

IEBMC 2019**9th International Economics and Business Management Conference****GREEN HUMAN RESOURCE MANAGEMENT PRACTICES AND
EMPLOYEE PERFORMANCE IN MALAYSIAN HOTEL
INDUSTRY**

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Abstract

As an emerging concept, that organizations adopt to improve employee workplace green performance and green human resource management (GHRM) is defined as 'HRM activities, which enhance positive environmental outcomes' and has been conceptualized to elucidate how it might influence employees to exhibit green workplace behaviours and their performance. However, few studies have empirically pursued the concept to determine what effects green HRM yields on workplace consequences. The main purpose of this study was to conduct to measure the relationship between Green Human Resource Management (GHRM) practice and Employee Performance at Hotel in Malaysia. In order to do that, the researchers have collected data from 150 respondents those who were working at Hotel's located in area of Kedah and Perak in Malaysia and, a set of self-administered questionnaires was used. Data were analysed using SPSS version 24. This study looked into descriptive analysis, reliability analysis and Pearson correlation to test the hypothesis. The result shows that there is a strong relationship between Green HRM practice and employee performance in hotel industry in Malaysia. This research also contributes to the existing body of knowledge in the field of academics and findings are expected to provide guidelines for enhance performance level of employees of the hotels in Malaysia

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1. Introduction

Employee performance is one of the essential aspects to maintain the profit margin in an organization (Naharuddin & Sadegi, 2013). Employee performance lies in the willingness and openness of the employee to do the job given. According to Madan and Bajwa (2016) studies, employee performance is fulfilling the work effectively with the accurate usage of resources according to prescribed standard and evaluation.

As a rising concept, green human asset the executives Green Human Resource Management has been conceptualized to impact employee working environment in green conduct. Green Human Resource Management (GHRM) is referred to all the activities involved in the development, implementation and on-going maintenance of a system that mainly focused on making employees of an organization practicing green. Furthermore, Mathapati (2013) stated that Green Human Resource Management directly responsible in creating a green workforce that understands, appreciates, and practices green initiative and maintain its green objectives all human resources ought the human resource management process of recruiting, training, compensating, developing and advancing the firm's capital.

Employee performance is the vital component of any organization and the most important key for the success of the organization and its performance. An organization's success mostly is depending on employee performance. Poor performance is detrimental to the organization's success and great performance will make an organization success in every industry.

1.1. Green Human Resource Management

Green Human Resource Management has a process in human management practice (Renwick et al., 2013). An association desires to create green capacities, spur representatives the use of green rewards and give employees chance for build possibilities to construct their execution coming approximately to higher profitability, best or organizational execution, decreased waste, and benefit (Renwick et al., 2013).

A recent Green Human Resource Management review by way of Renwick et al (2013) identified a lack of knowledge in linking mechanisms among worker participation in environmental tasks, organizational and worker outcomes as a primary literature gap. This study investigated the mediation of psychological green climate in Green Human Resource Management employee's workplace and its green behavior relationship. This study also mentions that a mediation path that has not been previously studied.

1.2. Green HRM Practices in Hotel Industries

As we know Malaysia is one of the most popular countries to visit and the number of tourist areas keeps increasing from year to year. Many hotels in Malaysia also keep increasing as well as the number of tourists. "The hotel industry is one of the most promising industries in Malaysia, which requires a few key strategies to align it to meet the economic agenda of the nation" (Awang et al., 2008, p. 60).

Currently, there are many cases regarding environmental pollution which we can read and listen from everywhere. Environmental pollution is a serious issue and we have to take proper action immediately. This problem appeals to the global community and industry attention and leads to green awareness among people. The environmental trouble in Malaysia has a protracted record which started with the river

pollutions from the development of tin mining operation. “Years later, the fast industrialization delivered another environmental difficulty that's air pollution from the disposal of hazardous and communal waste” (Mohamad et al., 2014, p. 167).

