Impact of Green Human Resource Management Practices on Job Seekers’ Attraction

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Abstract
The main purpose of this research is to investigate the impact green human resource management practices on job seekers’ attraction in a developing economy like Pakistan. It also explores the significant impact of employer reputation on the relationship of green human resource management practices on job seekers’ attraction. The impact of green human resource management practices on job seekers’ attraction is further investigated with the moderating role of employer reputation. A sample of 300 students attending the final year of a Master’s degree in Business Administration at three universities of Southern Punjab was studied by using survey design. The findings of this study states green human resource management practices have positive impact on job seeker attraction and employer good reputation increases the positive impact of green human resource management practices on job seeker attraction. The results of this study provide some inputs for organization to invest more in green human resource management activities. It also opens new avenues for organization to understand that green practices enhance the green reputation of the firms and increases job seekers’ attraction towards the firm. The greening of human resource management is an emerging topic for scholars and consultants in developing economies. No previous study has explored the impact of green human resource management practices on job seekers’ attraction in a developing country like Pakistan.

Keywords: Green human resource management, green reputation, job seeker attraction, employer reputation.

1. Introduction
Human resource management (HRM) is essential for firms to get competitive advantage, high organizational performance (Wei and Lau, 2010) and organizational success (Schuler and Jackson, 2014). In addition with such accomplishments from contemporary HRM, organizations that are striving hard to save the environment, link their corporate environmental activities with their HRM practices and this phenomenon is termed as Green Human Resource Management (GHRM).

Renwick et al., (2013) defined GHRM as combination of HRM and environmental care activities of organization. GHRM is the HRM aspect of corporate environmental responsibility (Mandip, 2012). Organization’s green reputation is an important driving force that impacts the job seekers’ perception during the process of job search (Behrend et al., 2009; Williamson et al., 2003). Firm’s environmental activities have a strong impact on its reputation (Lii and Lee, 2012). Prior studies argued that prospective job seekers consider Corporate Social Responsibility, an important factor in evaluation of companies during job seeking process (Backhaus et al., 2002). Studies have also proved the significant relationship of HRM practices and overall performance of organizations e.g. productivity, flexibility and financial performance (Mendelson and Pillai, 1999; Collins and Clark, 2003). It is also stated that job seekers evaluate the companies as “best place to work” and firms’ social and environmental activities influence their perception about the firm (Backhaus et al., 2002).

The present study investigates how green human resource management activities of firms, shape job seekers’ perception and hence job seekers are attracted to pursue for the job in these firms. Guerci et al., (2016) explored the undeviating impact of green recruitment practices to attract job seekers’ in Italian context, however, the role of GHRM in attracting prospective job seekers’ is not empirically explored in context of developing countries i.e. Pakistan. This research investigates the impact of GHRM practices on job seekers’ attraction and how employer reputation based on different attributes (e.g. quality, high monetary rewards) moderates the relationship between GHRM and job seekers’ attraction of the firm. So the main goals of this study are

- To investigate the relationship between green human resource management practices and job seekers’ attraction to pursue for job in prospective firm.
- To investigate the moderating role of employer reputation on the relationship of green human resource management practices and job seeker attraction towards the firm.
2. Literature Review and Hypothesis Development

2.1 Green Human Resource Management

To achieve competitive advantage and to win the global war of talent, firms now implement environmental care activities as a part of organization’s strategy (Daily and Huang, 2001). It is also argued that a firm that wants to build its image as environmental sensitive organization requires special efforts of human resource department (Rothenberg, 2003). Researchers define GHRM in different ways, but share the same point of view that GHRM is linked with environmental and organizational sustainability. Mandip (2012) stated that GHRM uses employee as a source to promote sustainable environmental initiatives and focuses on commencement of environment sensitive activities that result in high efficiencies, low costs, high employee engagement and high employee retention. Opatha and Arulrajah (2014) stated that GHRM shapes policies, practices, and systems of organizations and create green employees for the organization, environment and society as a whole. Marhatta and Adhikari (2013) and Zoogah (2011) stated that GHRM refers to the use of HRM policies for effective and sustainable use of resources within business entity and generally promotes the environmental sensitive behavior in organizations. GHRM is also referred to the use of HRM practices to endorse ecological practices and to increase employee mindfulness and obligations on the issues of environmental awareness and sustainability (Mandip, 2012). The framework of GHRM is aligned with recruitment and selection (Grollleau et al., 2012), employee performance appraisal (Jabbour.et.al, 2010) and employees’ training & development (Unnikrishnan and Hegde, 2007). In the present study we are concerned with two GHRM practices i.e. green recruitment and green training & development.

