The Impact of Perceived Environmental CSR on Employee Green Behavior: The Moderating Role of Green HRM

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ABSTRACT

This Environmental Corporate Social Responsibility (CSR) plays a crucial role in helping companies achieve sustainability. To foster this, employees are encouraged to adopt environmentally friendly behaviors at work. Based on Ability Motivation Theory, the article investigates how employees' perceptions of company's environmental CSR initiatives influence their eco-friendly behavior at the workplace, especially within the hotel industry. Additionally, it explores how Green Human Resource Management (HRM) practices impact this relationship. Data was collected from 469 employees working in four and five-star hotels and analyzed using Structural Equation Modeling (SEM) and AMOS software. The findings of the study demonstrate a positive relationship between Perceived Environmental CSR and Employee Green Behavior. Further, Green HRM moderates the relationship between independent and dependent variables which reveals that when companies engage in robust environmental CSR practices, the employees' green behavior gets significantly enhanced. Moreover, the study contributes to the growing body of employee green behavior, perceived environmental CSR and green HRM for sustainable growth of hotel industry.

Keywords: Environmental Sustainability, Green HRM, Green Behavior

INTRODUCTION

In recent the growing concern of stakeholders for environment and resource conservation has increased the demand of ecofriendly organizations globally especially in developing countries (Aftab et al., 2024). As a result, researchers have started paying attention to the environment and sustainability at different levels. However, the previous literature on tourism industry has less focused on environmental disaster (Quintás, et al., 2023). Tourism and environment are closely associated (Pennisi, 2018). According to report of Sustainability Hospitality Alliance (2020) the hotel industry employs over 319 million people worldwide. The statistics of hotel and tourism industry reveal that 5% to 8% of global greenhouse emission comes from this industry (Kim, 2020). In addition, this industry involves generating waste, high carbon dioxide emissions, and the massive consumption of resources (Manomaivibool , 2015) which has a direct impact on external environment (Kasim, & Scarlat,2007). Since each passing day, the environmental sustainability is gaining attention globally caused by environmental change and degradation (Aguinis, & Glavas, 2012), therefore, the hotel industry is facing an aggressive competition in this regard.

Similarly, the report of International Finance Corporation (IFC) 2019 on "Green Buildings", estimated that the opportunity of $ 1.5 trillion for the investors by building sustainable hotels by 2030 as these initiatives build the stakeholder's trust. Additionally, the literature emphasizes that the hotel industry to reduce carbon emission per room by 90% by 2050. In response to this most of the organizations have started focusing on strategies required for environmental sustainability and have started adopting several international certifications as ISO 14001, earth check etc. as a core aspect of its operations. However, despite holding such international certifications hotel industry is still accused of green washing and blamed for failing to meet environmental sustainability (Chen, et al, 2019). Therefore, this industry faces the pressure from various stakeholders to address the environmental concerns (Sarwar, et al., 2024) who demand the environmental friendly services which usually depend on the pro-environment behavior of their employees (Asante., 2024). Employee green behavior is a set of specified behavior, which aims at achieving environmental stability and environment sustainable goals in the organization (Dilchert, & Ones 2012). According to Wilkerson et al., (2008) these behaviors involve energy conservation, recycling

initiatives, waste disposal, etc. The literature on employee green behavior highlights the importance of leadership for employee training for such behavior (Katz et al., 2022) as employee lack environmental awareness (Dipietro & Pennisi, 2008) across various hierarchal levels (Ones et al 2018) therefore the researchers' and practitioners have started paying attention to this aspect seriously since last decade (Zacher, 2023) as employees green behavior is less explored in the literature (Arshad et al., 2021).