An online survey from Agoda state that majority of Malaysia travelers care about the environment and they are willing to pay more protect environment. According to this survey, we get to know that respondent is mostly like to have an environment- friendly hotels and consumes green practices. As mentioned before, green practices in the hotel industry are very important as we know that the hotel industry is using more energy such as water, electric and many more. By consuming green practices, they can reduce pollution and create a healthy environment.

2. Problem Statement

In recent years, there has been great concern over global environmental issues among the environmental concern that has been widely discussed in Malaysia such as air pollution, water pollution, land pollution, and deforestation also giving great impact towards the environment. Many industries in Malaysia are responsible for this issue and one of them is the Hotel industry. As we know tourism and hotel industry in Malaysia is one of the important industry to increase Malaysia's economy level and growth but at the same time this industry also responsible for environmental problem because they are also consuming more energy.

Malaysia had confronted numerous ecological issues and contaminations. Borhan et al. (2012) said that the Malaysian government started to incorporate the green practices in its 8th and 9th Malaysia Plan and the idea was strengthened in National Green Technology Policy 2009 (NGTP). In light of these arrangements, green practices were joined in the Malaysia tourism industry which incorporates the hotel. Green Human Resource Management practices gives great benefits to the organization and were effective as they helped the employees (Cherian & Jacob, 2012).

Bohdanowicz and Zientara (2008), stated that the Hotel industry is one of the environmentally harmful sectors and gives an impact to a disproportionate consumption of non-durable objects, electricity, and water. Moreover, according to the author Fayyazi et al. (2015), there are “some barriers in implementing green practices in an organization and one of the main barriers are lack of awareness and understanding of them”. Reacting to the circumstance, this examination is directed to decide the elements that impact the usage of green practices in Malaysia. Kim et al. (2019) stated that “green human resource management enhances employee organizational commitment, their eco-friendly behavior, and hotel environment” (p. 83). Besides this study examine how to improve eco-friendly behavior and environmental performance towards Green Human Resource Management. The author continues that “there is a lack of research that explores how Green Human Resource Management stimulates employee commitment and eco- friendly behavior, empowering hotels to improve their environmental performance” (p. 84).

Furthermore, Yusoff et al. (2020) mentioned that “most hotels face internal and external pressures are forcing them to pay attention towards the preservation of the environment through eco-friendly hotel services that do not harm the environment and are safer for customers” (p. 2) and this study aimed to identify the relationship between Green Human Resource Management practices and environmental performance in Malaysia hotel industry. The author also mentioned that it is important to identify green human resource

management which can be helpful to improve environmental performance in the hotel industry and "provide empirical evidence of the green human resource practices as the main contributor to the environmental performance in the hotel industry" (pp. 2-3).

According to the author Awang et al. (2008) stated "that practicing green effort is not only affect the manufacturing industry, consumer products industry, construction industry but also the hotel industry and the service sector, especially the hotel industry, is one of the most promising industries in Malaysia" (p. 60). Moreover, in this study stated that "the hotel industry is one of the most favorable industries in Malaysia, which requires a few key strategies to align it to meet the economic agenda of the nation" (p. 60). The primary objective of that earlier was to explore the relationship between environmental variables and the performance of the hotel industries.

Besides Awang et al. (2008) stated that "limited number of research was conducted to explore the concept of strategy, environment, and performance" (p. 62), and Green Human Resource Management practices in the hotel industry at the international level, especially in Malaysian Context Hotel organizations from different countries vary in characteristic approaches, and findings from various research studies conducted in the USA may not easily be generalized to suit the Malaysian setting.

Most of the previous studies have not examined employee performance by practicing green human resource management in the hotel industry but have instead focused on green hotel field were problem at the client's perception on green hotel (Cometa, 2012), management motivation to undertake the green hotel practices (Mohamad et al., 2014) and customer satisfaction on green hotel (Robinot & Giannelloni, 2010).

Although there are many studies had been conducted in green human resource management which related to environmental performance still there are limited information and studies about employee performance. Hence, this current research study is aimed to find how Green Human Resource Management practices increase employee performance in Malaysia's Hotel Industries.

