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The Effect of Employee Satisfaction and Performance on Green Work Behaviour: A Literature Review

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Abstract

With the growing emphasis on environmental sustainability, organizations are increasingly adopting Green Human Resource Management (GHRM) practices. GHRM integrates environmental management with HR functions, embedding sustainable policies that promote ecological responsibility among employees. This literature investigates the links between employee satisfaction, job performance, and eco-friendly work behaviours in the GHRM framework, employing quantitative research methods. Through sustainable HR practices, GHRM cultivates environmental awareness within workplaces. By analysing survey data and performance metrics, the review examines how employee satisfaction impacts performance and, subsequently, supports green work behaviours. The findings reveal a positive correlation amongst employee satisfaction and job performance, with significant influence on environmentally responsible behaviours. Future studies should focus on developing targeted strategies to enhance these outcomes, strengthening GHRM's role in promoting sustainability and driving improved organizational performance.

Keywords

Green Human Resource Management, Employee Satisfaction, Employee Performance, Green Work Behaviour.

1. Introduction

Integrating Green Human Resource Management (GHRM) practices has become essential for organizations striving to advance their environmental sustainability efforts. GHRM involves implementing HR strategies that go beyond traditional functions by embedding environmental management at their core. These practices encourage employees to adopt eco-friendly behaviours through approaches like sustainable recruitment, training on environmental issues, green performance management, and incentives aimed at promoting responsible environmental actions (AlKetbi & Rice, 2024). Employee satisfaction is crucial to the effectiveness of GHRM practices. Studies indicate that whenever employees feel content with their work environment and sense alignment between their values and the company's sustainability objectives, they are more inclined to engage in environmentally responsible behaviours. For instance, employees who view their organization as genuinely supporting environmental initiatives are far more motivated to engage in actions like recycling, waste reduction, and energy conservation (Ercantan & Eyupoglu, 2022). In this case, satisfaction arises from the internal rewards of contributing to broader ecological goals, strengthening both individual and organizational dedication to sustainability.

GHRM practices also positively influence employee performance. Employees engaged in green initiatives tend to display increased productivity and motivation. The fulfilment derived from taking part in eco-friendly activities boosts both job satisfaction and performance (Jamal et al., 2021). Furthermore, opportunities to build new skills related to sustainability through training and development enhance performance and long-term commitment (Pinzone et al., 2019). Such competencies are vital as organizations face growing demands to adopt sustainable business models. Implementing GHRM effectively can lead to broader organizational success by encouraging sustainable practices, improving operational efficiency, reducing costs through better resource management, and minimizing waste (Alam et al., 2021). These green practices not only provide financial advantages but also strengthen the company's image. Companies seen as environmentally responsible are more attractive to top talent and build better relationships with key stakeholders, including customers, investors, and communities (Amjad et al., 2020).

Studies highlight a significant connection between employee satisfaction, performance, and green work behaviour within the scope of GHRM. Companies that successfully implement GHRM can boost employee morale, elevate performance, and better align with long-term sustainability objectives (Bhatti et al., 2022). Such alignment is essential for cultivating a sustainable organizational culture that upholds environmental goals and enhances overall business outcomes. While numerous studies have explored Green Human Resource Management (GHRM) practices, there remains a gap in understanding how employee satisfaction and performance contribute to fostering Green Work Behaviour (GWB). Research focusing on the impact of these traditional HR elements on the adoption of environmentally friendly initiatives is still limited (Alavi & Aghakhani, 2023). This study seeks to address this gap by analysing the role of employee satisfaction and performance in influencing GWB within the framework of Green HRM. This study aims to examine how employee satisfaction and performance promote GWB in organizations that have adopted GHRM practices.

2. Literature Review

GHRM involves incorporating environmentally conscious policies and practices across HR activities, including hiring, training, performance assessments, and employee involvement (Singh et al., 2020). The aim of GHRM practices is to reduce

an organization's ecological footprint by motivating employees to adopt eco-friendly behaviours, such as energy conservation, waste reduction, and the use of sustainable technologies. Studies suggest that GHRM can also enhance an organization's environmental image and help build a robust culture of sustainability (Pham et al., 2020).