Employee's behavior is a constructive aspect of organizational behavior that involves addressing the environmental and sustainability challenges (Zhang, et al., 2021) whereas CSR initiatives in hotel industry develop their perception and behavior for CSR that encourage their intentions to engage in green behavior (De Roeck & Farooq, 2018). The results of study by John et al., (2024) reveal that employees with environmental concerns show less deviant behavior when organization has more concern with environmental CSR rather than social initiatives. CSR is an organizational practice which vigorously resolves environmental and societal problems (Luo, 2022). Therefore, there is need to investigate if CSR can impact employee green behavior (De Roeck & Farooq, 2018). Likewise, the organizations have also started realizing the importance of environmental initiatives and environmental behavior. So, the foremost motivation of this study is to investigate the employee behavior for environment in the hotel industry as it is less explored in the hospitality industry (Hatipoglu et al., 2019) and less addressed in developing countries especially in Pakistani (Sajjad, 2018). Similarly, literature on CSR with employee green behavior has been implored by Nasir Ansari & Irfan, (2023) in oil and gas, manufacturing and information technology and suggests further investigating this relationship in hotel industry as well.

Correspondingly Green HRM has been studied in different dimensions from green recruitment, selection, training, green employee relations and green performance management etc. by highlighting its role in promoting environmental sustainable practices within the organizations (Cesário, et al., 2022). Specifically green HRM also helps with building green employee behavior by embracing environmental knowledge and green culture at the hotel premises. Likewise, this holistic approach can be effectively communicated to the employees during the hiring process (Ismael et al., 2022) to reinforce the collective responsibility of

environmental stewardship. Green HRM practices are unavoidable in recent times and support employee green behavior in almost every organization. According to Gurmani et al. (2021) the organizations also train employees before appointing them at a specific designation so that they can apply green practices at their workplace. However, impact of green HRM as moderator between Perceived Environmental CSR and employee green behavior is less implored area that needs to be further investigated as the hospitality industry is less informed about the values of sustainable practices (Khan 2012).

Consequently, the study heeds the call of literature by investigating further the relationship between perceived employee's perception for environment and green behavior by bridging the micro-CSR and green HRM through Ability Motivation theory. Further, the study also offers a valuable insight for the management on how to build a green workplace culture for environmental sustainability, especially in a region like Pakistan where the environmental awareness is still growing.

THEORETICAL BACKGROUND, PERCEIVED MODEL AND HYPOTHESES DEVELOPMENT

Ability Motivation Theory

The under-discussion theory deals with regard to employee motivation and improvement in performance at work. The organization that desires to grow its employees' skills through motivation can achieve its goals effectively. As discussed earlier, the global stance of organizations is changing due to emerging need of sustainability. Following green HRM practices like selecting the right person, rewarding for green, green trainings for employees etc. and opting environmental initiatives as CSR can build proactive on job green behavior of its employees to obtain the desired level of environmental sustainability for organizational success. Further, if the employees are involved through green HRM they get more committed to environment (Saeed et al, 2019).

Employee Green Behavior

As an individual, green behavior encompasses environmental friendly actions that employees perform at their work which are mostly related to their emotions and feelings. Employee Green Behavior (EGB) is a personal trait like OCB (Katz et al., 2022) whereas meticulous employees are more likely found

engage with ethics and organizational goals (Kim et al. 2017). While CSR is usually related to efforts that reduce harm to society and environment including resource conservation, environmental protection etc. (De Roeck & Farooq, 2018). The literature posits that environmental CSR is a major factor developing employee emotions for green (Ahmed, et al., 2020). According to social exchange theory the individuals return what they perceive. The hotels that advertise their green efforts to get the attraction of employees having green behavior because of the employees' perception of ECSR (Afsar et al., 218). The development in environmental CSR initiatives can be motivation for employee green behavior that helps achieving sustainability and better organizational performance (Nasir & Irfan, 2023). Therefore, it can be suggested that:

H1. Perceived Environmental CSR is positively related to the Employee Green Behavior
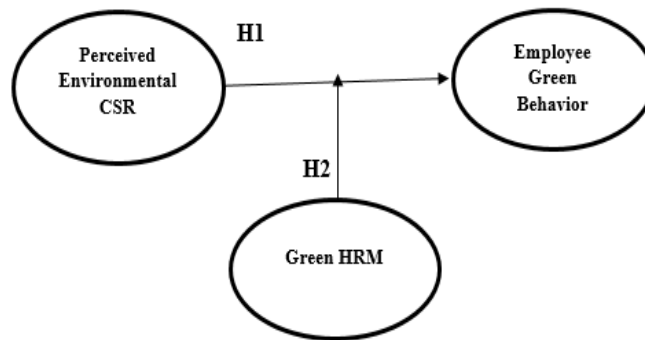
Green HRM and Employee Green Behavior

According to Suganthi (2019) higher the involvement of organizations in the environmental initiatives the higher corporate image and social status. The businesses that urge to achieve environmental benefits are required to create an appropriate working condition that can help employees to incorporate the environment friendly practices at work (Kim et al. 2020). Green HRM is another main factor for developing employee green behavior and motivating them for green initiatives aligned with their organizational vision (Roscoe 2019). Shafaei (2020) describes Green HRM as strategic partner involved in developing and executing training and practices related to environmental CSR and it further covers green recruitment and selection, green training and appraisal based on green behavior. Employees are the main source to apply environment friendly practices (Hart and Dowell, 2011). Environmental CSR also has a positive impact on employee wellbeing and by approaching environmental CSR the organizations show their concern for employee environmental wellbeing (Khattak, 2021). Taking Green HRM as a strategic tool enhances the sustainability of organization through employees' involvement and make them feel good by elevating employees' awareness and commitment for going green (Cesário.,2022). Further Green HRM arouses employee morale and organizational image and has impact on employee behavior (Saeed 2019)

H2: Green HRM moderates the relationship between Perceived Environmental

CSR and Employee Green Behavior.

Figure 1. Perceived Model

METHODOLOGY

Measures & Data Collection Method

The aim of research was to investigate the association between Perceived Environmental CSR and Employee Green Behavior through the moderation effect of Green HRM. The questionnaire was designed in two sections. First section consisted of demographic questions whereas second section carried with five Likert scale for three variables Six item scale of Dumont et al.,(2017) was adopted to analyze the moderation of Green HRM that consists the inquiry about green selection, providing green training for knowledge and attitude development, contribution of employee green behavior for job appraisals, setting green organizational goals, rewards for green behavior and promotion based on green behavior.

Employee on Job Green Behavior was with 7 items of Safari et al., (2018) that include bringing new ideas for addressing environmental issues, taking part in environmental related activities, sharing knowledge for environmental issues, turning off office equipment to save energy, encouraging others for resource conservation at work, encouraging others for keeping environment clean at work, and encouraging reduce use of paper work was adopted as dependent variable. Perceived Environmental CSR was taken as independent variable. 3 items were adopted from Turker (2009) as Participation of organization in activities aim to

protect and improve the quality of the natural, investment of organization to create a better life for the future generations and implementation of special programs that minimize its negative impact on the natural environment.

The data was collected through self-administered surveys on 5 Likert scales from employees of four- and five-star hotels of twin cities of Rawalpindi and Islamabad through convenience sampling. Total 500 questionnaires were distributed, 475 were returned and 469 were found valid and were kept for data analysis. The information about environmental CSR was obtained from the hotel industry as environmental law and strategies are formalized by their HR as strategic partner.

RESULTS AND HYPOTHESIS TESTING

Reliability Test and Correlation Analysis

The survey was analyzed on SPSS descriptive analysis of data as correlation and skewness and kurtosis. The reliability of scale items was checked through Cronbach alpha. The reliability of Employee Green Behavior was 0.76, Green HRM was 0.69 and Perceived Environmental CSR was found 0.61. All results fall in the acceptable range of Cronbach alpha. The correlation between the variables was also found good as mentioned below in Table 1.

