

The Influence of Green Human Resources Management (GHRM) on Employee Green Behavior (Green Lifestyle), Employee Performance, and Company Sustainability

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Article Information:

Received: February 16 2025, Accepted: April 13, 2025, Published: April 15, 2025

Abstract

This study aims to assess the effect of Green Human Resource Management (GHRM) on employee green behavior (green lifestyle), employee performance, and corporate sustainability at PT. Northeast Electric Power Construction Project OKI 2. GHRM includes various sustainability-oriented human resource management practices, such as green recruitment, environmental training, environmentally-based performance evaluation, and incentive systems to encourage environmentally friendly behavior in the workplace. This study uses a quantitative approach with a survey method, where data were collected through questionnaires from 70 employees. Data analysis was carried out using statistical techniques such as regression to test the relationship between variables. The results showed that GHRM significantly affects employee green behavior, which in turn contributes to improving employee performance and corporate sustainability. These findings indicate that effective implementation of GHRM can improve the culture of sustainability within an organization, while strengthening the company's competitiveness in the long term. This study contributes to corporate management in developing environmentally-based human resource policies that can improve individual performance and organizational sustainability goals.

Keywords: green human resource management, green employee behavior, employee performance, corporate sustainability

JEL Codes: M12, Q56, J53

1. Introduction

The impact of globalization on the environment has become a significant concern amidst the acceleration of interactions between countries, international trade, and human mobility in this modern era. One of the most apparent impacts is related to the increase in production and consumption of goods, which directly causes increased pressure on natural resources and the environment. ([Malik & Mishra, 2023](#)). According to a United Nations Environment Programme

(UNEP) report, global solid waste production is expected to increase from around 1.3 billion tonnes in 2012 to 2.2 billion tonnes in 2025, primarily due to increased consumption in developing countries driven by globalization.

The role of corporate sustainability on environmental issues in the era of globalization plays an important role in reducing the negative impacts generated by business activities on the environment ([Dressler & Paunović, 2020](#)). In the era of globalization, companies have the potential to operate in various international markets, which often increases pressure on the environment due to increased production, distribution, and consumption of goods and services. However, amid these challenges, companies also have the opportunity to become agents of positive change in protecting and preserving the environment.

One key role of corporate sustainability is promoting environmentally friendly business practices throughout the supply chain. Companies can implement policies to reduce greenhouse gas emissions, adopt green technologies to manage waste, or invest in renewable energy sources. Data from the Global Reporting Initiative (GRI) shows that in 2020, more than 90% of Fortune Global 500 companies have reported their sustainability practices, with more than 60% reporting their actions on climate change and energy.

Corporate sustainability also plays a significant role in influencing consumer behavior ([Kalia et al., 2022](#)). Companies can use their influence to raise consumer awareness of environmentally friendly products and services, and encourage changes towards more sustainable lifestyles. A study by ([Abed et al., 2022](#)) found that 66% of global consumers are more likely to purchase products from companies that are committed to the environment, suggesting that sustainable practices can increase brand appeal and consumer loyalty ([Wu & Li, 2018](#)).

One factor that can affect a company's sustainability is Green Human Resources Management (GHRM). GHRM is an approach to human resource management that prioritizes environmentally friendly practices in policies, procedures, and decisions related to the workforce ([Hasan, 2022](#)). ([Hutomo et al., 2020](#)) explains that GHRM aims to promote environmental awareness among employees, encourage environmentally friendly behavior, and integrate sustainability aspects into the organizational culture. The potential relationship between GHRM and corporate sustainability is enormous.

First of all, GHRM can be a catalyst for creating an environmentally conscious organizational culture ([Zapata-Cantu, 2020](#)). By providing employees with environmental training, education, and awareness, companies can build a team that better understands the impact of business activities on the environment and the importance of sustainable business practices. An environmentally conscious organizational culture will encourage the adoption of green behaviors in the workplace and support the company's sustainability policies. By integrating GHRM into their strategies and operations, companies can gain significant long-term benefits in achieving corporate sustainability. GHRM helps reduce negative impacts on the environment and improves the company's financial performance, employee retention, and brand reputation.

Another factor that can affect a company's sustainability is employee green behavior or Green Lifestyle. Employee Green Behavior, or Green Lifestyle, includes a series of conscious actions taken by individuals in the workplace to reduce negative environmental impacts. ([Aboramadan, 2022](#)) This includes habits such as using sustainable transportation, recycling, reducing plastic consumption, and choosing environmentally friendly products. The potential for Employee Green Behavior to improve a company's holistic sustainability is enormous.

Employee Green Behavior can also strengthen a company's reputation as a sustainability leader ([Bhattarai et al., 2023](#)). Employees who engage in sustainable practices tend to be effective brand ambassadors in the community, helping to build an image of an environmentally conscious company. This can increase a company's appeal to job applicants and increasingly environmentally conscious consumers. A survey by Cone Communications found that 71% of employees are more likely to work for a company that is committed to sustainability.

Excellent employee performance can also spark innovation and creative thinking around sustainability ([AM et al., 2022](#); [Halim et al., 2023](#)). Employees who feel valued and encouraged to contribute to environmental improvement often come up with more effective and sustainable solutions. They might propose new ideas for reducing energy consumption, recycling waste, or introducing new green technologies. This kind of innovation can help companies become more efficient, positively impact the environment, and increase their competitiveness in an increasingly environmentally conscious market. Data from the Boston Consulting Group shows that companies prioritizing sustainability innovation report up to a 15% increase in revenue over the past five years.

High employee performance can also strengthen a sustainable company culture ([Rodrigo et al., 2022](#)). Employees who are engaged and perform well in sustainability practices often serve as effective role models for their coworkers. They can inspire and motivate others to adopt environmentally friendly behaviors and contribute to the company's overall sustainability goals. This creates a sustainable work environment that is oriented toward positive social and environmental values. A survey by the Harvard Business Review found that 69% of employees believe that building a sustainable company culture is key to creating a motivating and fulfilling work environment.