3. Research Questions

1. What is the relation between Green Human Resource Management practices and employee performance in the Hotel Industry?
2. How Green Human Resource Management practices improve employee performance in the Hotel Industry of Malaysia?

4. Purpose of the Study

The objectives will be identified in this study. In this study, the researchers will identify the relationship between Green Human Resource Management and Employee Performance towards the Hotel industry in Malaysia. The research objective is:

1. To identify the relationship of Green Human Resource Management practices and employee performance of the Hotel industry in Malaysia.
2. To identify improvement of employee performance from adopting Green Human Resource Management practices.

5. Research Methods

The research of this study applied quantitative approach. Quantitative research is to infer the relationship between independent variables and others variable or the dependent variable in the population. The quantitative research has been used to run this research study due to the largest number of respondents (150) who participated and where evidence is evaluated, and hypotheses are generated. According to the statistics, the approximate number of employees in hotel industry are 8800. The data were collected from 367 (Krejcie & Morgan, 1970).

This study collected primary data using a self-administered questionnaire. The questionnaire included open and closed ended questions for ease of administration. To enhance quality of data, Likert type questions were provided whereby respondents were required to indicate the extent to which the statements representing variables applied to their organizations. A five-point Likert scale was used (Nyanjom, 2013).

There are in 3 sections which have decided to allocate, which is section A, B and C. Section A is about general demographic information. Meanwhile, section B is about the independent variable which is Green Human Resource Management practices which have implemented in their hotels. Section C is about the dependent variable regarding employee performance by adopting the Green Human Resource Management. The questionnaire item is prepared in English as it was adapted from the previous user Ragas et al. (2017).

The data were analysed starting with reliability test and later the researcher have used correlation and regression analysis to test whether the variables have significant relationship with hotel employee performance. The entire research has done based on the following research framework.

5.1. Research Framework

Based on the past literatures, the research framework is developed as figure 01.

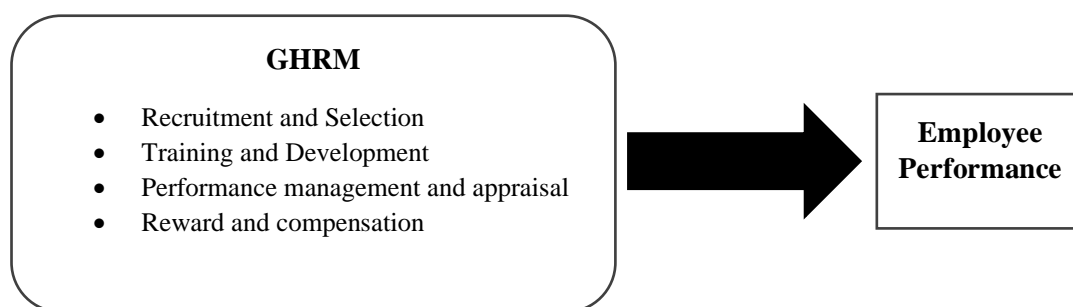


Figure 01. Research Framework

6. Findings

This study comprises three sections of data analysis. The first section is descriptive analysis based on the demographic information of the respondents. The second section discusses the reliability analysis, and third section are correlation analysis.

6.1. Descriptive Analysis

The focused of the respondent in this research are from the hotel industry. The total amount of respondent who participated in this research is 150. The majority of the respondent is from female employees which are 54 percentages and followed by male with 46 percentages. Furthermore, all respondents are Malaysians and most of the respondent less than 25 age group. Malays are the higher in the amount of respondent and followed by Chinese, Indian and others.

Most of the respondent in this research are from general workers which are 58.7 percentage. Besides that, the majority respondent's education level is SPM which is 52.7 percentage meanwhile highest working years with the hotel is 1 to 5 years which is 92 percentages.

6.2. Reliability Analysis

According to Gliem and Gliem (2003), Cronbach's alpha is a "test reliability technique that requires only single test administration to provide a unique estimate of the reliability for a given test Cronbach's alpha is the average value of the reliability coefficients one would obtain for all possible combinations of items when splitting into half-tests" (p. 84).