**Table 1.** Correlation is significant at the 0.01 level (2-tailed)**

Variables	Mean	S.D	Employee Green Behavior	Green HRM	Perceived Environmental CSR
Employee Green Behavior	3.6	.58	1		
Green HRM	3.3	.48	.677	1	
Perceived Environmental CSR	3.6	.53	.620	.548	1

Further to assess the construct validity, both convergent and discriminant validity were evaluated through composite reliability (CR) and average variance extracted (AVE). The CR ranged from 0.72 to 0.99, while the AVE ranged from 0.65 to 0.99 for all constructs, confirming acceptable levels of reliability and validity.

Measurement Model

Structural equation modeling (SEM) was employed using AMOS software. After testing each variable Confirmatory Factor Analysis, the Measurement Model was tested as in figure 2.

Figure 2. Confirmatory Factor Analysis
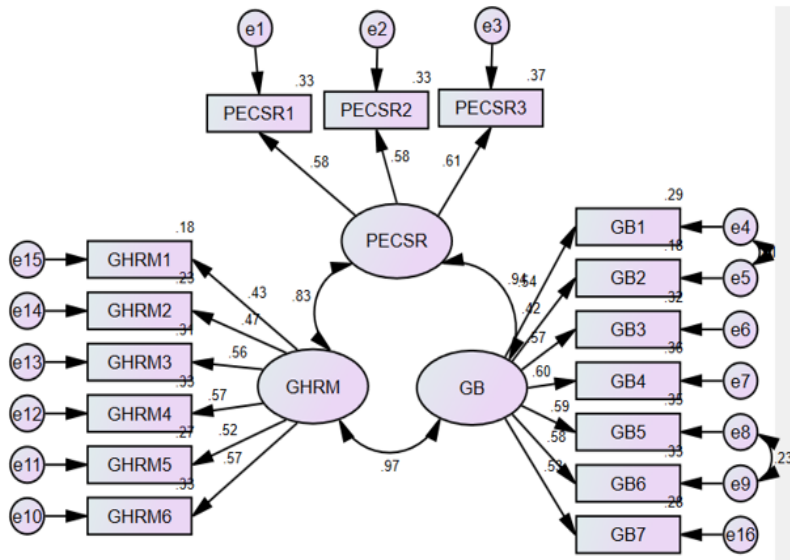
Measurement Model Analysis in figure 2 depicted that item retained has factor loading FL between 0.42 to 0.61 respectively and are significantly correlated with each other. Further the model fit results are also in acceptable range i.e. CMIN/DF= 3.3, GFI= 0.92, AGFI= 0.89, CFI= 0.88, and RMSEA= 0.07 which shows the model fit acceptable.

Structural Model

Figure 3. Structural Model for latent Variables
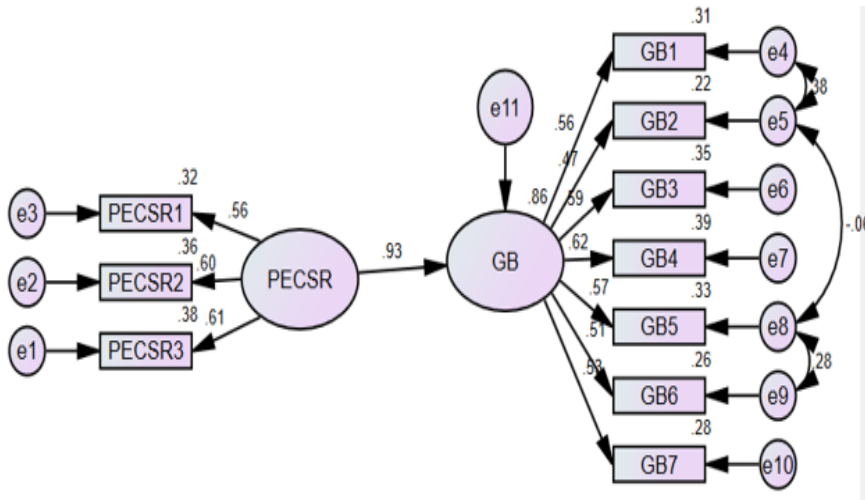
The results of structural models for latent variables PECSR and GB in figure 3 are also in acceptable range i.e. CMIN/DF= 2.9, GFI= 0.96, AGFI= 0.93, CFI= 0.94, and RMSEA= 0.06 which shows the model fit acceptable for the H1 Perceived Environmental CSR is positively related to the Employee Green Behavior