2.2 Impact of Green Human Resource Management on job seekers’ attraction

GHRM is all about implementation of the concept of sustainability in organization and it involves green actions that result in high efficiencies, low wastage, high employee job engagement, improved work life balance, high employee performance. According to Mandip (2012), the concept of GHRM is aligned with different HRM practices, such as recruitment, training & development and compensation etc; these HRM practices are connected with environmental practices to create GHRM practices. Organizations that are concerned about environment; do long term planning for the green outputs e.g. reduction of CO2 emissions as a result of business activities (Albino et al., 2009). Backhaus et al., (2002) investigated that corporate environmental and social responsibilities have great impact on employer attractiveness. Greening and Turban (2000) also confirmed that organizations with strong reputation as environmental responsible organizations; attract best talent because young job seekers are more likely to pursue for the jobs in these organizations. Prior research confirmed that job seekers have great attraction for companies with clear environmental policies and practices and hence these companies win the war of talent (Albinger and Freeman, 2000; Aiman-Smith et al., 2001; Behrend et al., 2009). On the basis of above arguments we state that

H1: Green HRM practices have significant positive impact on job seekers’ attraction.

2.2.1 Impact of Green Recruitment Practices on job seeker attraction

It is stated that in order to attract top talent, green information by company’s website plays the role of effective and efficient green recruitment tool (Walker et al., 2011; Lievens and Highhouse, 2003). It is also argued that content of information on company’s web sites plays important role in attracting prospective job seekers (Baum and Kabst, 2014; Williamson et al., 2010). Job related information and employment conditions provided on the company’s website reduces the job seekers’ ambiguity about the job and the employer (Thompson et al., 2008). Information provided on company’s website regarding its environmental policies and practices, plays the role of green recruitment tool for the company (Walker et al., 2011). Guerci et al., (2016) also used the green information provided on company’s website as green recruitment practice, in their study to explore the direct impact of green recruitment practices to attract job seekers in Italian context. The content and extent of information provided on the website play a significant role in order to attract qualified prospective employees (Chen et al., 2012; Gregory et al., 2013). Potential job seekers are expected to take into consideration, company’s green recruitment practices in the process of job search (Aiman-Smith et al., 2001; Greening and Turban, 2000; Jones et al., 2014; Zhang and Gowan,2012). On the basis of above argument we conclude that the green recruitment practices i.e., quantity of green information provided on a company web site may be expected to have positive impact on potential job seekers.

H1a: Green recruitment practices have significant positive impact on job seekers’ attraction.

2.2.2 Impact of Green Training & Development on job seekers’ attraction

Green Training & Development (GT&D) is a new concept derived from the broad “green” concept. The aim of GT&D is to create awareness on different environmental issues and to implement the comprehensive green practices in the organizations that would lead to a sustainable competitive advantage in future. According to Mandip (2012) GT&D program leads to competitive advantage for organizations and covers various environmental risks. Daily et al., (2011) stated that without GT&D the organization cannot fulfill its aim of becoming green. GT&D program is different from traditional T&D program and includes the concepts of waste
management, recycling, safety and save energy. GT&D program is responsible to enhance environmental knowledge on emerging environmental issues and create awareness regarding the future risks the organization may face. Prior studies proved that job seekers spend a substantial amount of time in search for information on the training and development opportunities offered by potential employers (Maurer et al., 1992) and this information is positively related with job seekers’ intention to pursue for job in the specific company. (Allen and O’Brien, 2006; Terjesen et al., 2007; Turban, 2001). We thus formulate the following hypothesis:

H1b: Green training & development opportunities have significant positive impact on job seekers’ attraction towards the company.

2.3 Moderating role of employer reputation

In this era of intense competition, organization’s reputation is an important factor to attract the qualified and talented employees (Williamson et al., 2003; Baum and Kabst 2013). It is argued that organization’s reputation is an important factor that influences the job seekers’ perception in the job-seeking process (Behrend et al., 2009; Williamson et al., 2003). Cable and Turban (2003) argued that organization’s reputation influences the prestige that individuals expect from organizational membership and job seekers pursue for the job in organizations that have good reputation and expect to feel respect and personal pride as a result.