Employee satisfaction is a key factor influencing workplace behaviours, including Green Work Behaviour (Abror & Muharam, 2024). Employees who feel satisfied with their roles, the work environment, and organizational culture are more likely to align with and support the organization's objectives, including sustainability efforts (Khalid et al., 2021). Factors such as work-life balance, managerial support, and professional development opportunities significantly affect employee satisfaction (Handayani et al., 2024). Recent studies indicate that satisfied employees are often more committed to sustainability initiatives, even those beyond their formal job duties. They take pride in contributing to larger environmental goals that resonate with their personal values (Luu, 2020). According to Pham et al. (2020), satisfied employees show greater engagement in eco-friendly practices, viewing these actions as integral to both personal and organizational achievements (Ali, 2021).

Employee performance also plays a role in how actively employees engage in pro-environmental behaviours at work. High-performing employees tend to be more proactive, motivated, and innovative, often going beyond their basic job responsibilities (Singh et al., 2020). Within the Green HRM framework, high performers are more likely to integrate eco-friendly practices into their daily tasks and encourage colleagues to do the same. Recent studies show that organizations incorporating environmental objectives into employee performance reviews are more successful in promoting engagement in green initiatives (Kim et al., 2019). Moreover, recognizing high-performing employees for their contributions to sustainability can further incentivize them to support the organization's environmental efforts (Al-Ghazali & Afsar, 2021).

Green Work Behaviour (GWB) involves employee actions that help reduce an organization's environmental footprint. This behaviour includes both task-related actions, such as using energy-efficient equipment, and voluntary activities like supporting workplace sustainability initiatives (Kim et al., 2019). GWB is a result of effective Green HRM practices, where organizations encourage employees to adopt sustainable practices. Luu (2020) stresses the importance of employee involvement in pro-environmental actions, and research shows that engaged employees are more consistent in eco-friendly practices. Additionally, GWB is linked to broader organizational advantages, such as enhanced operational efficiency and greater employee loyalty (Al-Ghazali & Afsar, 2021).

3. Methods

The literature review focused on the influence of employee satisfaction and performance on Green Work Behaviour (GWB) within the context of Green Human Resource Management (GHRM). The study aimed to integrate existing research on these factors and explore the role of GHRM in encouraging GWB. Relevant research was gathered from academic databases such as ProQuest, Emerald Insight, and ScienceDirect, targeting high-quality articles from prominent journals, including *Revista de Gestão Social e Ambiental*, *Journal of Positive School Psychology*, and *Cogent Business & Management*, among others. To ensure the review was up-to-date, only studies published between 2019 and 2024 were included, with a focus on articles directly addressing the relationship between employee satisfaction, performance, and GWB in the context of GHRM.

A systematic search strategy was employed, using specific keywords such as GHRM, employee satisfaction, employee performance, and GWB. The articles retrieved from these databases underwent an initial screening, where titles and

abstracts were reviewed to ensure they met the inclusion criteria. Those that passed the initial stage were subjected to a full-text review to assess their relevance to the research questions and objectives (Anggraeni, 2020). The data extraction process focused on key aspects such as definitions of GHRM, employee satisfaction, performance, and GWB, as well as the theoretical frameworks used in the studies and their key findings on how satisfaction and performance influence GWB (Ologbenla, 2021).

The extracted data was analysed thematically, categorizing it into key themes such as the role of employee satisfaction in promoting green behaviour, the relationship between high employee performance and GWB, and the impact of GHRM practices on these connections (Shah, 2022). The findings were synthesized to provide a comprehensive understanding of how employee satisfaction and performance affect GWB within the framework of GHRM (Mardhiyah & Safrin, 2023). Gaps in the existing literature were identified, and recommendations for future research were provided to guide further exploration of these important relationships.

4. Discussion

The study by Putra et al. (2024) employed a quantitative method to analyze data from 50 employees of CV. Kebab Bosman Indonesia in Surabaya. It examined the effects of workload and work environment on employee performance, with job satisfaction as a mediating factor. Using Partial Least Square (PLS) and t-tests ($\alpha = 5\%$, 95% confidence level), the research found that job satisfaction has a significant positive effect on employee performance. Similarly, Idris et al. (2024) highlighted a comparable relationship in the context of 192 Bank Mandiri employees in Palembang. Data collected through questionnaires were analyzed using Structural Equation Modelling (SEM) with LISREL software, revealing that increased job satisfaction can significantly enhance employee performance.