PT Northeast Electric Power Construction is an electrical construction company operating in the OKI Phase 2 Project. PT Northeast Electric Power Construction provides comprehensive services from planning to implementation of electrical projects that have completed various types of electricity transmission and distribution network construction, power plants and various other electricity-related infrastructure. Just like other construction companies, PT Northeast Electric Power Construction also has various environmental impacts due to its operational activities. Construction companies have high vulnerability in various developments carried out such as their impact on local ecosystems, natural resources and the surrounding community environment. In addition, construction companies also have an impact on various environmental problems from the mining process for raw materials to the transportation of construction materials used.

Therefore, a deep understanding of how the implementation of GHRM affects employee behavior in adopting a green lifestyle and its impact on individual performance and corporate sustainability is the main focus of this study. By analyzing the relationship between GHRM, employee green behavior, performance, and corporate sustainability, it is expected that the results of this study can provide valuable insights for companies in improving sustainable HR management practices and contributing to environmental conservation efforts and sustainable economic growth.

2. Literature Review

2.1 Green Human Resources Management (GHRM)

Green Human Resources Management (GHRM) is a concept that integrates environmentally

friendly practices into human resource management functions and processes. GHRM aims to promote the use of environmentally friendly resources, which will strengthen the organization's environmental performance, increase staff awareness, and demonstrate commitment to environmental management issues ([Barom, 2015](#)). GHRM refers to HR practices that focus on the promotion, adoption, and implementation of environmentally friendly workplace practices that reflect the way an organization manages its employees and utilizes their skills ([Almashhadani & Almashhadani, 2022](#)).

According to ([Astuti & Amalah, 2020](#)), GHRM is an approach in human resource management that aims to integrate environmentally friendly policies and practices into the organization's HR management functions. This approach not only focuses on the efficiency and productivity of human resources, but also pays attention to their environmental impact. In GHRM, companies adopt strategies supporting sustainable practices such as waste reduction, energy efficiency, and using environmentally friendly raw materials. In addition, GHRM also involves education and training to increase environmental awareness among employees and create an organizational culture that cares about the environment. By adopting GHRM, companies can achieve a good balance between economic growth and environmental sustainability, as well as build a corporate image that is socially and environmentally responsible.

Green Human Resource Management (GHRM) offers many advantages that cover various vital aspects in the sustainability and success of an organization. ([Foster et al., 2022](#)) First, GHRM has a positive impact on the company's image and reputation. By implementing environmentally friendly practices, such as renewable energy, waste reduction, and environmentally friendly materials, companies can gain greater support from a society that is increasingly concerned about environmental issues. This can increase the company's appeal to employees, customers, investors, and other stakeholders.

Second, GHRM helps organizations reduce operating costs and increase efficiency. Practices that focus on energy efficiency, better waste management, and optimizing the use of natural resources can result in long-term cost savings. Additionally, by reducing reliance on non-renewable natural resources, organizations can reduce risks related to fluctuations in resource prices and availability.

Third, GHRM can improve employee performance and retention. Environmental training and awareness programs not only provide employees with a better understanding of environmental issues, but also increase their motivation and involvement in achieving the organization's sustainability goals. In addition, incentive policies that focus on sustainability, such as rewards for employees who contribute to environmental efforts, can increase employee loyalty and reduce turnover rates.

Finally, GHRM helps organizations meet increasingly stringent environmental regulations and standards. By complying with applicable environmental regulations and following international standards for sustainable practices, organizations can reduce the legal and reputational risks that may arise from environmental violations. In this way, GHRM not only benefits the environment, but also contributes to the overall success and sustainability of the organization.

2.2 Green Lifestyle

Employee Green Behavior, or often referred to as Green Lifestyle, is an approach in which individuals strive for an environmentally friendly lifestyle in their daily activities, both at work and at home ([Aboramadan, 2022](#)). This includes actions such as reducing energy and water

consumption, reducing, recycling, and reusing (3R) waste, using environmentally friendly transportation, choosing environmentally friendly products, and participating in social activities that focus on sustainability. The concept of Employee Green Behavior recognizes that individuals have an important role in striving for environmental sustainability, both as members of society and in the workplace.

Employee Green Behavior (Green Lifestyle) is the result of the interaction between a number of factors that influence each other and shape individual behavior patterns in dealing with environmental issues ([Bhattarai et al., 2023](#)). First, environmental awareness plays a key role; individuals who have a strong understanding of environmental issues are more likely to adopt environmentally friendly actions. In addition, education and information about the environmental impacts of personal decisions and actions also play an important role in shaping individual perceptions and knowledge about the importance of green practices.

Social norms can also influence green behavior; if environmentally friendly practices are considered the norm in a particular social environment, individuals are more likely to follow suit. Personal values, such as environmental concern and social responsibility, also provide additional motivation for individuals to act sustainably. In addition, the accessibility and availability of green infrastructure, such as accessible public transportation or readily available recycling facilities, can facilitate the adoption of green behavior.

Finally, incentives and encouragement, such as corporate awards for green behavior or tax incentives for purchasing renewable energy, can motivate individuals to take greener actions. Individuals can form sustainable behavior patterns and contribute to environmental conservation by considering these factors. As a result, Employee Green Behavior is not only a reflection of personal values and beliefs, but is also influenced by broader social, economic, and environmental factors.

2.3 Employee Performance

Employee performance reflects how effectively an individual performs his or her duties and contributes to the overall success of the organization, ([Nunkoo et al., 2020](#)). Performance evaluation encompasses some aspects that provide a holistic picture of an employee's contribution ([AM et al., 2022](#); [Yunanda & Jauvani, 2020](#)). First, productivity measures how much work is completed in a given period, often measured by output or quantity of work produced. Second, work quality refers to proficiency and excellence in performing assigned tasks, including precision and accuracy in carrying out the work.

