innovation often serves as a mediator linking GHRM to broader organizational performance, transforming environmental objectives into measurable operational results.

4.4 Employee Green Behaviors and Outcomes

At the individual level, GHRM positively influences employee pro-environmental behavior, organizational citizenship behavior for the environment, environmental commitment, and green engagement. These employee-level outcomes aggregate to organizational impact, creating cultures where sustainability becomes embedded in daily decision-making. Research confirms small to moderate positive correlations between GHRM and employee green outcomes, with mediating mechanisms including green psychological climate, environmental identity, and knowledge sharing.

5. Mediating Mechanisms and Boundary

Conditions

Understanding how GHRM translates into organizational outcomes requires attention to mediating mechanisms and contextual factors.

5.1 Green Innovation as Mediator

Green innovation operates as a key mechanism through which GHRM influences sustainable performance. GHRM practices cultivate employee capabilities and motivations that generate innovative environmental solutions. These innovations—whether process improvements, product redesigns, or new business models—then produce measurable sustainability outcomes. Research from Ethiopian manufacturing confirms that green innovation mediates the relationship between GHRM and triple-bottom-line performance, explaining how HR practices translate into environmental, economic, and social results.

5.2 Green Organizational Culture as Mediator

Green organizational culture—the extent to which environmental values are embedded in organizational norms, shared beliefs, and daily behaviors—similarly mediates GHRM outcomes. When GHRM practices consistently signal environmental priorities, they gradually shape organizational culture, creating contexts where sustainability becomes taken-for-granted rather than exceptional. This cultural embedding ensures durability of environmental behaviors beyond individual discretion or managerial oversight.

5.3 Leadership as Moderator

Leadership style significantly moderates GHRM implementation and effectiveness. Research in Greek hospitality organizations demonstrates that

transformational leadership is the most robust positive predictor of GHRM practices, followed by transactional leadership, while passive leadership is significantly inversely associated with GHRM implementation. These findings underscore the importance of leadership development as complementary to formal GHRM systems.

5.4 Contextual Boundary Conditions

GHRM effectiveness varies across national cultures, industry contexts, and regulatory environments. Studies from developing economies reveal that GHRM is particularly critical in resource-constrained and weak-institutional contexts, where internally developed capabilities substitute for external regulatory enforcement. Industry characteristics also matter: manufacturing, hospitality, and construction sectors with measurable environmental footprints have been primary contexts for GHRM research.

6. Challenges and Limitations in GHRM Research

Despite significant progress, GHRM scholarship faces several limitations.

6.1 Measurement Fragmentation

The field suffers from fragmentation in GHRM measurement, with researchers employing diverse scales and operationalizations that complicate cross-study comparison. This measurement inconsistency limits cumulative knowledge development and impedes identification of best practices.

6.2 Methodological Limitations

Cross-sectional designs predominate in GHRM research, limiting causal inferences about the direction and durability of relationships. Common method bias represents another concern, particularly when single-

source data are employed for both independent and dependent variables . Scholars call for increased use of longitudinal designs, quasi-experiments, and multi-level approaches to strengthen causal evidence .

6.3 Geographic Concentration

While GHRM research has expanded globally, geographic concentration remains evident, with substantial contributions from Asia and the Middle East alongside relative underrepresentation of certain regions . Cross-country comparative studies are needed to understand how national culture, regulatory regimes, and economic development levels moderate GHRM effectiveness .

7. Emerging Frontiers and Future Directions

7.1 Digital GHRM and Artificial Intelligence

The integration of digital technologies and artificial intelligence into GHRM represents a significant frontier . AI-enabled systems can deliver personalized green nudges, monitor environmental behaviors in real-time, and provide tailored feedback that enhances employee engagement with sustainability goals . Digital platforms also enable paperless HR processes, remote work arrangements, and virtual collaboration that reduce organizational carbon footprints .

7.2 Nature as Stakeholder

An emerging perspective frames nature itself as a strategic organizational stakeholder . As climate pressures intensify globally, organizations must design work systems that respect ecological limits while supporting human performance. This reframing positions HR as the frontline of ecological risk management, responsible for embedding sustainability into the very architecture of work . Heatwaves, air pollution, water scarcity, and

energy constraints become structural parameters of work design rather than exceptional disruptions .

7.3 Multi-Dimensional Responsible

Performance Frameworks

Future research should develop and test multi-dimensional frameworks for measuring responsible performance that capture environmental, social, ethical, operational, customer, and financial outcomes . Such frameworks would enable more comprehensive assessment of GHRM's organizational impact and support integration with broader ESG reporting requirements .

7.4 Small and Medium Enterprise Contexts

Most GHRM research focuses on large organizations, with limited attention to small and medium enterprises (SMEs) . Given the collective environmental footprint of SMEs and their distinctive resource constraints, understanding how GHRM can be effectively adapted for smaller organizations represents an important research priority.

8. Practical Implications for Managers

For organizational leaders seeking to leverage GHRM for sustainability, several practical implications emerge.

First, GHRM must be treated as strategic integration rather than peripheral CSR activity.

Embedding environmental considerations into core HR systems—recruitment criteria, training curricula, performance metrics, reward structures—signals organizational commitment and ensures sustainability becomes embedded in daily operations .

Second, leadership development should prioritize ecological intelligence—the capacity to anticipate environmental

consequences of decisions and guide organizations within ecological limits . Transformational leaders who articulate compelling environmental visions and model sustainable behaviors significantly enhance GHRM effectiveness .

Third, measurement systems must evolve to capture both environmental outcomes and the mediating mechanisms—green innovation, organizational culture, employee behaviors—through which GHRM produces impact . Without robust measurement, organizations cannot demonstrate the business case for GHRM or identify opportunities for improvement.

Fourth, employee voice mechanisms should be strengthened as early warning systems for environmental risks and sources of sustainability innovation . Employees closest to operations often possess valuable insights about environmental inefficiencies and improvement opportunities.

Fifth, organizations must recognize that sustainability culture cannot be mandated; it must be cultivated through consistent messaging, role modeling, and reinforcement . Policies establish expectations, but culture fills the gaps, shaping behavior where formal systems cannot reach.

9. Conclusion

Green Human Resource Management has evolved from a niche scholarly interest into a

strategic imperative for organizations navigating the environmental challenges of the twenty-first century. The evidence synthesized in this review demonstrates that GHRM practices positively influence environmental performance, sustainable organizational outcomes, green innovation, and employee pro-environmental behaviors . Theoretical frameworks including the Resource-Based View, AMO theory, and Stakeholder Theory provide robust explanations for these relationships, positioning GHRM as a capability-building system that aligns human capital with sustainability objectives .

Yet significant work remains. Measurement fragmentation, methodological limitations, and geographic concentration in existing research temper confidence in current findings . Emerging frontiers—digital GHRM, artificial intelligence integration, nature as stakeholder, SME contexts—offer rich opportunities for future investigation .

For practitioners, the message is clear: sustainability cannot remain the province of standalone CSR departments or symbolic environmental initiatives. It must be embedded into the core systems through which organizations attract, develop, motivate, and retain talent. In an era of escalating ecological stress, GHRM represents not merely a path to improved environmental performance but a fundamental requirement for organizational resilience and survival . The organizations that thrive will be those that recognize people and planet as interdependent assets and design HR systems accordingly.

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