

**AIMC 2017**  
**Asia International Multidisciplinary Conference**

**GREEN WORK LIFE BALANCE, GREEN HUMAN RESOURCE  
MANAGEMENT PRACTICES ON EMPLOYEE SATISFACTION**

Nor Fatini Kamaruddin (a), Azlinzuraini Ahmad (b)\*, Khatijah Omar (c),  
Nik Hazimah Nik Mat (d), Ahmad Munir Mohd Salleh (e)

\*Corresponding author

(a) Universiti Malaysia Terengganu, Malaysia

(b) School of Maritime Business & Management, Universiti Malaysia Terengganu, Malaysia,  
azlinzuraini@umt.edu.my\*

(c) School of Maritime Business & Management, Universiti Malaysia Terengganu, Malaysia

(d) School of Maritime Business & Management, Universiti Malaysia Terengganu, Malaysia

(e) School of Maritime Business & Management, Universiti Malaysia Terengganu, Malaysia

***Abstract***

One of the sustainable livelihood challenges is to educate and enlighten more environmental friendly spirits among employers and employees in heavy industry. The corporate environmental agenda seems to have influences in the development of Green HR policies and practices. Nowadays, those organizations which have a good reputation in preserving and protecting natural resources while doing business and maintaining their corporate social responsibility will gain more attention to be successful in enhancing environmental concern among stakeholders. Nonetheless, how far that employee satisfaction are influenced by green HR practices at their workplace and also shaped by their green work life balance (GWLB) perceptions? Therefore, this study aims to examine the relationship of GWLB and Green Human Resource Management practices towards employee satisfaction at Kemaman Supply Base (KSB), Terengganu. To gather empirical evidence, questionnaires were distributed among 350 employees of KSB. Only 336 usable responses have been employed in multiple regression analysis in order to determine which green WLB and green HR practices are the strongest influence towards employee satisfaction. The findings of this study reveal that all green HR practices and green work to life interface are significant towards employee satisfaction except another domain of GWLB which is green life to work interface.

© 2018 Published by Future Academy [www.FutureAcademy.org.UK](http://www.FutureAcademy.org.UK)

**Keywords:** Green Work Life Balance (GWLB), Green Human Resource Management (GHRM) Practices, green work to life interface, green life to work interface, employee satisfaction, environmental concern.



## 1. Introduction

The concept of green management for sustainable development has various definitions that seek to explain the need for balance between generating industrial growth for wealth creation and safeguarding the natural environment so that the future generations may thrive (Daily & Huang, 2001). According to Renwick *et. al* (2013), Mandip (2012) and a survey of CIPD/KPMG in the UK, becoming a green employer may improve employer brands in attracting professionals that would prefer working for firms that have a strong green approach. Overall, being a green employer may help to increase employee motivation and engagement when they have some shared set of values such as in implementing GHRM and GWLB in order to improve the health of the workforce for instance by encouraging cycling to work, car sharing, public transport and others (Mandip, 2012). In that case, those activities might be significant for developed countries where public transport is reliable and accessible to most workplaces; and hot weather is not an issue where for tropical countries, hot weather might be a constraint for some outdoor activities. However, the issue of how an individual in the organization or entire society achieves sustainability from the green management movement is still being questioned and unclear especially for a developing country like Malaysia (Sudin, 2011; Yusoff *et al*, 2015b).

On that note, Malaysia is actually has a good economic development in becoming one of the developed countries in the world. But in contrast, the knowledge and implementation of sustainability concept in Malaysia is still at the beginning stage (Husaini & Jusoh, 2017). Despite of low environmental awareness among its citizens, as the matter of fact, the Malaysian Government has actually realized the importance of nurturing and being more responsible towards environmental care (Malaysia Productivity Corporation, 2010). Environment Institute of Malaysia (EiMAS) launched the Malaysia's Green Strategy to promote environmental soundness through research and development, economic efficiency, social equity, responsibility and accountability; so that the awareness towards environmental concern is increasing and new work arrangements are emerged. Ahmad *et. al.* (2016) and Ying *et. al.* (2017) found that flexible working arrangements are useful to help work life balance among Malaysian employees. More car free day has been launched to support environmental awareness among organizations to cultivate employees' concern on environment and green day as to be more flexible in adapting the policy at work and personal life (ie. KL car free Sunday morning since 2015, Ipoh car free day 2017, UTM car free day and UMT car free day on selected Thursdays since 2017). Moreover, only few research conducted by Yusoff *et al* (2015a) and Sudin (2011) indicates that research relating to Green Human Resource Management (GHRM) in Malaysia is still an under-researched area. Therefore, this study attempts to fill up this existing gap by examining the impact of GHRM practices and the importance of Green Work-life Balance (GWLB) on employee performance in the Malaysian context.