Creativity is also important because it allows employees to find new solutions to challenges faced by the organization and bring innovative ideas that enrich business strategies and practices. Punctuality is another critical factor, which indicates the ability of employees to complete tasks within the set deadlines.

In addition to these factors, interpersonal relationships in the workplace, such as social support, effective communication, and good leadership, also affect employee performance. Positive interpersonal interactions and team collaboration can increase motivation and productivity ([Gao-Urhahn et al., 2016](#)). Overall, employee performance is influenced by a complex interaction between individual, organizational, and environmental factors, and understanding and managing these factors well is key to achieving optimal performance in an organization.

2.4 Corporate Sustainability

According to (Nave & Ferreira, 2019), corporate sustainability is a concept that encompasses corporate efforts to achieve sustainability in three main dimensions: economic, social, and environmental. Economically, corporate sustainability means creating long-term value for stakeholders by ensuring operational continuity and stable growth.

Economically, sustainability refers to a company's ability to create long-term value by taking into account financial stability, sustainable growth, and continued competitiveness. It involves prudent financial management, innovation in products and services, and effective risk management.

The importance of corporate sustainability covers a broad and fundamental aspect in the context of modern business (Zhou et al., 2020). First of all, sustainability ensures that companies operate in an economically sustainable manner, are able to grow steadily, and generate long-term value for stakeholders, including shareholders, employees, and society at large. By implementing economically sustainable business practices, companies can reduce financial risks and increase their resilience to market fluctuations.

In addition, social sustainability is becoming increasingly important in an era where consumers and employees are increasingly concerned about a company's social impact. Socially responsible companies not only increase employee satisfaction and consumer loyalty, but also strengthen their brand image and gain significant competitive advantage. By paying attention to employee welfare, contributing to local communities, and other social responsibilities, companies can build strong relationships with the communities around them.

Overall, corporate sustainability is not only an ethical imperative, but also a prerequisite for long-term success in an increasingly complex and connected era. By implementing economically, socially and environmentally sustainable business practices, companies can build a strong foundation for sustainable growth, continued innovation and positive impact on the communities and environment around them.

2.5 Framework of Thinking

Framework of Thought on the Influence of Green Human Resources Management (GHRM) on Employee Green Behavior (Green Lifestyle), Employee Performance and Company Sustainability at PT Northeast Electric Power Construction

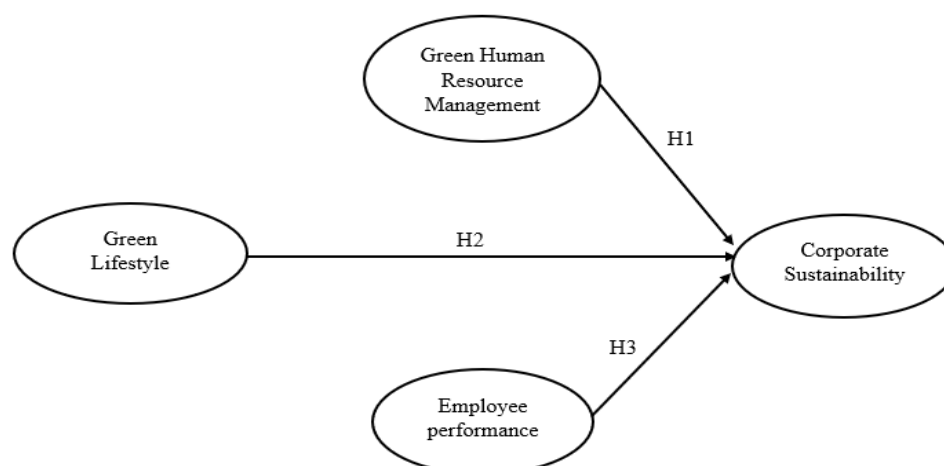


Figure 1. Thinking Framework

Based on the description above, the following is the research hypothesis.

H1 = GHRM has a significant positive effect on Corporate Sustainability

H2 = Green Lifestyle has a significant positive effect on Corporate Sustainability

H3 = Employee performance has a significant positive effect on Corporate Sustainability

3. Research Method

3.1 Research Design

The type of research used in this study is a quantitative research method with a survey research design. This study uses two main variables with a causal relationship, namely the independent variable (Green Human Resource Management and Green Lifestyle) and the dependent variable (Employee Performance and Company Sustainability). The quantitative method in this study aims to test the formulated hypothesis, involving a fairly large sample and numerical data.

3.2 Population and Sample

The population in this study includes all employees of PT. Northeast Electric Power Construction Project OKI 2 who are involved in the company's operations and the implementation of Green Human Resource Management (GHRM), with a total population of 70 employees. The research sample consisted of 70 employees selected using purposive sampling based on the main criteria of at least one year of work experience. The selection of this sample size refers to Sekaran which states that a sample size of between 30 and 500 is considered adequate, and ([Hair et al., 2019](#)), which states that this number is sufficient for factor analysis, the statistical method used in this study. The sampling technique used purposive sampling, namely the selection of samples based on certain criteria that are in accordance with the research objectives ([Purwanto & Sudargini, 2021](#)), with the main criteria being permanent employees who have worked for at least one year. The selection of this technique aims to ensure that the sample has characteristics relevant to the research's focus, namely analyzing the effect of GHRM on employee green behavior (green lifestyle), employee performance, and company sustainability.

3.3 Data Types

Primary and secondary research data were used in this study. Primary data were collected directly from the research subjects through distributing questionnaires to respondents, namely employees of PT. Northeast Electric Power Construction Project OKI 2. This questionnaire was used to obtain primary data relevant to the study. This study involved all company employees as respondents to understand the influence of Green Human Resource Management (GHRM) on employee green behavior (Green Lifestyle), employee performance, and corporate sustainability. This study also utilized secondary and primary data to obtain a broader picture. Secondary data were obtained from scientific articles, previous studies on the research topic, and other relevant data sources. This secondary data was used to strengthen research arguments, provide theoretical context, and support a deeper understanding of Green Human Resource Management practices, organizational culture, work environment, and corporate sustainability.