Measure the internal consistency of the item, a reliability analysis was conducted on all factors. The minimum Cronbach Alpha of 0.70 considered to be acceptable (Sekaran & Bougie, 2016) and continues that, "reliability test is an indication for the stability and consistency which the instrument measures the concept and help assess the goodness of a measure".

Besides, Cronbach's Alpha is a reliability coefficient that indicates how well the items in a set of positively correlated to one and another. The closer Cronbach's alpha is to 1, the higher the internal consistency liability. The Cronbach Alpha is higher than 0.7 and it is relevant and showing internal consistency. The detail results of reliability test are presented in table 01.

Table 01. Reliability Test

Variables	Number of Items	Cronbach's Alpha
Recruitment and Selection	10	0.956
Training and Development	10	0.828
Reward and Compensation	10	0.959
Performance Appraisal	10	0.949
Employee Performance	11	0.739
The average value of Cronbach's Alpha		0.8862

6.3. Reliability Analysis

Correlation analysis was conducted to test the relationship between Green Human Resource Management variables with employee Performance in Hotel Industry. The table 02 shows the relationship between the independent variable and dependent variable. It was found that Green Human Resource Management variables which are Recruitment and Selection, Training and Development, reward and Compensation and Performance Appraisal were positively related to Employee Performance in the Hotel Industry.

Table 02. Overall Correlation Analysis

Correlations						
		mean_RS	mean_TD	mean_RC	mean_PA	mean_EP
mean_RS	Pearson Correlation	1	.741**	.695**	.767**	.519**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	150	150	150	150	150
mean_TD	Pearson Correlation	.741**	1	.748**	.715**	.563**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	150	150	150	150	150
mean_RC	Pearson Correlation	.695**	.748**	1	.762**	.525**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	150	150	150	150	150
mean_PA	Pearson Correlation	.767**	.715**	.762**	1	.612**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	150	150	150	150	150
mean_EP	Pearson Correlation	.519**	.563**	.525**	.612**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	150	150	150	150	150

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

The highest correlation relationship value of Recruitment and selection is $r = 0.767$ which is Performance Appraisal shows a very strong relationship and the lowest relationship value is $r = 0.695$ which is from Reward and compensation. Secondly, for Training and development variable, the table shows an equal result which is a very strong relationship among all other variables.

Also, for Reward and compensation, Pearson Correlation result shows a very strong relationship between Performance appraisal which is $r = 0.762$ and the lowest relationship value of recruitment and selection is $r = 0.695$. Lastly, the relationship of Performance appraisal between the other three variables (recruitment and selection, training and development, reward and compensation) shows a very strong relationship which is $r = 0.7$ and above.

6.4. Correlation for Each Variable

Therefore, from the result generated it found that:

There is a significant relationship between Green Human Resource Management Practices and Employee Performance towards the Hotel Industry and the detail is presented in table 03.

Table 03. Overall Correlation Analysis

No	Number of Items	Cronbach's Alpha
H1(a)	There is a significant relationship between employee performance and recruitment and selection	Accepted
H1(b)	There is a significant relationship between employee performance and training and development	Accepted
H1(c)	There is a significant relationship between employee performance and rewards and compensation	Accepted
H1(d)	There is a significant relationship between employee performance and performance appraisal	Accepted

7. Conclusion

In conclusion, there is a significant relationship between Green Human Resource Management practices and Employee Performance in the Hotel Industry. All the variables such as recruitment and selection, training and development, performance appraisal and reward and compensation have a strong relationship towards employee performance

This research might be able to help the hotel management to learn about the effect of green human resource management practices which include four main variables such as recruitment and selection, training and development, performance appraisal, reward and compensation towards hotel industry employee performance. Furthermore, this study might help hotel industry management to acknowledge what are the steps that they should take to ensure their employee to perform better by implementing green practices and satisfied the customer with good service.

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