

# **Employer Branding through Eco - Friendly HR Practices: An Exploratory Study of 5 Star Hotels of Delhi – NCR Region**

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## **ABSTRACT**

*Green HR practices developed as a recent innovative technique which helps organizations to create sustainable brands and promote a deep understanding of social responsibility towards environment. The progression of green HR practices initiates from a socially conscious HR department which involves the workforce to develop and participate in promotion of sustainable practices and integrating business operations with sustainable development of the organization. The study focuses on exploration of factors affecting adoption of green HRM practices by hotel industries for enhancing productivity, performance and efficiency at all levels of management. The global integration of business with environment is required for future adaptation to eco-friendly practices and methods to involve various issues of human resource management in practicing HR practices for enhancing competitive advantage. The paper uses exploratory research design to identify the factors affecting implementation of HR practices in hotel industry by collection of primary data through a survey questionnaire. The factors identified are analysed to study the significant relationship between different factors and employees working at various managerial levels. The study is conducted in five-star hotel chains. The sampled respondents are employees working in five star hotels and are exposed to various green HRM practices implemented by the management like recruitment and selection, training & development, performance and reward management, etc.*

**Keywords:** *Green HRM, Sustainable Development, Social Responsibility*

**Introduction:** Strategies that safeguard environment and motivates sustainable decision making is the need of corporate to ensure socially responsible and eco-friendly organizations which can support the natural system and is vital for existence of living beings. Sustainable strategies are innovative form to realise the importance of corporates active role in the well-being of society and developing the cohesive environment which not only protects the environment but also helps in procuring larger incentives those in form of tangible and intangible respects. Green HR strategies can help businesses to develop procedures that support future survival of stakeholders, business and economy and ensure development of socially responsible workforce. Business can contribute to the society in various manners to upgrade the living standards of consumers and skills of employees for developing operational strategies which lower the cost and increase the return in terms of customer attraction, retention, increase in market share, development of a eco- friendly working environment, a sustainable eco system, responsible brands and accountable employers for the betterment of globe.

HR department can perform its practice and processes in a manner to increase employee efficiency and engagement more profoundly in service like hotels where customers desire to focus on quality of the services and popularity of the brand. HR department thus can induce social accountability among the employees working in various departments and develop an eco- sensitised environment to convert the business operations into green functions. This can motivate organization to take green initiatives with the efforts of HR department to convert the service brands into a green brand and through this motion of eco friendliness can generate more business and satisfaction of employees as well as customers.

Green HR practices may include various forms like e-recruitment, online training programs, e-rewards, e-performance management system, etc. which involves all the facets of HR functions. The future of green HR practices promises organizations to withhold sustainable solutions and reap the benefits of taking active participation in saving the environment. Green HR can promote the spirit of environment protection and helps in minimisation of carbon footprints and development of socially as well as environmentally responsible workforce for optimum utilisation of knowledge capital.

The top brands around the globe have initiated the practices of such strategies to build a competitive advantage and become market leader. The hotel industry is one of the largest services

sectors which are based on branding and quality of service. The internal and external branding of hotels as eco-friendly entity procures a respect for the brand and creates future sustainability with guarantee. The research is conducted in light of green HR practices to be adopted by hotels and the exploration of factors responsible for its implementation in making the service brands eco-friendly.

Employer branding can be thus created with the help of sustainable strategies and competitive advantage. The concept has been around for decades, but it gained widespread attention until the mid-90's when the innovative strategies led access to millions of opportunities across the globe. The employers adapted to the dynamic shift of transformation and began to take proactive steps toward attracting and retaining top talent by capitalizing on the benefits of employer branding which is associated to the changing business patterns and implementation of better and sustainable HR practices.

**Review of Literature:** Sharma & Agarwal (2020) tried to explore the managerial perspective regarding green HRM and its implementation in banking services to comply with environmental laws. The application of green HRM practices in banks lead to optimum utilisation of resources and better customer services which increase customer satisfaction and retention. The managers in banks are responsible to implement innovative practices and focus on sustainability and satisfaction of stakeholders. The paper focuses on manager's perspective regarding green HRM practices and its implementation in public and private sector banks in Bhilwara city.

Paudel & Yunho (2019) Substantial growth in service sector and modernisation of business has created numerous environmental hazards and so it is an issue of concern environmentalist desire to have more concern for environment protection and eco-friendly practices for the benefit of society. This study is approached towards understanding of green HRM and corporate environmental responsibility in the hospitality industry. The sustainable methods of business should be innovated to practice eco-friendly behaviour and develop a framework of green HR practices which integrates green competitive advantage, green supply chain, green environment and green organization culture to capitalise the role of hospitality industry in terms of sustainable development.

App, Merk & Buttgen (2012), engulfs different aspects of sustainable HRM and its need to gain competitive advantage in the market to create qualitative employees and establish an attractive employer brand which identifies the need and expectations of employees who consistently work for the image of the organization and long term sustainability. The paper helped to identify the integration between sustainable HR practices and employee value proposition. An attractive employer brand can attract and retain employee to deliver the expected quality services.

### **Objectives of the study:**

- To explore factors affecting green HRM practices in hotel industry
- To study the correlation between various factors
- To study the relationship between green organization culture and employer branding

**Research Methodology:** A primary survey is conducted in order to accomplish the research objectives and data is collected from the respondents from 200 respondents working in various 5 star hotels to explore the factors affecting the implementation of green HRM practices in hotels.

### **Sample Profile**

<b>Variables</b>	<b>Scale</b>	<b>No. of Respondents</b>
Gender	Male	168
	Female	32
Age	Less than 25 Years	49
	25-35 Years	106
	35-45 Years	22
	More than 45 Years	23
Awareness about green Practices	Yes	169
	No	31

**Interpretation:** The sampled respondents are grouped on the basis of gender, age and Awareness about green Practices. Out of 200 sample units, 168 are males and maximum 106 fall in the age group of 25-35 years. The percentage of awareness about green practices is 85% which is reasonably high and it can be interpreted that most of the employees working in hotel industry are aware about green HR practices.

## Factor Analysis

The results of exploratory factor analysis and KMO measure shows that the data is appropriate for applying factor and grouping the variables to study the parameters which affect green HRM practices. The high value of KMO .789 indicates that the data set is appropriate for factor analysis and the result of Bartlett Test of Sphericity 0.00 shows that factors can be extracted from large no. of variables through varimax rotation and 'Latent Root Criterion' is applied to group the variables into factors by choosing the factors with eigen value greater than 1. Total 12 statements have been considered for the study and five factors have been extracted to satisfy the research objectives. The communality values of all the twelve variables considered for research was greater than 0.6 which indicated and explained the variance for each variable included in the statistical test.

KMO and Bartlett's Test			
Kaiser-Meyer-Olkin Measure of Sampling Adequacy			.789
Bartlett's Test of Sphericity	Approx. Chi-Square		1566.41
	Df		1
	Df		105
	Sig.		.000

Name of Factor	Indicators	Factor Loadings	Total factor Loading
Proper utilisation of resources	Increases revenue	-.898	2.442
	Optimum utilisation of resources	.806	
	Recycling and Reusing	.738	
Competitive Advantage	Promotes sustainability	.852	1.565
	Fights Competition	.713	
Customer Retention	Helps in promoting the brand	.822	1.672
	Increase in market share	.850	
Eco-friendly environment	Environment protection	.741	1.456
	Sensitization towards eco-friendly practices	.715	
Increased Work	Reduce Stress	.825	2.196
	Enhanced Employee Performance	.703	
	Saves cost & time	.668	

## **Factor Description**

The first factor which is extracted from the statements is named as Proper Utilisation of Resources which is one of the critical issues addressed during implementation of green HR practices in hotels. The factor includes three statements increase in revenue, optimum utilisation of resources and recycling and reuse of resources for cost minimisation and increase in return. Revenues can be maximised through optimum utilisation of resources which minimises the waste and motivate employees to adopt practices which ensures optimum utilisation of resources and even recycling and reusing them for sustainable development of services. The total factor loading of this significant factor is 2.442.

The factor loading of this factor of competitive advantage is 1.565 and it engulfs two statements of promoting sustainability and fighting competition. The naming suggests that competitive advantage can be gained through implementation of sustainable strategies which promotes brand value and is used as a weapon to fight competition. Thus, another important factor which affects implementation of green HR practices is gaining competitive advantage and beating the rivals.

Customer retention is named as a third factor as sustainable promotion of brands and eco-friendly practices can increase market share and attract as well as retain customers for long term. It includes two statements which justifies use of sustainable brands in promotion and increase in market share. The factor loading is 1.672 and retaining customers is one of the needs for future sustenance.

The factor includes two statements related with eco sensitization and protecting the environment are developing eco-friendly practices. 1.456 is the factor loading and it is one of the major parameters to ensure sustainable organization and society.

Employees are the major contributors in developing green HR practices and its implementation. Thus, they are motivated to work with such strategies to reduce stress, save cost and time and increase employee performance with proper guidance and training from HR department. The factor is named as employee work efficiency which is also one of the major factors which affects implementation of HR practices and development of green strategies to satisfy the workforce and increase their efficiency and productivity for a sustainable future. The factor loading accounts to 2.196 and it includes statements related

with reducing stress, increasing employee performance by saving cost, time and energy.

**Ho: There is no significant correlation between the factors affecting green HRM practices in hotel industry**

Correlation	Revenue	Resources	Reuse	Sustainability	Competition	Promoting Brand	Market Share	Environment	Sensitization	Stress	Performance	Saves Time
Revenue	1.000	-.045	.081	-.067	.051	-.227	-.359	-.137	-.307	-.081	-.175	-.118
Resources	-.045	1.000	.432	.128	-.160	.178	.441	-.018	.273	.080	.231	.198
Reuse	.081	.432	1.000	.327	-.276	-.012	.143	-.186	.210	.021	.175	.251
Sustainability	-.067	.128	.327	1.000	-.123	.103	.129	-.302	.082	-.079	-.068	-.160
Competition	.051	-.160	-.276	-.123	1.000	.167	.074	.281	.023	-.028	-.049	-.096
Promoting Brand	-.227	.178	-.012	.101	.167	1.000	.495	-.023	.193	.081	.024	.168
Market Share	-.359	.441	.143	.129	.074	.495	1.000	.038	.430	.059	.167	.148
Environment	-.137	-.018	-.186	.301	.281	-.023	.038	1.000	.330	-.085	.034	-.030
Sensitization	-.307	.273	.210	.082	.023	.193	.430	.330	1.000	.252	.235	.260
Stress	-.081	.080	.021	-.079	-.028	.081	.059	-.085	.252	1.000	-.329	.079
Performance	-.175	.221	.175	-.068	-.049	.024	.167	.034	.235	.329	1.000	.450
Saves Time	-.118	.198	.251	-.160	-.097	.168	.148	-.030	.260	.079	.450	1.000

**Interpretation:** The relationship between various factors was studied with the help of correlation coefficient and the degree of relationship between the factors is highlighted in the correlation matrix. Correlation may be positive or negative which means that if one variables is increasing or decreasing the other is moving in the same direction which shows a positive correlation between the two and if the situation is vis a versa the variables vary in opposite direction and it is said to be negative.

A positive correlation seen between increasing revenue and recycling and reusing as well as fights competition and a negative correlation is seen among increasing revenue and other variables. It can be interpreted that if resources are reused, it increases revenue and also helps in fighting competition.

The variable optimum utilisation of resources, a negative correlation is observed with increasing revenue, fights competition and environment protection. While it has a high positive correlation with recycling and reusing, increase in market share, Sensitization towards eco -friendly practices and Enhanced Employee Performance

Recycling and reusing has a high positive correlation with optimum utilisation of resources and promotes sustainability

Promotes sustainability has a positive correlation with promoting brand and market share & Recycling and reusing. Competition has high negative correlation with recycling and reusing and high positive correlation with environment protection.

Promoting brand has a high positive correlation with market share and high negative correlation with increasing revenue. Market share has high positive correlation with resources, promoting brand and Sensitization towards eco -friendly practices. It is negatively correlated with only increasing revenue

Environment protection has high positive correlation with sensitization towards eco -friendly practices, promotes sustainability and fights competition.

Sensitization towards eco -friendly practices have a high positive correlation with market share and environment protection. Stress has a negative correlation with enhanced employee performance and sensitization towards eco -friendly practices.

Enhanced employees performance has a high positive correlation with saves time and cost saves time and cost has a high correlation with sensitization towards eco -friendly practices.

Ho: There is no significant relationship between green organization culture and employer branding

Green Culture Dimensions	Employer Branding			Total
	Agree	Neutral	Disagree	
Self-Realization	43	4	15	62
Status Enhancement	27	7	13	47
Incentive Values	53	3	8	64
Socio- Economic Support	9	8	10	27
Total	132	22	46	200

## Chi Square Output

Calculated value	Tabular value	Degree of Freedom	Hypothesis (Ho)
26.24	12.6	6	Rejected

The calculated value of chi square at 6 degree of freedom at 95% level of significance is 26.24 is much higher than the tabular value and so we can say that the null hypothesis is rejected. Hence, it can be interpreted that there is a significant relationship between green organization culture and employer branding.

**Findings & Conclusion:** The exploratory research extracted five factors which are affecting the implementation of green HR practices in hotels. The five factors are named as proper utilisation of resources, competitive advantage, customer retention, eco-friendly environment and increased work efficiency for sustainability and developing strategies for safeguarding environment and led to employer branding by creating a socially responsible image which is adapting to the changing business pattern and is responsible for developing a green culture. The factors show that green HR practices can have multiple benefits by sensitization and promoting the brand for the benefit of all stakeholders.

The study also highlights the correlation between various factors and it is observed that high positive correlation exists between implementation of green HRM practices and optimum utilisation of resources, sustainability, gaining competitive advantage and promoting the brand. Such green organization culture developed through proper implementation of green HR practices leads to employer branding which is statistically proved and thus organization should lay emphasis on HR practices which develop a green organization culture to boost employee morale and cultivate a socially responsible brand which ensures cultivation of employee and employers respect towards the service providers and develops a relationship of trust with the stakeholders.

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