3.4 Data Collection Techniques

This study uses a survey method with a questionnaire as a data collection instrument. The questionnaire was given to 70 PT employees. Northeast Electric Power Construction Project OKI-2 and distributed directly or via Google Form to increase the efficiency of data collection.

The questionnaire was designed using a 5-point Likert(AM et al., 2023) to measure the influence of Green Human Resource Management (GHRM) on Green Lifestyle, employee performance, and corporate sustainability. GHRM includes policies and practices of human resource management that are oriented towards environmental sustainability, such as employee selection, training, and environmental-based performance appraisal. Green Lifestyle measures employee behavior in energy efficiency, waste reduction, and involvement in green programs. Meanwhile, employee performance is evaluated based on the effectiveness of task completion, contribution to green solutions, and collaboration in implementing environmentally friendly practices.

Table 1. Questionnaire Items for GHRM, Green Lifestyle, Employee Performance, and Corporate Sustainability

Code	Statement
GHRM.1	The company applies employee selection criteria that assess environmental awareness.
GHRM.10	Management supports employees in participating in external environmental activities.
GHRM.2	Employee training programs cover sustainability, energy efficiency, and natural resource management.
GHRM.3	Employee performance evaluations consider contributions to corporate sustainability goals.
GHRM.4	Rewards are given to employees who actively implement eco-friendly practices in the workplace.
GHRM.5	The company provides eco-friendly facilities to support sustainable work practices.
GHRM.6	Employee development programs include education on sustainable business practices.
GHRM.7	Recruitment considers individual commitment to corporate environmental values.
GHRM.8	Incentives are given to employees who propose and implement innovative environmental solutions.
GHRM.9	The company establishes sustainability-based operational standards that all employees must adhere to.
GL.1	Employees actively reduce energy consumption by using energy-efficient equipment.
GL.10	Employees support and engage in company-organized environmental campaigns.
GL.2	Employees' work habits reflect efficiency in the use of natural resources.
GL.3	Employees' participation in company recycling programs demonstrates environmental awareness.
GL.4	Reducing the use of single-use plastics is part of daily work culture.
GL.5	Employees apply a paperless approach in office administration activities.
GL.6	Engagement in environmental communities within and outside the company is increasing.
GL.7	The use of environmentally friendly transportation, such as bicycles or electric vehicles, is encouraged.
GL.8	Employees' awareness of environmental issues is reflected in their daily lifestyle

	choices.
GL.9	The office implements a waste sorting system that all employees comply with.
EP.1	Employees demonstrate high work effectiveness in carrying out sustainability-related tasks.
EP.10	Employee motivation increases with the successful implementation of sustainability strategies.
EP.2	Individual goals within the company align with environmental sustainability objectives.
EP.3	Employees contribute to creating innovative solutions for green work practices.
EP.4	Efficiency and productivity improve with the adoption of sustainability-based work systems.
EP.5	Collaboration among employees in implementing green programs is strengthening.
EP.6	The completion rate of sustainability-related tasks meets company targets.
EP.7	Team leaders encourage members to actively participate in green initiatives.
EP.8	Compliance with company environmental policies is part of performance evaluation.
EP.9	Employees proactively propose improvements for energy efficiency and waste reduction.
CS.1	The company optimizes resource use to enhance operational efficiency.
CS.10	The company culture fosters sustainable innovation as part of competitive advantage.
CS.2	Business policies are designed to balance economic, social, and environmental aspects.
CS.3	Sustainability initiatives are integrated into the company's long-term strategy.
CS.4	Investments in green technology are a top priority for the company.
CS.5	The company's commitment to social responsibility is demonstrated through environmental programs.
CS.6	The company collaborates with suppliers who adopt sustainable business principles.
CS.7	Sustainability reports are regularly published to showcase the company's environmental achievements.
CS.8	The company actively supports government policies on environmental sustainability.
CS.9	Circular economy practices are integrated into the company's supply chain.

This structured approach ensures that the questionnaire effectively captures employees' perspectives on GHRM, Green Lifestyle, employee performance, and corporate sustainability.

3.5 Data Analysis Techniques

The data analysis technique in this study used Structural Equation Modeling-Partial Least Square (SEM-PLS). SEM-PLS was chosen because it is able to analyze the relationship between latent variables even though the data is not normally distributed and the number of samples is relatively small. The analysis was carried out through two main models: Measurement Model (Outer Model) to test validity and reliability using AVE, loading factor, Composite Reliability (CR), and Cronbach's Alpha, and Structural Model (Inner Model) to test the relationship between variables using R-Square, significance test (Bootstrapping), T-

Statistic, and P-Value. This study follows seven stages of SEM-PLS, starting from the development of a theoretical model to the interpretation of the results and modification of the model if necessary (Anwar et al., 2024).

4. Findings and Discussions

4.1 Analysis of Measurement Model or Outer Model

In testing the outer model on the data in this study, a convergent validity test was conducted which will be based on the outer loading value that appears in this test. Data can be declared valid if the outer loading value exceeds 0.7. Furthermore, the discriminant validity value will be based on the AVE value or average variance extracted that appears. The AVE value must be above 0.5 and cross loading requires that the item must correlate more with its own variable than with other variables. The Measurement Model or Outer Model is used to evaluate the validity and reliability of the research construct.

4.2 Convergent Validity

Convergent validity measures how well the indicators used correlate with the construct to be measured. Convergent validity evaluation is carried out using two main parameters, namely:

Outer Loadings is a measure of the contribution of each indicator to the construct it represents. An indicator is considered valid if the outer loadings ≥ 0.7 (Am & Setiawati, 2023). Based on the results of the analysis, all indicators in this study have outer loadings > 0.7 , thus meeting the criteria for convergent validity.

Average Variance Extracted (AVE) shows how much of the indicator's variance can be explained by its construct. An AVE value ≥ 0.5 indicates that the construct has good validity. The results of the analysis show that all constructs in this study have an AVE value > 0.5 , so that convergent validity is met.

Table 2. Outer Loading Value Results

Questionnaire Items	Green Human Resources Management	Green Lifest yle	Corporat e Sustainab ility	Empleye e performa nce
The company applies employee selection criteria that assess environmental awareness.	0.851			
Management supports employees in participating in external environmental activities.	0.802			
Employee training programs cover sustainability, energy efficiency, and natural resource management.	0.822			
Employee performance evaluations consider contributions to corporate sustainability goals.	0.845			
Rewards are given to employees who actively implement eco-friendly practices in the workplace.	0.753			

The company provides eco-friendly facilities to support sustainable work practices.	0.918	
Employee development programs include education on sustainable business practices.	0.837	
Recruitment considers individual commitment to corporate environmental values.	0.747	
Incentives are given to employees who propose and implement innovative environmental solutions.	0.879	
The company establishes sustainability-based operational standards that all employees must adhere to.	0.729	
Employees actively reduce energy consumption by using energy-efficient equipment.	0.797	
Employees support and engage in company-organized environmental campaigns.	0.828	
Employees' work habits reflect efficiency in the use of natural resources.	0.758	
Employees' participation in company recycling programs demonstrates environmental awareness.	0.721	
Reducing the use of single-use plastics is part of daily work culture.	0.749	
Employees apply a paperless approach in office administration activities.	0.745	
Engagement in environmental communities within and outside the company is increasing.	0.742	
The use of environmentally friendly transportation, such as bicycles or electric vehicles, is encouraged.	0.758	
Employees' awareness of environmental issues is reflected in their daily lifestyle choices.	0.740	
The office implements a waste sorting system that all employees comply with.	0.760	
Employees demonstrate high work effectiveness in carrying out sustainability-related tasks.	0.793	
Employee motivation increases with the successful implementation of sustainability strategies.	0.840	

Individual goals within the company align with environmental sustainability objectives.	0.851
Employees contribute to creating innovative solutions for green work practices.	0.714
Efficiency and productivity improve with the adoption of sustainability-based work systems.	0.743
Collaboration among employees in implementing green programs is strengthening.	0.847
The completion rate of sustainability-related tasks meets company targets.	0.752
Team leaders encourage members to actively participate in green initiatives.	0.785
Compliance with company environmental policies is part of performance evaluation.	0.881
Employees proactively propose improvements for energy efficiency and waste reduction.	0.846
The company optimizes resource use to enhance operational efficiency.	0.903
The company culture fosters sustainable innovation as part of competitive advantage.	0.907
Business policies are designed to balance economic, social, and environmental aspects.	0.863
Sustainability initiatives are integrated into the company's long-term strategy.	0.814
Investments in green technology are a top priority for the company.	0.856
The company's commitment to social responsibility is demonstrated through environmental programs.	0.857
The company collaborates with suppliers who adopt sustainable business principles.	0.837
Sustainability reports are regularly published to showcase the company's environmental achievements.	0.854
The company actively supports government policies on environmental sustainability.	0.896
Circular economy practices are integrated into the company's supply chain.	0.844

In the outer loading value test conducted by the author, the value of all outer loadings that describe the validity of the questionnaire items is > 0.7 . So with this value, all questionnaire items can be stated to have a level of validity that is met to be declared valid.