## 2. Problem Statements

GHRM is important to organization nowadays because Green HR initiatives can help companies find alternative ways to bring down cost without losing their talent and improve corporate image. Without proper GHRM practices, it is difficult to create and maintain sustainable environment performance (Mehta & Chugan, 2015). Hence, by understanding the scope and depth of GHRM practices, it is suggested that organizations will have a capability of performing in more environmentally friendly manner than ever before (Arulnajah *et. al.*, 2015). Jabbour & Jabbour (2016) suggested more organizations need to merge GHRM and Green Supply Chain Management (GSCM) in order to combine multiple organizations in its supply chains and operations management, to become greener where more employees are involved in the complex relations. Greater environmental efficiency in supply chains require talented and skillful employees who have high concern on environment to operate their roles and duties.

Firms are beginning to recognize that gaining a reputation as a green employer is an effective way to attract new talent (Phillips, 2007; Stringer, 2009). Additionally, in order to attract environmentally concerned people for job vacancies, job advertisements of some companies express certain environmental values in their job advertisements (Arulrajah, 2014). A clear message from the advertisement will draw a right person to apply for the vacancy in an environmental concern working culture. This will contribute success to one of Green HRM practices in an organization that is practicing green recruitment in selecting the right person for their job placement and environmental concern culture. The mismatch of a person with a green job or green working culture will contribute to higher employee turnover problem. It is difficult to instil environmental concern in employee attitudes if they do not have the same values. Therefore, green recruitment should be set at a forefront in practicing GHRM.

However, training contents can be developed to increase employee competencies and knowledge in Environment Management (EM). This will take some time but surely employees will have some shared values towards environmental concern while working with the green employer. Environment-related aspects of safety, energy efficiency, waste management and recycling can become the focal points of green training and online training or web-based training module should be encouraged to be conducted among employees for green training practices (Prasad, 2013).

In order to improve health and safety of employees, some organisations have really created strategies like green factory or green zone to maintain a conducive environment to prevent various health problems. Balancing environmentally friendly behaviour in working life and private life domains reduces negative interaction effects, since non-environmentally friendly behaviour will be downgraded. According to Datta (2015), green work life balance (GWLb) aims at creating an environment friendly personality of the employees which ensures that the employees imbibe green values in their professional as well as personal lives.