Therefore, intentions of job seekers’ to pursue for the job in the prospective organization are highly influenced by an organization’s reputation (Cable and Turban 2003). Organizations’ reputation is a significant factor that influences the applicant’s intention (Baum and Kabst 2013). Existence of significant relationship between employer reputation and job seekers’ attraction is proved by researchers (e.g. Edwards, 2009; Belt and Paolillo, 1982; Gatewood et al., 1993, Cable and Turban, 2003). According to Edward (2009) job seekers apply for jobs in organizations with the good employer reputation. Collins and Stevens (2002) stated that positive perception about the organizations depends on employer reputation.

According to Lange et al., (2011) an organization’s reputation is based on different attributes and these attributes may have different level of attraction for different potential candidates. For example, an organization may have different types of reputation e.g. reputation as quality oriented products, reputation as high competitive rewards and reputation as poor labor relations, or high environmental practices (Deutsch and Ross, 2003). In addition, different job seekers have different level of interest for different types of reputational attributes; so job seekers have different perception about the same company based on the extent to which the company fulfills their particular interest. From these arguments we believe that different attributes of organization’s reputation play a specific role in attracting potential job applicants. So we propose that

H2: Employer reputation has significant positive impact on job seekers’ attraction.

H3: Employer reputation moderates the relationship between GHRM and job seekers’ attraction.

3. Methodology

3.1 Sample

This study implements a self administered survey to gather primary data through well structured questionnaires. To collect data, a sample of 300 students attending the final year of a Master’s Degree in Business Administration at different universities of Southern Punjab was studied. The major cause for selecting Business Administration students for research is because these students have high knowledge of goals and objectives of their targeted firms. 400 questionnaires were distributed among the students of different universities of South Punjab, Pakistan. However out of 400; 300 were properly answered. The demographic analysis showed that out of 300 total respondents, 60.5% are male and 39.5% are female respondents.

3.2 Measurement

3.2.1 Green HRM

Items for measuring the independent variable (GHRM) were adopted from Jose, (2011). We chose the items regarding recruitment and training & development. Respondents were asked to evaluate each item on a five-point scale (1 for strongly disagree; 5 for strongly agree).

3.2.2 Applicant attraction

In lines with previous research (Ehrhart and Ziegert, 2005), this study measured the attraction of the company for prospective job applicants through a set of items taken from the study of Highhouse et al., (2003) and Williamson et al. (2010). Respondents were asked to evaluate each item on a five-point scale (1 for strongly disagree; 5 for strongly agree).

3.2.3 Employer reputation

The reputation of a corporation as an employer was measured by using items from the study of Williamson et al. (2010) and Walsh and Beatty (2007). A five-point scale (1 for strongly disagree; 5 for strongly agree) was used to evaluate the respondents.
4. Analysis and Results

4.1 Reliability

The construct GHRM with reliability .815 is considered highly reliable, reliability of job seekers’ intention is .717 and reliability for employer reputation .829. Correlations mean and standard deviations of variables are given in Table I. The correlation between variables is significant. As expected, GHRM had positive bivariate correlations with job seeker attraction (r=0.58, p≤ 0.01) and employer reputation had positive correlation with job seeker attraction (r=0.47, p≤ 0.01).

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
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<th>2</th>
<th>3</th>
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<tr>
<td>Employer Reputation</td>
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<td>0.58***</td>
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<tr>
<td>Job Seeker Attraction</td>
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<td>0.58</td>
<td>0.42**</td>
<td>0.47**</td>
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</tr>
</tbody>
</table>

Notes: ***p<0.001**p<0.01, *p<.005

Table 1: Correlations, Mean and Standard Deviation of the population

4.2 Hypothesis testing and analysis

This study used hierarchical moderated multiple regression analyses (Cohen and Cohen, 1983) to check hypotheses. Hypotheses H1, H1a and H1b were all accepted. It was found that in GHRM (β=0.480, p<0.001), green recruitment (β=0.306***, p<0.001) and green training and development (β=0.325***, p<0.001), all have significant positive impact on Job seekers’ intentions, respectively.