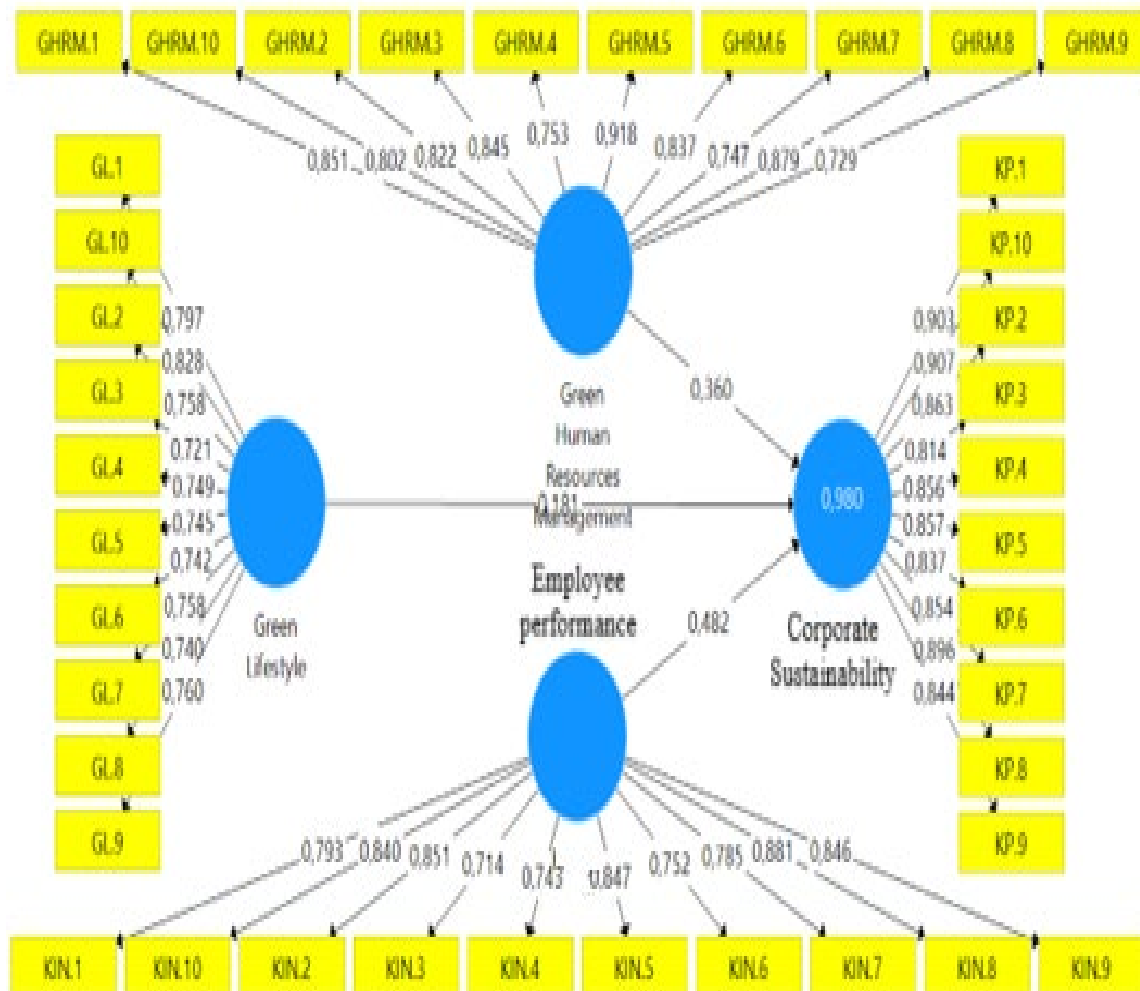


Figure 2. Outer Loading Test Results

4.3 Discriminant Validity

Discriminant validity evaluates the extent to which a variable differs from other variables in the model. This evaluation is done using Average Variance Extracted (AVE). An AVE value ≥ 0.5 indicates that the construct has good discriminant validity.

Table 3. AVE Analysis Results

Variables	Average Variance Extracted (AVE)
Green Human Resources Management	0.673
Green Lifestyle	0.578
Corporate Sustainability	0.746
Employee performance	0.651

Furthermore, based on the AVE value, all data in this study have an AVE value that exceeds 0.5.

So, with these results, it can be stated that the data collected by the author are data that can be declared valid in terms of discriminant validity.

4.4 Reliability Test

The variable reliability test measures the internal consistency of the indicators used to measure a variable. Reliability is tested using two methods, namely Cronbach's Alpha and Composite Reliability. Cronbach's Alpha measures the internal consistency of the variable. Values above 0.7 indicate good reliability. The results of the analysis show that all constructs have Cronbach's Alpha > 0.7, thus meeting the reliability criteria. Composite Reliability is more stable than Cronbach's Alpha because it considers the contribution of the indicators in more depth. Values above 0.7 indicate good reliability. The results of the analysis show that all constructs have Composite Reliability > 0.7, thus the reliability of the constructs in this study is acceptable. In the next test, namely regarding the level of reliability of the data collected by the author, the data can be declared reliable if it has a composite reliability value and also a Cronbach's alpha value exceeding 0.7. Quoting from [Priadana & Sunarsi \(2021\)](#), reliable data is a condition in which the measuring instrument used can measure what should be measured regarding the phenomena being measured consistently in any situation at the time the measurement is carried out.

Table 4. Results of Composite Reliability and Cronbach's Alpha Analysis

Variables	Cronbach's Alpha	Composite Reliability
Green Human Resources Management	0.945	0.953
Green Lifestyle	0.919	0.932
Corporate Sustainability	0.962	0.967
Employee performance	0.94	0.949

Based on these values, namely the values that appear in Cronbach's alpha and also the composite reliability values all have values above 0.5, it can be stated that all variables in this study are reliable data.

4.5 Coefficient of Determination

The coefficient of determination (R^2) is one of the statistics used to measure how well the independent variable can explain the variation in the dependent variable. The higher the R^2 value, the better the model is in explaining the variation in the data. In the r square analysis, if the r square value has a value of up to 0.19 then it can be stated that the ability is weak / small (weak), while if the value exceeds 0.33 then it can be stated moderate and if it exceeds 0.67 then it can be stated strong. Meanwhile, the criteria for the f square value are if the value is 0.02 then it will be stated to have a small impact, if the value is 0.15 then the impact is stated moderate and if the value is 0.35 the impact is large.

Table 5. Results of R Square Analysis

Variables	<i>R Square</i>	<i>R Square Adjusted</i>
Corporate Sustainability	0.980	0.979

With the r square value, which is 0.980, it can be interpreted that the exogenous variable can explain the endogenous variable by 98% while the rest, which is 2%, is explained by variables

that are not involved in this study. Therefore, the value, which is 0.980, is a value that can be stated as "strong".

4.6 Effect Size

Effect size (F^2) is used to assess the extent to which each independent construct contributes to the dependent variable. In general, a larger effect size indicates a stronger influence of the construct on the dependent variable. F^2 can measure the change in R^2 when exogenous constructs are included or removed from the model that affect endogenous variables.

Table 6. Results of f Square Analysis

Variables	Corporate Sustainability
Green Human Resources Management	1,039
Green Lifestyle	0.254
Employee performance	1,595

Based on the results of the f-square analysis, the variables Green Human Resources Management (GHRM) (1.039) and Employee Performance (1.595) have a large influence on Corporate Sustainability, while Green Lifestyle (0.254) has a moderate influence. This shows that the implementation of GHRM and improving employee performance contribute significantly to corporate sustainability, while employee green lifestyle also plays a role although with a more moderate impact.

4.7 Multicollinearity Test (Inner VIF)

In the next test related to the outer model in this study, the test for multicollinearity will be carried out with the aim as stated by [Jaya \(2021\)](#), namely to see whether there is a problem or disease of multicollinearity where a model will appear to show intercorrelation between 1 variable and another variable. In his book, [Sugiyono \(2020\)](#) states that the requirement for data to be declared tested does not have a multicollinearity problem if the VIF value is <10 .

Table 7. Multicollinearity Test Results

Questionnaire Items Code	VIF	Questionnaire Items	VIF
GHRM.1	3,369	KIN.1	2,351
GHRM.10	2,864	KIN.10	4,468
GHRM.2	2,981	KIN.2	4,699
GHRM.3	3.64	KIN.3	2,956
GHRM.4	2,393	KIN.4	2,548
GHRM.5	5,646	KIN.5	3,694
GHRM.6	3,702	KIN.6	2,454
GHRM.7	2,191	KIN.7	2,564
GHRM.8	3,816	KIN.8	4,068
GHRM.9	2,255	KIN.9	4,245
GL.1	2,483	KP.1	4,515
GL.10	3,168	KP.10	5.7
GL.2	2,329	KP.2	3,745

GL.3	2,444	KP.3	2,778
GL.4	2,343	KP.4	3,711
GL.5	2,724	KP.5	3,614
GL.6	2,048	KP.6	3,344
GL.7	2,172	KP.7	3,336
GL.8	2,653	KP.8	5,091
GL.9	2,693	KP.9	3,259

From the results of the analysis, all data processed by the author has a VIF value below 10 or <10. So based on the results of the test, it can be concluded that this study does not have data that shows symptoms or problems of multicollinearity.

4.8 Path Coefficient Hypothesis Testing

This study uses t-test to see how the impact of exogenous variables in this study, namely green human resources management, green lifestyle, and employee performance on corporate sustainability. This study will use path analysis to see how these influences.

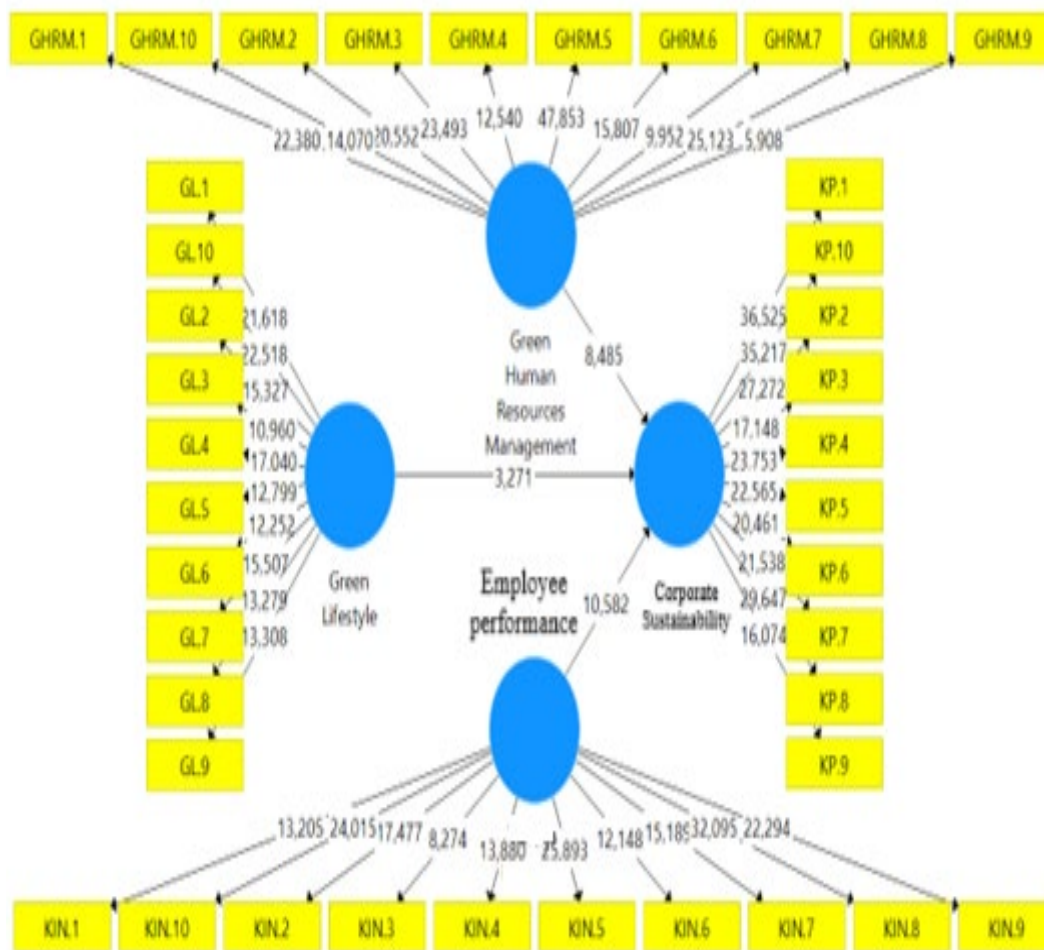


Figure 3. Inner Weight Analysis

In path analysis or path coefficient, the influence can be stated as significant if the probability value or p-value is below 0.05 or less than 0.05. In addition, if the t value that appears after the analysis is carried out is a positive value, then the influence is a unidirectional influence. Likewise, if the value is negative, then the influence is contradictory or not unidirectional.

Table 8. Path Analysis Results

Path Hypothesis	<i>T Statistics</i>	<i>P Values</i>
Green Human Resources Management -> Corporate Sustainability	8,485	0,000
Green Lifestyle -> Corporate Sustainability	3,271	0.001
Employee Performance -> Corporate Sustainability	10,582	0,000

Based on the analysis that has been done and the results listed in Table 7, the hypothesis testing shows that Green Human Resource Management (GHRM) has a significant and positive effect on the sustainability of the company. In addition, Green Lifestyle also has a significant and positive effect on the sustainability of the company. Likewise, employee performance has a significant and positive effect on the sustainability of the company.

4.9 Discussion

4.9.1 The Influence of Green Human Resources Management on Corporate Sustainability

The results of this study found that hypothesis 1 can be accepted because with a p value of $0.000 < 0.05$ and a t value of 8.485 indicating that there is a significant influence of green human resources management on corporate sustainability and the nature of this influence is positive. The author's findings are in accordance with [Hasan \(2022\)](#) who also stated that green human resources management has an influence on corporate sustainability.

In the implementation of GHRM, human resources are seen as strategic assets that can support the long-term sustainability of the company ([Ari et al., 2020](#)). By adopting GHRM practices such as green recruitment, sustainability training, and environmental performance-based evaluation, companies can improve operational efficiency and encourage green innovation. In addition, this approach creates an environmentally conscious organizational culture, which is an important element in building a positive reputation and trust from stakeholders.

Within the sustainability framework, the triple bottom line (TBL) theory is also relevant to explain the relationship between GHRM and corporate sustainability. This theory emphasizes three dimensions of sustainability: environmental, social, and economic. Through GHRM, companies are able to integrate these three dimensions in a holistic manner. Human resource management practices that support environmental conservation have a direct impact on reducing carbon footprints and more efficient use of resources, thereby supporting environmental sustainability ([Bhattarai et al., 2023](#)) from a social perspective, GHRM creates a more inclusive and ethical workplace, increases employee loyalty, and attracts talent with a vision for sustainability. Economically, implementing GHRM helps companies achieve cost efficiency, increase productivity, and strengthen competitiveness in an increasingly environmentally conscious market. Thus, GHRM is not only an operational strategy but also a key element in achieving overall corporate sustainability.

4.9.2 The Influence of Green Lifestyle on Corporate Sustainability

The results of this study found that hypothesis 2 can be accepted because with a p value of

0.001 < 0.05 and a t value of 3.271 indicating that there is a significant influence of green lifestyle on corporate sustainability and the nature of this influence is positive. This study is supported by the findings of [Foster et al. \(2022\)](#) which revealed that the success of corporate sustainability will be influenced by how a green lifestyle can be implemented by its employees.

In the Theory of Planned Behavior, employee behavior that supports sustainability is influenced by positive attitudes toward the environment, social norms prevailing in the workplace, and perceptions of behavioral control. When employees adopt green lifestyles, such as reducing waste, conserving energy, or using environmentally friendly transportation, they bring these practices into the workplace, creating an organizational culture that supports sustainability initiatives ([Chuah et al., 2021](#)). This increases the alignment between individual values and corporate goals, which ultimately drives the company's overall sustainability performance.

In addition, Social Exchange Theory explains that employees who adopt a green lifestyle tend to be more committed to organizations that support environmentally friendly practices. Companies that provide green facilities, such as recycling programs, incentives for environmentally friendly transportation, or offices with green certification, strengthen employee engagement in sustainability efforts ([Lin et al., 2024](#)). This commitment not only improves operational efficiency, such as reducing resource consumption, but also strengthens innovation in more environmentally friendly business processes. Corporate sustainability is also enhanced through the positive reputation created by employees' real contributions to environmental goals. In other words, employee green lifestyles not only have an impact on the ecological dimension but also support the company's social and economic sustainability, creating synergy between individuals and organizations in achieving long-term sustainability goals.

4.9.3 The Influence of Employee Performance on Company Sustainability

The results of this study found that hypothesis 3 can be accepted because with a p value of 0.000 < 0.05 and a t value of 10.582 indicating that there is a significant influence of employee performance on company sustainability and the nature of this influence is positive. This finding is in line with that expressed by [Amjad et al. \(2021\)](#) which states that employee performance in a company that implements GHRM will help drive the performance and sustainability of the company.

According to the Resource-Based View (RBV), competent, motivated, and environmentally conscious employees are strategic resources that are difficult to imitate and provide competitive advantage ([Sharma et al., 2021](#)). In companies implementing GHRM, sustainability training, environmentally-based performance evaluations, and green incentives enhance employees' ability to innovate in creating environmentally friendly solutions. Better performance in this aspect allows companies to optimize resources, reduce operational costs, and minimize environmental impacts, thus directly supporting sustainability.

Based on AMO Theory, optimal employee performance is achieved when the company provides three main elements: ability, motivation, and opportunity ([Aboramadan, 2022](#)). In the context of companies implementing GHRM, companies improve employee capabilities through training designed to improve understanding and skills in supporting sustainability. Motivation is enhanced through recognition of employee contributions to green initiatives, while opportunities are created through a supportive work environment, such as the implementation of environmentally friendly technologies and pro-environmental internal policies. With these

elements, employees not only increase productivity but also contribute to the achievement of the company's sustainability goals, including resource efficiency, better reputation, and compliance with environmental regulations. Therefore, employee performance driven by GHRM practices is a key pillar in realizing corporate sustainability holistically, covering ecological, social, and economic dimensions.

4. Conclusion

Based on the research results, Green Human Resource Management (GHRM) is proven to have a significant and positive influence on corporate sustainability with a p-value of $0.000 < 0.05$ and $t \ 8.485$. In addition, green lifestyle also contributes significantly to corporate sustainability with a p-value of $0.001 < 0.05$ and $t \ 3.271$. Furthermore, employee performance shows a significant and positive influence on corporate sustainability with a p-value of $0.000 < 0.05$ and $t \ 10.582$. These findings are in line with previous studies which state that the implementation of GHRM practices can improve corporate performance through environmental sustainability and operational efficiency. In addition, employee green lifestyles also play a role in improving organizational sustainability through environmentally friendly behavior in the workplace.

As a recommendation, PT. Northeast Electric Power Construction Project OKI 2 is advised to further integrate sustainability principles into human resource management by strengthening GHRM policies. To support a green lifestyle, companies can provide facilities such as environmentally friendly work areas, shared transportation programs, and waste reduction initiatives. In addition, companies can implement a green performance-based evaluation system, provide awards for environmentally friendly innovations, and increase access to green technology to drive corporate sustainability more effectively. Further research is recommended to explore external factors, such as government policies and industry trends, as well as internal factors such as corporate culture and leadership in influencing business sustainability. This approach will provide a more comprehensive perspective to develop a more effective sustainability strategy.

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