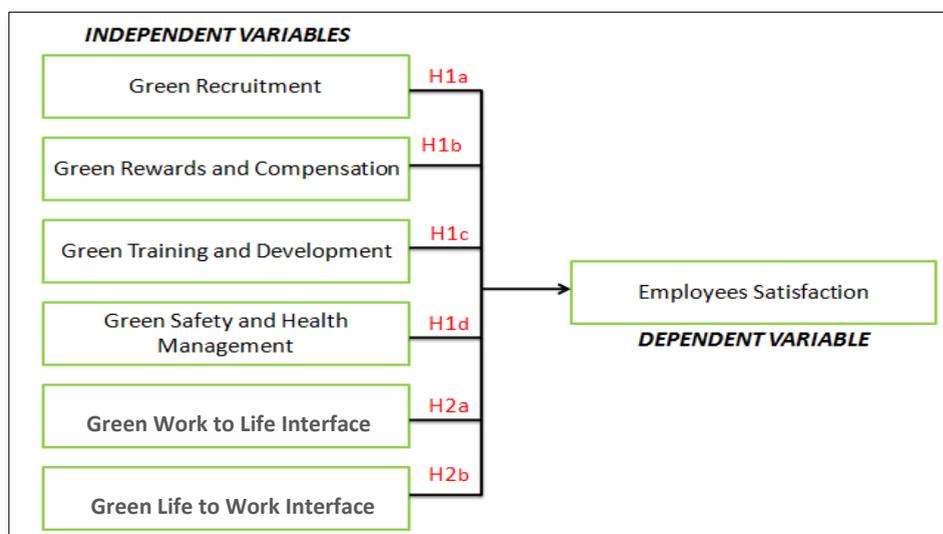
### **3. Research Questions**

The green goals of the organization are striving to achieve environmental sustainability in implementing HRM policies to promote sustainable development among workforce. Sustainability seeks to balance and simultaneously optimize environmental, social and financial concerns (Mehta & Chugan, 2015). This sustainable livelihood challenge has been discussed by several studies in relating human resources with environmental management (Mandip, 2012; Mehta & Chugan, 2015; Renwick *et. al.*, 2013; Sudin, 2011). Researchers in this area argued that sustainability can only be effectively implemented in HR practices if the companies have the right people who can accept positively towards green culture and policies.

There is a growing need for examining the impact of GHRM and GWLB towards employee satisfaction. GWLB policies focus on employees' twofold roles as consumers and producers, because employees learn and practice environmentally relevant behaviour in these two roles in particular. Nonetheless, how far that employee satisfaction are influenced by green HR practices at their workplace and also shaped by their green work life balance (GWLB) perceptions? According to Datta (2015), GWLB emphasizes on the integration of private life and work life of the employee with reference to environmental attitudes, practices and behaviour. GWLB has emerged as a key component of Green Human Resource Management (GHRM). In order to understand employee satisfaction for Malaysian heavy industry, therefore this study predicts employees' perceptions of green work-life balance and green human practices will influence employee satisfaction.

### **4. Purpose of the Study**

Consequently, this study aims to investigate the effect of GHRM practices whether green recruitment, green rewards and compensation, green training and development, green safety and health management or green work to life and green life to work will have the greatest impact towards employee satisfaction at Kemaman Supply Base (KSB) Terengganu. The hypotheses and theoretical framework can be seen in Figure 01.



**Figure 01.** Theoretical Framework

## 5. Research Methods

The present study was carried out among the employees of heavy industries from Kemaman Supply Base (KSB) and Eastern Pacific Industrial Corporation Berhad (EPIC), which located in Industrial Area of Teluk Kalong, Kemaman, Terengganu Malaysia. The sample size of this study was 350 employees of oil and gas companies, which has been determined by using Hair's rule of thumb of measuring 7 variables in this study. The nonprobability sampling and purposive sampling was adopted in this study. Each variable was measured by using 5 items where according to Hair (1995), the total of 35 items need to multiply by 10 which has required 350 respondents for this study. The returned number of questionnaire was 336 responses and the 35 items was adopted from previous studies. Five items for measuring Green Recruitment have been adapted from Mandip (2012) and Arulrajah *et al* (2015); another 5 items for Green Rewards and Compensation from Arulrajah *et al*, (2015) and Prasad (2013); followed by Green Training and Development from Opatha & Arulrajah (2014); Green Safety and Health Management from Yusoff *et al* (2015b) and Mandip (2012); Green Work to Life and Green Life to Work from Muster & Schrader (2011) and employee satisfaction was from Maimako & Bambalee (2016). The responses were captured using a 5-point Likert scales which ranging from 1 for strongly disagree to 5 for strongly agree. All measures were reported to be highly reliable with Cronbach's alpha ranging from 0.727 to 0.998.

The Cronbach's alpha value of employee satisfaction is 0.998 which means excellent (Sekaran, 2003). For the first independent variables, green recruitment is 0.876 (very good), green rewards and compensation is 0.855 (very good), green training and development is 0.727 (good), green safety and health management is 0.767 (good), green work to life is 0.892 (very good) and lastly green life to work is 0.750 (good). Since all values of Cronbach's alpha are above than 0.7, the measures used in the questionnaire are reliable (Sekaran, 2003).

## 6. Findings

A total of 336 respondents has been analyzed for the present study. Overall, most respondents are males (61.9 per cent), aged between 26-35 years old (64.6 per cent), Malays (94.6 per cent), job positions are executives and below (95.7 per cent), salary ranged is between RM3500 and RM4499 (36.6 per cent), married (51.8 per cent) and with 2-4 children (22.0 per cent) or single with no child (46.7 per cent). A total respondents of 137 out of 336 (40.8 per cent) have diploma as their educational qualification.