H2 was confirmed as employer reputation was found to have a significant positive impact on job seeker intention (β=0.330, p<0.001). The moderated regression analysis seeks to determine the change in R² that results during a hierarchical test of three regression equations. In the first regression, the dependent variable job seekers’ intention is regressed on the GHRM practices as the independent variable. In second regression, the job seekers’ intention is regressed with both the independent variable GHRM practices and moderator employer reputation.

In the third regression, an interaction term obtained by multiplying the independent variable with the moderator variable is also entered. The increase in R² value from 0.700 to 0.745 shows that there is a statistically significant direct moderation effect of employer reputation (F=170.200, p<0.001). Employer reputation enhance the positive effect of GHRM (β=0.671, p<0.001) and green recruitment (β=0.559, p<0.05) and green training and development (β=0.455, p<0.05) on job seeker intention.


5. Discussion

This research is based on a sample of Pakistani students from different universities of southern Punjab. This study concludes that young generation of Pakistan is more conscious about environment friendly activities and policies of the companies. With regard to the this aspect, the study concludes that GHRM practices i.e. green recruitment and green training & development, have a significant positive influence on the job seekers’ intention to pursue for job in a specific organization. This study also confirms that relationship between GHRM practices and job seekers’ attraction is further strengthen by employer reputation. This shows that employer reputation based on different attributes (quality, customer care etc.) has additive effect on environment conscious job seekers. Overall this study concludes that environmental consciousness is arising in Pakistani organizations and job seekers.

5.1 Managerial Implications

This study has significant managerial implications. For many developing countries, economic conditions and recruitment system plays a major role in influencing job seekers’ behavior. The model used in this study argues that, in developing countries GHRM practices also influence job seekers intention to pursue for job. Outcomes of this study are critically important for HR managers and recruitment officers specifically trying to attract the best talent. This study suggests that GHRM practices positively influence job seekers’ intention to pursue for the job, therefore HR managers should focus on more green human resource management initiative to attract the best young talent. This study enhances managers’ understanding to use better strategies for attracting the young environmental conscious job seekers. The result of this study also suggests that mangers can win the war of talent by combing strategies relating to employer reputation along with green reputation. Mangers could design their future strategies based on the result of this study.

5.2 Limitations and Future Research

This study has some limitations that provide basis for further research. First of all, the present study focuses on Pakistani job seekers. Pakistan has its own specific economic conditions, organizational setting and recruitment practices so this study cannot be generalize for other developing countries. Further research in other developing countries with different cultures will measure the overall attitude of young job seekers towards GHRM and green reputation.

Second, this study does not measure attributes of employer reputation that makes green reputation more worthy for the job seekers. In future it would be interesting to research that which attribute strengthens the relationship between green reputation and job seekers attraction most significantly. Third, this study only focuses on young job seekers and future research would benefit from behavioral comparison between different age groups. It would be interesting to know that older age group of respondent may have different attitude towards GHRM and this might affect their attraction towards specific organizations. Fourth, this study focuses on students of Southern Punjab which is underdeveloped part of Pakistan. Future research would benefit from testing the same model on larger samples in other developed cities of Pakistan. By comparing results, it would be interesting to consider whether job applicants in developed cities have a different attitude towards “green” then from respondents of underdeveloped cities of Pakistan.

### Table III: Regression Analysis

<table>
<thead>
<tr>
<th>Regression Equation</th>
<th>Regression Equation</th>
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</thead>
<tbody>
<tr>
<td>R²</td>
<td>0.665</td>
<td>0.700</td>
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<tr>
<td>Adj R²</td>
<td>0.689</td>
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<tr>
<td>F</td>
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<td>240.037***</td>
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<tr>
<td>GHRM</td>
<td>0.480***</td>
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</tr>
<tr>
<td>Green recruitment</td>
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<td>0.265**</td>
</tr>
<tr>
<td>Green training &amp; development</td>
<td>0.325***</td>
<td>0.277**</td>
</tr>
<tr>
<td>Moderating variable</td>
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<td></td>
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<tr>
<td>Employer reputation</td>
<td>0.330***</td>
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<tr>
<td>Interaction</td>
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<td></td>
</tr>
<tr>
<td>Employer reputation *GHRM</td>
<td></td>
<td>0.671***</td>
</tr>
<tr>
<td>Employer reputation*Green Rec</td>
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<tr>
<td>Employer reputation*Green T &amp; D</td>
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</tbody>
</table>

Notes: **p<0.005; ***p<0.001
References:


