

## Examining Green Human Resource Management Practices and Their Impact on Innovative Culture

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### ABSTRACT

This research tries to examine the practice of GHRM, the factors that support and hinder its implementation, its impact on the company's innovative culture and the benefits it provides to the company itself. This research employs a mixed-methods approach, combining qualitative and quantitative data collection and analysis to provide a comprehensive understanding of GHRM practices and their effects. Qualitative data were collected through semi-structured interviews with 10 informants selected based on purposive sampling criteria. The qualitative data were analyzed using NVivo R1 software to identify key themes and patterns. Quantitative data were gathered via a structured questionnaire distributed to 50 respondents, who were selected using a purposive sampling technique. This questionnaire utilized a Likert scale to measure perceptions of GHRM practices and their relationship with innovative culture. The quantitative data were analyzed using Structural Equation Modeling (SEM) to assess the relationships between GHRM practices and innovative culture. The results of this study indicate that GHRM practices have been implemented at the hotel and also GHRM has had a positive impact on innovative culture, where the innovative culture instilled through GHRM creates an environment where employees are encouraged to think creatively, find new solutions, and support environmental sustainability. While the hypothesis results state that there is a significant positive effect of GHRM on Innovative culture.

Keywords: Green Human Resource Management, Innovative Culture, Sustainability.



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### INTRODUCTION

Currently, environmental issues are increasingly being discussed such as air pollution, water pollution due to waste disposal into rivers, global warming, and many other problems, especially after industrial progress (Mwita, 2019). Based on this, many sectors have shown a desire to act on this matter, one of which is the economic sector. Through a term called green economy, many companies believe that sustainability has the same level of importance or even more important than financial success, based on the results of the International

Business Report (IBR) research published by Grant Thornton International, 62% of medium-sized businesses believe this (Grant Thornton International Ltd, 2021).

To be able to run the green economy, of course, human resources are needed, where based on (Yong et al., 2019) human resources (HR) is an aspect that has a crucial role in creating and implementing sustainable business strategies throughout the organization and the competitiveness of an organization is highly dependent on the ability and quality of its human resources (Handayani & Kasidin, 2022; Sasongko, 2018). This is also supported by research (Wahyudi et al., 2018) which reveals that human resources have value, are rare, cannot be perfectly imitated, and cannot be replaced. Therefore, to support the green economy, the term green human resources or Green Human Resource Management (GHRM) has also been developed, namely human resources based on environmentally friendly principles in the company area (Istiqomah & Djastuti, 2022). (Faisal, 2023) research states that GHRM has benefits including (1) Business processes becoming better organized and the quality of products or services increases which are environmentally friendly (2) Creating a practical roadmap for the organization in developing human resources to improve environmental performance and sustainable development (3) Making more effective use of electricity, water, and various products to save costs for the company (4) Creating employees who care about the environment (5) Creating an action plan for environmental performance by formulating environmental policies and strategies (6) Providing a competitive advantage for the company. In addition, according to (Chaudhary, 2019) GHRM is beneficial in supporting sustainable practices among employees and ensuring that employees are committed to environmental conservation. Based on that, it can also be estimated that GHRM can have an impact on the innovative culture of a company, because. Based on (Bilan et al., 2020) innovative culture can affect the sustainability of the company whereas innovative culture can significantly strengthen the positive relationship between organizational learning and corporate sustainability. However, research (Tweneboa Kodua et al., 2022) found that there are still things that hinder the implementation of Green Human Resource Management including financial barriers which are the biggest obstacles, political and regulatory barriers in second place, and cultural and educational barriers. In addition, research (Siburian & Agus, 2022) revealed that some of the barriers to the implementation of GHRM in companies include lack of employee initiative, limited ability of upper management, instability of the situation and the ever-changing state of the field, facilities that are not good enough, and lack of employee awareness in maintaining the environment.

The main problem the research is trying to solve is to re-examine the practices of Green Human Resource Management (GHRM) and to identify the supporting and inhibiting factors that affect these practices. Additionally, the research aims to explore how GHRM impacts the innovative culture within organizations, an area that has not been extensively studied in previous research.

This research aims to re-examine the practices of Green Human Resource Management (GHRM) and evaluate whether the supporting and inhibiting factors identified in previous studies generally affect GHRM practices. Additionally, this research focuses on how GHRM can impact the company's innovative culture, an aspect that has not been extensively studied in prior research. Understanding the relationship between GHRM practices and innovative culture is crucial, as it can provide insights into how companies can foster innovation through sustainability initiatives. In this context, the research will be conducted at The St. Regis Bali Resort, a five-star hotel in Bali, which has implemented GHRM with the primary goal of reducing water wastage by employees and committing to becoming a paperless and energy-efficient company. The hotel has received the "Tri Hita Karana Award" annually in recognition of its efforts to support sustainability principles. Furthermore, in 2013, the hotel was also included in the top 20 nominees for the "Green Hotel Award" organized by the Ministry of Tourism and Creative Economy, which honors hotels that care about the environment (Putri & Wirajaya, 2019).

However, there are several gaps and problems in the implementation of GHRM at The St. Regis Bali Resort. First, a lack of awareness among employees regarding the importance of GHRM practices can hinder their active participation in environmental initiatives. Second, there are difficulties in forming consistent environmentally friendly habits among all employees, which can lead to variations in engagement levels with GHRM practices. Third, constraints from vendors and products contributing to plastic waste pose significant challenges in achieving the hotel's sustainability goals. Additionally, technological limitations and a lack of

awareness among guests further complicate the implementation process. Inadequate financial and managerial support can also affect the success of GHRM practices. Addressing these issues is essential to enhance the hotel's sustainability efforts and achieve the desired environmental objectives.

This research is expected to make an important contribution to the world of work and the development of the theory and practice of GHRM and innovative culture. In addition, this research is expected to provide solutions and recommendations that can benefit companies or organizations in managing human resources, building a strong innovative culture, and contributing to the green economy and environmental sustainability.

## METHODS

The combined approach of qualitative and quantitative methods is essential for effectively addressing the research question regarding Green Human Resource Management (GHRM) practices and their impact on innovative culture at The St. Regis Bali Resort. This multifaceted inquiry requires qualitative insights to explore employee experiences and perceptions (Moleong, 2018), while quantitative data provides statistical validation of trends and relationships. By triangulating data, the research enhances the validity and reliability of findings, allowing for a comprehensive analysis (Sugiyono, 2019). Qualitative data will be analyzed through thematic coding using NVivo R1, while quantitative data will be assessed using structural equation modeling (SEM) with SmartPLS3.2. The integration of these findings will provide a nuanced understanding of how GHRM practices influence innovative culture, offering a holistic view of their impact within the organization.

For data collection, researchers used three main techniques, namely interviews and observation as well as distributing questionnaires. Interviews are used as a means of direct communication with sources, which in the context of this research, are individuals who have relevant information related to the research subject. Observation was also an important part of the data collection process. The researcher acts as a full observer, which means that he carefully observes the object of research without significant direct interaction. Meanwhile, the distribution of questionnaires with a Likert scale of 1-5 to respondents was carried out as a reinforcement of quantitative analysis in this study.

Informants and respondents for the research were selected using purposive sampling, focusing on individuals whose roles directly relate to Green Human Resource Management (GHRM) practices at The St. Regis Bali Resort. Criteria for selection included relevance to GHRM, diversity of perspectives across various departments, and significant experience within the organization to ensure rich insights. A sample of 10 informants was chosen to achieve data saturation in qualitative analysis, while 50 respondents were selected for the quantitative component to ensure statistical validity and reliability (J. F. Hair et al., 2019). This approach allows for a comprehensive understanding of GHRM practices and their impact on innovative culture within the hotel.

This is a type of analysis that relies on codes expressed in written notes during interview sessions conducted with field subjects. Content Analysis is very useful in both qualitative and quantitative approaches (Shauki, 2018). Data analysis was also performed by QSR NVivo R1 due to the rich data of qualitative research. The data is obtained from multiple sources that are stacked by applying various techniques. In addition, measuring accuracy or consistency is a major concern that requires the greatest attention of any qualitative researcher. NVivo R1 software assists researchers in data analysis, enabling data coding and the formation of main categories that correspond to data sources, making the process more feasible. (Bandur, 2019) Coding, in this study, took the form of thematic or pattern coding, by labeling the text and categorizing the information according to the main topics. The second step of coding in this research is to use scientific theories and concepts, the results of the coding analysis will serve as a reference for the third step in analyzing the coherence of location (characteristics, internal and external support), situated knowledge, and division of labor (productive and reproductive roles) in relation to human resources, strong innovative culture, and contribution

to *green economy* and environmental sustainability. To identify the level of reliability of this research, QSR NVivo R1 software, especially the Coding Comparison Query feature, can be used well. (Muhtarom et al., 2017). Meanwhile, the Quantitative data analysis technique is carried out with a structural equation model (SEM) with a path approach (Path Analysis) using the SmartPLS3.2 program. Model evaluation included assessing R-squared values, composite reliability, and average variance extracted to ensure construct reliability. The results indicated a significant positive impact of GHRM on innovative culture, supporting the research hypothesis.

## RESULTS AND DISCUSSION

### Qualitative Analysis Results

#### Research Informants

This research was conducted at one of the hotels that has implemented the green hotel concept in Bali, namely St. Regist Bali Resort. The sources of this research are St. Regist Bali Resort employees who come from several divisions and can be seen in Table 1.

**Table 1. Research Informants**

No.	Position	Code
1	Human Resource Manager	KWK
2	Executive Housekeeper	KMS
3	Engineering Director	WNW
4	Chief Engineering	MDS
5	Chief Engineering Assistant	MDP
6	Spa Manager	MDY
7	Assistant Director of Marketing Communication	CCD
8	Recreation Manager	NKA
9	Director of Culinary	AGA
10	Purchasing Manager	EDS

Source: Human Resource Dept. St. Regist Bali

The interviews conducted with each resource person have gone well and in accordance with the objectives of the research conducted. In this research, the names of the interviewees are deliberately not mentioned in order to maintain the confidentiality and identity of the interviewees themselves.

#### Green Human Resource Management Practices at St. Regist Bali

Based on interviews conducted with the interviewees, it can be said that St. Regist Bali Resort has implemented environmentally friendly concepts in accordance with the green hotel concept that they carry. In the company, there is a green committee consisting of all elements from each department to drive the sustainability program implemented.

In addition, based on data through interviews processed through Nvivo R1 shows the word cloud image below:



**Figure1. World Cloud Data Informant**

Source: Nvivo R1, 2023

The picture above shows that several programs have been implemented at St. Regist Bali Resort including:

1. Zero plastic and biodegradable for all amenities used as well as eco-friendly materials.
2. Encourage guest participation in environmental conservation such as by not changing towels every day.
3. Waste management by sorting waste by type.
4. Water management with seawater distillation to produce drinking water in glass bottles.
5. Reduce the use of paper by adopting electronic devices.
6. Engage vendors to pick up leftover food and give it to the animals.
7. Produces enzymes from fruit scraps, reducing waste of scraps.

The interviewees revealed that the implementation of the program was due to an awareness of responsibility as a social being and as a company for the importance of protecting the environment, where GHRM will play an important role in the development of environmentally friendly practices in the organization (Bombiak & Marciniuk-Kluska, 2018) and has a linear effect on employee behavior towards the environment (Pham et al., 2019). In addition, the Indonesian government also actively calls for doing so, where UU No.40 of 2007 concerning Limited Liability Companies states that every Limited Liability Company has Social and Environmental Responsibility (CSR) and must have a dedication to sustainable economic development aimed at improving the quality of life and the environment by providing positive benefits for the company, local community, and society (Erawaty, 2023). Finally, the existence of this program can also be a marketing tool for the company, where many travel agents ask about what sustainability activities are implemented by the hotel.

Based on the NVIVO R1 analysis data, it can be stated that the GHRM practices that have been implemented by St. Regist Bali Resort as found in the research of (Anwar et al., 2020; Malik et al., 2020; Mwita, 2019). This can be seen in the hierarchy chart below:



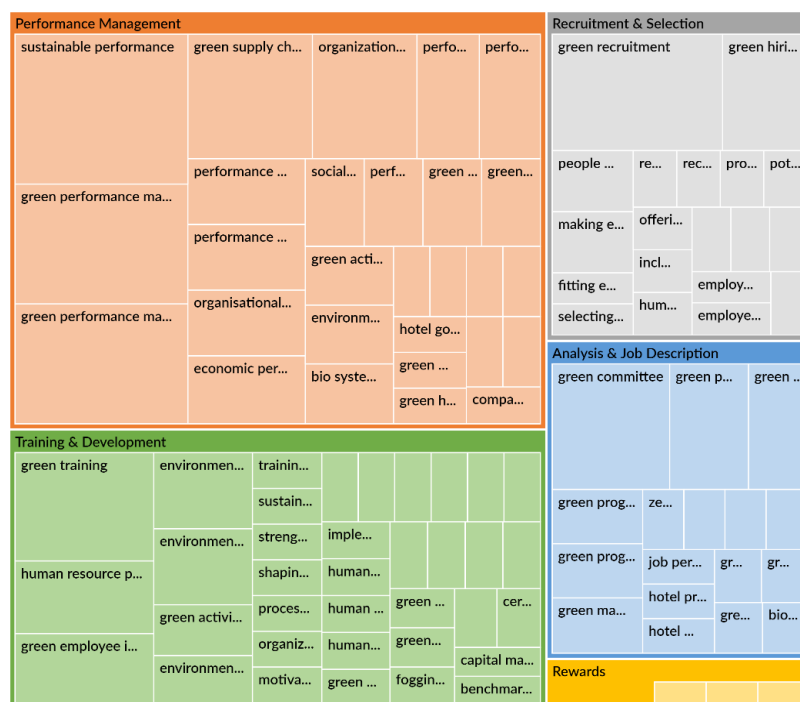


Figure 2. Hierarchy GHRM St. Regis

Source: Nvivo R1, 2023

Based on the picture above, it can be seen that the composition of the Green Performance main code is more dominant than other main nodes, the data obtained from informants and journal literature documentation states the application of GHRM St. Regis below:

1. Green Analysis and Job Description

Green analysis and job description is defined as the step of collecting information about a particular job to compile job descriptions and specifications (Mwita, 2019). As for the interviews that have been conducted, the analysis is carried out based on the environmental conditions of St. Regist Bali Resort itself, for example, if there is a lot of leaf waste, it will be analyzed what actions can be taken to the waste so that later it can become useful things. In addition, St. Regist Bali Resort also works with the company EarthCheck, which has its guidelines and is specific to each department. Based on that, St. Regist Bali Resort can also mitigate risks and identify whether a practice has a minor, medium, or high risk because Earth Check has its standards and parameters, and SOP (Standard Operating Procedure) will be applied based on that.

2. Green Recruitment and Selection

Green recruitment and selection refer to the utilization of environmentally sound techniques, tools, and technologies to identify and hire the right people who are able and willing to fill open positions in a company (Mwita, 2019). The recruitment and selection process carried out by St. Regist Bali Resort no longer uses hard copy application letters (paperless). Based on information from the Human Resource Manager, candidates can apply online through the company website, and all processes including interviews and recruitment will also be carried out online. After the hiring process is complete, new employees will be given an orientation to know their respective standards and everything is also in digital form, at this orientation stage the company will also emphasize more how the implementation of green hotels is implemented by the company as well as later through the training that will be provided.

3. Green Training and Development

Training is considered the main method for improving employee skills, as well as the most effective way to motivate and retain them (Malik et al., 2020), and based on interviews that have been conducted, St. Regist Bali Resort has provided green training to every element of the company. According to (Tang et al., 2018) green training must indeed be given to all members of the company not just the environmental department, and according to him green training consists of 3 aspects, namely raising awareness, managing

knowledge, and fostering a positive workplace culture. Every month St. Regis Bali Resort conducts training called green meetings, where each green meeting has its leader and attention. The training process is usually done online and there is a monthly report. Each staff has a target of training hours that must be achieved, and the training system is not limited to watching only but also includes interactive question-and-answer sessions later each employee or staff will receive a digital certificate as proof of attending the training. In addition, every year Earth Check also provides training at St. Regis Bali Resort, and training is also provided by the government. In the interview, the Director of Engineering also revealed that when just starting to implement GHRM St. Regis Bali Resort used the services of a consultant to assist in providing training on sustainability programs.

4. Green Performance Management

Green performance management is a methodical approach in which a company assigns environmental goals to its employees and teams, regularly evaluates their achievements, and implements various management strategies to support them in achieving these goals efficiently and effectively (Mwita, 2019). Green performance management ensures that employees' activities and achievements are in line with the organization's established environmental goals (Faisal, 2023). The process of evaluating the performance of employees at St. Regis Bali Resort is carried out online, where the digital process aims to reduce the use of paper. Each employee will have a balanced scorecard that contains the targets of each employee as a performance measurement tool. In addition, Earth Check will conduct an audit every year to measure or evaluate the performance of the company or hotel as a whole.

5. Green Rewards

A common belief is that a well-structured incentive scheme can encourage workers to achieve acceptable levels of performance, including their environmental performance (Mwita, 2019). Based on interviews that have been conducted for rewards given to employees at St. Regis Bali Resort are still in financial form only where the rewards given are salary increases based on the balanced scorecard of each employee which is used to measure how well the performance of the employee is. The incentive scheme at St. Regis Bali Resort, which ties financial rewards such as salary increases to employee performance measured through a balanced scorecard, effectively motivates staff to engage in environmentally friendly practices. However, while financial incentives can drive short-term compliance, they may not foster long-term commitment to sustainability. To enhance intrinsic motivation and cultivate a culture of environmental stewardship, the resort should consider diversifying its rewards to include non-financial incentives, providing sustainability training, and implementing regular feedback mechanisms. This holistic approach can align employee behaviors with the organization's sustainability goals, ultimately leading to a more engaged and responsible workforce.