Furthermore, Multiple Regression Analysis has been conducted to measure the effect and relationship of the independent variables towards employee satisfaction. The results of regression analysis of four HRM practices and two WLB interaction on employee satisfaction provide some insights and challenges. All of the five factors proved to be strongly significant related to employee satisfaction; except green life to work was insignificant. Surprisingly all factors are negatively related to employee satisfaction except green recruitment; where it means that the higher green HR practices increase, the lower employee satisfaction they have. This is contrary happened with what we expected to achieve as green awareness and environmental concerns seems at the initial stage of implementation in Malaysia. Overall, Table 01 shows the summary of the multiple regression analysis results where the multiple R-value of 0.944 is interpreted as indicating a relatively strong relationship, accompanied by an F-statistics for the regression is highly significant.

**Table 01.** Summary of Multiple Regression Analyses for Variables Predicting Employee Satisfaction

Independent Variable	Beta	T	Significant
Green Recruitment	1.024	50.891	.000
Green Rewards & Compensation	-.111	-5.543	.000
Green Training & Development	-.170	-8.466	.000
Green Safety and Health Management	-.168	-8.732	.000
Green work to life (GWLB)	-.124	-6.157	.000
Green life to work (GWLB)	-.003	-.171	.865
Multiple R	.944		
R-square	.890		
Adjusted R	.888		
Standard error	.365		
Analysis of covariance:	Df	Sum of squares	Mean square
Regression	6	356.7	59.4
Residual	329	43.9	.133
F = 445.695	Significant F = 0.000		

Based on Table 01, all independent variables including Green Recruitment, Green Rewards and Compensation, Green Training and Development, Green Safety and Health Management, and Green Work-to-Life have significant relationship with the employees' satisfaction among the KSB's employees except Green Life-to-Work (insignificant). It is probably because mostly KSB's employees are more focused on work which means practice the green practices at work rather than in their private life. Yet, this finding might change when time has taught the green aspects from work behaviours will relocate into their private and family lives for a bit longer period of time. However, it is important to note that from these results, we cannot suggest for a single company Overall, we can conclude that all hypotheses are accepted since the p-value are below than 0.01 ( $p < 0.01$ ), and only Hypothesis 2<sub>b</sub> was rejected because the p-value are equal to 0.865. Table 02 summarizes the results of hypotheses testing.

**Table 02.** Hypotheses Tested Analysis

Hypothesis	Findings	Accepted/ Rejected
H1a: Green Recruitment – Employees Satisfaction	Significant ( $p < 0.01$ )	Accepted
H1b: Green Rewards & Compensation – Employees Satisfaction	Significant ( $p < 0.01$ )	Accepted
H1c: Green Training & Development – Employees Satisfaction	Significant ( $p < 0.01$ )	Accepted
H1d: Green Safety & Health Management – Employees Satisfaction	Significant ( $p < 0.01$ )	Accepted
H2a: Green Work to Life – Employees Satisfaction	Significant ( $p < 0.01$ )	Accepted
H2b: Green Life to Work – Employees Satisfaction	Insignificant ( $p = 0.865$ )	Rejected

Hypothesis 1a, indicated a significant positive influence of green recruitment on employees satisfaction because the positive beta value and the p-value are below than 0.01 ( $\beta = 1.024$ ,  $p < 0.01$ ). Therefore, Hypothesis 1a was accepted. It's supported by the previous study that most of the employees considering working for an organization perceived it as important that they have an active environmental policy (Arulrajah *et al*, 2015). Frank (2003) mentioned in his study that as a part of his survey, most of the respondents would prefer to choose an ethically and environmentally responsible firm like American Cancer society instead of for one like Camel cigarette even if their wages were slightly lesser. For Hypothesis 1b, results showed a significant negative influence of green rewards and compensation on employees satisfaction with the negative beta value and p-value are below than 0.01 ( $\beta = -0.111$ ,  $p < 0.01$ ). Therefore, Hypothesis 1b was accepted. Yew *et al*. (2012) argued that in his study found out that green rewards and compensation has positive impact on employees' satisfaction. In contrast, in this study, the green rewards like free ticket or allowance for public transport did not gave impact to them and also did not achieve their work satisfaction because the rewards were not relevant for them to be used because they still use their own car to come to work as it is more convenient and practical for them.

Next for the Hypothesis 1c and 1d which were green training and development and green safety and health management also showed significant negative influence towards employees' satisfaction with both beta values were in negative signs and the p-value were below than 0.01. Both hypotheses were accepted. Unfortunately, explanation for these two variables is hardly to find supports from previous studies since GHRM practices is still new and under research. Furthermore, it is so subjective and the perceptions are depending on the individuals themselves whether to implement what they have learned in the training or not.

Moreover, Hypothesis 2a showed a significant negative influence of green work to life balance on employees satisfaction when the beta value in negative sign and the p-value are below than 0.01 ( $\beta = -0.124$ ,  $p < 0.01$ ). Therefore, H2a was accepted. According to Muster & Schrader (2011), flexible working might increase the potential scope of action for environmentally friendly living. Moreover, Muster & Schrader (2011) argued because these interventions have positive effects on employees' motivation, commitment and satisfaction in their study. Finally, Hypothesis 2<sub>b</sub> indicated a significant negative influence of green life to work balance on employees satisfaction and was this hypothesis was rejected because the p-value are above than 0.01 ( $\beta = -0.003$ ,  $p > 0.01$ ). This result supported Muster & Schrader (2011) that these interventions create employees reactance and suspected of exploiting employees privacy. Besides that, employees at KSB are not exposed in deep about the two ways of GWLB practices. They just focus on one situation only at a certain time which means in working time they only focused on their tasks and implement the green practices at work station only. Then, after working hour, they only focused on their private life. Overall, it showed that GHRM practices have significant relationship with the employees' satisfaction among the KSB's employees except one insignificant variable which is green life to work. More research is needed to study the implication of GHRM towards environmental and organizational strategy such as GSCM, GWLB, green economy and sustainability issues (Govindan, *et al*, 2016).

## 7. Conclusion

This study examined the effect of Green Human Resource Management (GHRM) practices and GWLB towards employees' satisfaction among the KSB's employees at Kemaman, Terengganu. Overall, this study indicates that GHRM practices were significantly related to employee satisfaction and only green life to work was found to be insignificant towards employees' satisfaction. From the findings proved that the most highly influence between the all green practices towards employees' satisfaction is green recruitment. Therefore, better working policy on recruiting practices such as paperless or online application should be implemented widely to all sectors and organizations in order to increase better green HRM practices in most organizations in Malaysia. However, the location of this study was focused at one geographical area of oil and gas industry only and therefore, the findings from this could not be generalized to others. Hence, the next future study should cover other areas or industries to overcome the generalizability issue of this study. Other plausible factors could be explored in understanding about green HRM practices and green work-life balance such as by conducting qualitative research.