Moderation Effect

The moderation analysis was done to observe causal relationship between predictors with dependent variables and established covariance among these three predictors. The results of Green HRM practices as moderator were having positive impact on the relationship of independent and dependent variables as shown in figure 3.

Figure 4. Moderating Effect
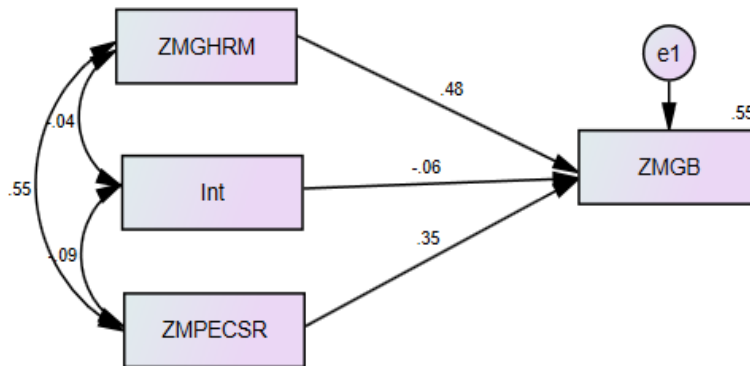
The results show a significant positive relationship between interaction term and Employee Green Behavior as beta value .047 P value .045. The results promote the concept of micro-CSR element for environment and add to the theoretical contributions environmental management through Ability Motivation Theory which is less related with employee behavior. The study proposes implications for the management of the hotel industry of Pakistan.

LIMITATION AND FUTURE DIRECTION

This The study aims to expand the literature on the untested constructs in the Pakistani hotel industry. The managers shall be able to make use of their position to make their employees complement their hotel's measures for environmental sustainability by participating in environmental CSR. The results incorporate how perceived behavior is required to enhance the eco-friendly efforts of the professionals working in the hotel industry. This study contributes to micro-CSR by observing the perception of employees for environmental CSR of the hotel industry.

Despite its contribution, this study has several limitations. This study focused on four- and five-star hotels of Rawalpindi Islamabad which may limit the generalizability to other regions and other hotels and restaurants who are equally responsible for environment sustainability. So, in future 3-star hotels and restaurants can be investigated for perceived environmental CSR and employee green behavior. Mix method approach and using mediating variable could further

enhance the understanding of employee attitude and behavior in hospitality industry.

CONCLUSION

In The under-discussion study was an attempt to investigate the relationship between employee-perceived environmental CSR and employee in Green Behavior in the hospitality industry. It is commonly observed that fewer people care about green behavior on the job in countries where the people are less trained for resource conservation. Based on the hypothesis it has been observed that perceived environmental CSR has a positive relation with employee green behavior on Job. Similarly, Green HRM strengthens this relationship as well. The results clearly justify how the leadership initiatives for environmental CSR impact employee green behavior through the vision and mission for CSR. Further, CSR for the environment is desired by the stakeholders as organizations' operations affect society and the desire to return back to society also involves employee behavior as they have a substantial role in utilizing the resources through environmental CSR. Therefore, it is suggested to involve green training and policies in their regular features to improve employee green behavior.

To sum up it is proposed that Green HRM should have unconditional support from higher management. The leaders and managers need to integrate the green efforts collectively so that employees' perception for environmental CSR shall be able to contribute to employee green behavior at work.

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