Sundjoto et al. (2024) explored the impact of the non-physical work environment on employee performance, with job satisfaction as a mediator, using a sample of 125 employees in paper companies in East Java. Analyzing the data with SEM and PLS, the study showed that a positive work environment improves job satisfaction, which in turn boosts performance. On the other hand, Malokani et al. (2023) examined the relationship between job satisfaction and Green Human Resource Management (GHRM) practices among 350 pharmaceutical employees in Karachi, Pakistan, with employee green commitment as a mediator. The study concluded that GHRM practices positively affect job satisfaction through employee green commitment.

Sugiarto and Huruta (2023) conducted research on 200 companies in Indonesia committed to green initiatives. Using PLS-SEM, they found that GHRM, employee green commitment, and job satisfaction have both direct and indirect effects on green creativity. Bhatti et al. (2022) focused their study on the hotel sector in Saudi Arabia, revealing that GHRM practices, such as green empowerment, green recruitment, and green training, can increase job satisfaction through green creative process involvement and innovation. Additionally, green values strengthen the relationship between green innovation and job satisfaction.

The study by Alam et al. (2021) indicated that implementing GHRM helps organizations recruit knowledgeable employees, improve staff skills, monitor performance, and promote environmental initiatives, thereby contributing to organizational sustainability. Amjad et al. (2020) found that GHRM practices significantly support organizational sustainability and employees' environmental behaviors. Meanwhile, Gim et al. (2022) analyzed ISO 14001-certified organizations in Malaysia and found that HRM performance attributes contribute to improved employee performance and foster a positive work environment. Collectively, these studies emphasize the importance of job satisfaction, GHRM practices, and a positive

work environment in enhancing employee performance and organizational sustainability.

This study aims to provide meaningful insights into how employee satisfaction, employee performance, and GWB interact within organizations that adopt GHRM practices. Previous research suggests that job satisfaction and employee performance are likely to positively influence Green Work Behaviour (GWB). Employees who feel fulfilled in their roles and supported by their organization are more inclined to participate in environmentally friendly actions, while those who perform well are often proactive in advancing sustainability efforts within the workplace. This research will also contribute to the expanding literature on Green HRM by emphasizing the importance of aligning employee well-being and performance management with environmental objectives. By gaining a better understanding of the factors influencing GWB, HR managers can design strategies that not only improve employee satisfaction but also foster corporate sustainability.

5. Conclusion

Employee satisfaction plays an important role in influencing performance, a relationship that is backed by several foundational theories in HR management and organizational behaviour. According to Herzberg's Two-Factor Theory (1959), job satisfaction arises from factors like recognition, achievement, and the characteristics of the work itself. These elements not only enhance satisfaction but also elevate intrinsic motivation, which in turn leads to improved performance (Herzberg, 1959). Likewise, Maslow's Hierarchy of Needs (1943) posits that job satisfaction addresses advanced needs such as self-respect and personal fulfilment, which in turn foster heightened engagement and loyalty to one's work. Employees whose higher needs are fulfilled are more likely to show greater commitment to their work, thereby enhancing performance (Maslow, 1943). Social Exchange Theory also underscores the idea that when employees are satisfied, they tend to reciprocate the organization's support with increased effort and loyalty, improving their overall performance. Empirical research further supports this relationship. For example, a study by Putra et al. (2024) at CV Kebab Bosman Food Indonesia confirms that higher employee satisfaction directly contributes to better performance outcomes, highlighting the connection between the two.

Furthermore, Green Human Resource Management (Green HRM) practices strengthen the link between employee satisfaction and performance. These practices, which focus on environmental sustainability, resonate with employees' personal values and align them with the organization's broader goals (Mishra et al., 2014). Employees who participate in green initiatives often experience greater motivation and a sense of purpose, leading to improved performance. Research by Alam et al. (2021) indicates that Green HRM can enhance organizational performance by inspiring employees to engage in sustainability efforts, thereby positively affecting overall outcomes. In addition to boosting individual performance, Green HRM practices offer long-term benefits to organizations. These practices help reduce costs by improving resource efficiency and minimizing waste. Saha et al. (2020) found that Green HRM directly enhances employee satisfaction, which in turn leads to greater commitment and higher productivity.

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