## References

- Ahmad, A., Shaw, N., Bown, N., Gardiner, J. & Omar, K (2016). The Impact of Negative Work Home Interface on Intention to Leave and the Role of Flexible Working Arrangements in Malaysia. *The Journal of Developing Areas, Volume 50, Number 5, Special Issues.* pp. 507-515
- Arulnajah, A. A., Opatha, H.H. D.N.P & Nawaratne, N.N.J. (2015). Green Human Resource Practices: A Review. *Sri Lankan Journal of Human Resource Management.* Vol. 5. No. 1
- Arulrajah, H. O. (2014). Green Human Resource Management: Simlified General Reflections. *International Business Research, 7* (8).
- Daily, B. F. & Huang, S. (2001). Achieving sustainability through attention to human resource factors in environmental management. *International Journal of Operations & Production Management, Vol. 21 Issue: 12,* pp.1539-1552.
- Datta, A. (2015). Green Work-Life Balance: A New Concept in Green HRM. *International Journal of Multidisciplinary Approach and Studies.* Vol. 2. No. 2.
- Frank, R. H. (2003). What Price the Moral High Ground? Ethical Dilemmas in Competitive Environment. Princeton University Press.
- Govindan, K., Muduli, K., Devika, K., Barvel, A. (2016). Investigation of the influential strength of factors on adoption of green supply chain management practices: an Indian mining scenario. *Resources, Conservation, Recycle.* 107, pp. 185-194.
- Hair, J.F. (1995). *Multivariate Data Analysis.* USA: UpperSaddle.
- Husaini, M. Z. & Jusoh, A. (2017). The Review of Sustainability Model and Indicators for Higher Education Institutions in Malaysia. *International Journal of Academic Research in Business and Social Sciences.* Vol. 7, No. 11.
- Jabbour, C. J. C., Santos, F. C. A., Nagano, M. S. (2010). Contributions of HRM throughout the stages of environmental management: methodological triangulation applied to companies in Brazil. *International Journal of Human Resource Management,* 21(7), 1049-1089. <http://dx.doi.org/10.1080/09585191002783512>
- Jabbour C.J.C. & Jabbour A.B.S.d.L. (2016). Green Human Resource Management and Green Supply Chain Management: Linking two emerging agendas, *Journal of Cleaner Production,* 112 (Part 3), pp. 1824-1833.
- Maimako, L.B. & Bambalee, A. J. (2016). Human Resource Management Practices and Employee Satisfaction at Kano State owned Universities: A conceptual paper. *Journal of Marketing and Management,* 7 (2), 1-18.
- Malaysia Productivity Corporation. (2010). *Sustainable Development Initiaves in Malaysia.* Petaling Jaya: Malaysia Productivity Corporation (MPC).
- Mandip, G. (2012). Green HRM: People Management Commitment to Environmental Sustainability. *Research Journal of Recent Sciences, 1.* (ISC-2011), 244-252 (2012)
- Mehta, K. & Chugan, P. K. (2015). Green HRM in Pursuit of Environmentally Sustainable Business. *Universal Journal of Industrial and Business Management* Vol. 3(3), pp. 74 - 81
- Muster, V. & Schrader, U. (2011). Green Work-Life Balance: A New Perspective for Green HRM. *Journal of Research in Human Resource Management,* 25 (2).
- Phillips, L. (2007). Go Green to Gain the Edge over Rivals, *People Management,* 23<sup>rd</sup> August, p.9.
- Prasad, R. S. (2013). Green HRM- Partner in Sustainable Competitive. *Journal of Management Sciences and Technology, 1* (1).
- Renwick, D.W.S. Redman, T. and Maguire, S. (2013), Green Human Resource Management: A review, and Research Agenda, *International Journal of Management Review,* Vol. 15, pp. 1-14.
- Sekaran, U. (2003). *Research methods for business: A skill-building approach.* USA: John Willey & Sons.

- Stringer, L. (2009). *The Green Workplace. Sustainable Strategies that Benefit Employees, the Environment, and the Bottom Line*, Palgrave Macmillan: New York.
- Sudin, S. (2011). Strategic Green HRM: A proposed model that supports Corporate Environmental Citizenship. *International Conference on Sociality and Economics Development*, IPEDR. Vol 10.
- Yew, M.H., Molla, A. & Cooper, V. (2012). Framework for a Residential Energy Information System (REMIS) to Promote Energy Efficient Behaviour in Residential Energy End Users. Residential Energy IS for Energy Efficiency. 23rd Australasian Conference on Information Systems. 3-5 Dec 2012, Geelong.
- Ying, O. X., Ahmad, A., Mohamed, W. N. & Padlee, S. F. (2017). A Gen-Y Study of Work Engagement as Mediator between Career Development and Turnover Intention in Malaysia Top Companies. *Advance Science Letters*. Volume 23, Number 9, September 2017, pp. 8961-8965(5).
- Yusoff, Y. M., T. Ramayah. & Othman, N.Z. (2015a). Why Examining Adoption Factors, HR Role and Attitude towards Using E-HRM is the Start-Off in Determining the Successfulness of Green HRM? *Journal of Advanced Management Science*, 3 (4).
- Yusoff, Y. M., Othman, N. Z., Fernando, Y., Amran, A., Surienty, L. & Ramayah, T. (2015b). Conceptualization of Green Human Resource Management: An Exploratory Study from Malaysian-based Multinational Companies. *International Journal of Business Management and Economic Research*, 6 (3).