**Supporting and Inhibiting Factors for Green Human Resource Management**

Green Human Resource Management can be said to be a new innovation that is applied to an organization or company, and in its application or practice there are usually factors that can influence it. The following Explore Diagram is a source of data obtained based on interviews and documentation below:

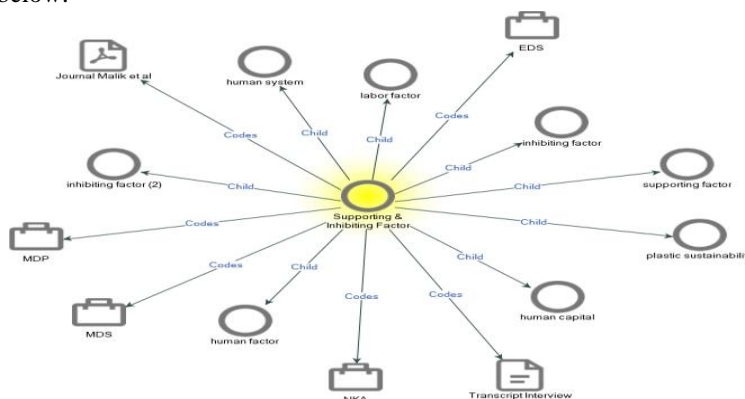


Figure 2. Explore Diagram of Supporting and Inhibiting Factors of GHRM St. Regis

Source: Nvivo R1, 2023

Based on the Nvivo output data above, the answers from the interviewees MDP, MDS, NKA and Eds in the interview as well as the support from one journal article state that the supporting factors in the implementation of GHRM are as follows:

1. Concern or awareness of the importance of protecting the environment by all elements of the company.
2. Knowledge of how to implement the program obtained through green program training.
3. Support from management in implementing the green program such as financial support and full authority in its implementation.
4. Support and good communication from all departments and the surrounding community.

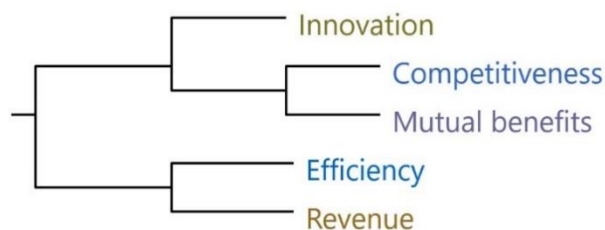
In addition to supporting factors, during the interview, the informants also mentioned the inhibiting factors of this practice. The factors are summarized as follows:

1. The lack of awareness of some employees regarding the implementation of the green program.
2. Difficulty in making every employee have the same habits.
3. The existence of several vendors and products that still cause plastic waste.
4. Implementation of technologies that cannot be easily followed by all employees.
5. Visitors or guests who still do not know about the implementation of the green program.

Based on this summary, it can be said that financial factors and good knowledge can support the implementation of GHRM and vice versa, these two factors can become inhibiting factors if they do not run well according to research (Tweneboa Kodua et al., 2022). Based on the same research, culture or habit can indeed be a hindering factor, as evidenced by the informants' answers that it is difficult to make every individual have the same habit.

### The Impact of Green Human Resource Management Practices on Innovative Culture

The competitive advantage resulting from innovation helps successful organizations to continue to be in a superior position in business (Wang et al., 2021). Therefore, it is necessary to develop a culture of innovation or innovativeness in the company, which is a key factor in encouraging product, service, and even business model innovation in a company (Yun et al., 2020). This is also believed by the St. Regis Bali Resort who said that innovation is mandatory and without change, progress cannot be achieved, especially in the tourism sector which requires us to always be open-minded by the times. In addition, an innovative culture allows employees to feel comfortable trying new things, sharing ideas, and collaborating openly (Michaelis et al., 2018). Furthermore, based on interviews with informants, one aspect that has a positive impact on the company's innovative culture is Green Human Resource Management (GHRM). GHRM, which was developed to make employees aware of environmental issues and the importance of protecting the environment (Malik et al., 2020), encourages employees to innovate in the context of environmental sustainability, turning them into thinkers who care more about the environment. By incorporating sustainability aspects in human resource management strategies, GHRM stimulates a change in innovative culture where environmental sustainability becomes a core value embraced by employees. The education on environmental issues provided by GHRM gives employees the necessary knowledge to formulate better solutions, while collaboration with sustainability programs stimulates creativity within the organization. Thus, GHRM creates an innovative culture that is more responsive to environmental challenges and supports the company's overall sustainability goals. This can be seen in the cluster analysis figure below:



**Figure 4. Cluster Analysis of Impact of GHRM Practices on Innovative Culture St. Regis**

Source: Nvivo R1, 2023



The figure above shows that the impact of implementing an innovative culture based on the principles of GHRM. Respondents highlighted the importance of an innovative culture, noting that GHRM fosters a positive work environment where staff are disciplined and committed, akin to a well-structured house. This commitment is further reinforced by the growing environmental awareness among guests, who prefer hotels that demonstrate sustainable practices, thereby encouraging the implementation of green initiatives. For instance, innovative solutions like converting seawater into drinking water not only reduce reliance on external resources but also promote operational efficiency. Additionally, the establishment of guidelines and awareness programs related to GHRM has led to proactive staff engagement in environmental initiatives, such as avoiding single-use plastics. Overall, the integration of GHRM practices cultivates a culture of innovation that aligns with both employee values and guest expectations for sustainability. The impact will be in line with bringing positive effects to the company, and some of the specific contributions and benefits that have been described by the interviewees for St. Regis Bali Resort are as follows:

1. Cost efficiency, where an innovative culture based on GHRM principles allows the company to save costs through sustainable practices such as reduced water and paper usage, as well as efficiency in energy usage.
2. Increased revenue, a focus on sustainability, and GHRM practices can attract more guests or customers who care about the environment, potentially increasing the company's revenue.
3. Business innovation, where employees are encouraged to think creatively can help companies identify new business opportunities that are in line with market developments.
4. Competitiveness, where an innovative culture makes the company more competitive with its competitors because employees create new solutions that differentiate the company in the market.
5. Mutual benefits, which is not just about individual benefits, but also about collective contributions to the common good. With this awareness, employees can feel how actions that were previously considered less meaningful now have greater value, and how their joint efforts in maintaining environmental sustainability have a broader positive impact, in line with the findings of the study by (Úbeda-Garcia et al., 2021) which indicated that GHRM has a positive impact on the environment.

## Quantitative Analysis Results

### Descriptive Analysis

Table 2 below shows that most of the respondents are 18 to 35 years old, male, and have a Diploma Education background. This is reflected in the table below.

**Table 2. Descriptive of Research Respondents**

Descriptive		Total	Percentage
Gender	Male	31	62,00
	Female	19	38,00
Age	18 - 25	24	48,00
	26 - 35	16	32,00
	36 - 45	8	16,00
	46 - 55	2	04,00
Education	High School	9	18,00
	Diploma	23	46,00
	Bachelor	15	30,00
	Postgraduate	3	06,00

Source: Primary Data, 2023

### Outer Model Analysis

#### 1) Convergent Validity

In the PLS method, in testing convergent validity with reflective indicators based on the *loading factor* of each indicator. The value of the *loading factor* states whether or not the correlation between indicators is strong in one variable that it forms. As based on (Fornell & Larcker, 1981), (Haryono, 2017), (J. Hair et al., 2014) states that the ideal *loading factor* value is  $\geq 0.7$ .

Based on the factor loading values shown in table 3 below, out of a total of 10 indicators, all are *valid* and meet the criteria for measuring the constructs formed.

**Table 3. Loading Factor Analysis**

Item	Innovative Cost	Green HRM
BI1	0,882	
BI2	0,770	
BI3	0,913	
BI4	0,797	
BI5	0,796	
GH1		0,894
GH2		0,940
GH3		0,948
GH4		0,945
GH5		0,925

Source: Smart PLS 3.2 output

2) Discriminant Validity

To see discriminant validity, as one of the test criteria for indicator validity is to compare the *square root of average variance extracted* ( $\sqrt{AVE}$ ) value of each latent variable with the correlation between latent variables in the model, the *square root of average variance extracted* ( $\sqrt{AVE}$ ) value of the latent variable must be greater than the correlation of all other latent variables. The results of this test are displayed on the Fornell-Lacker Criteria after performing the PLS Algorithm process. (Fornell & Larcker, 1981), (J. F. Hair et al., 2016), (J. F. Hair et al., 2014). Table 4 below shows that the root AVE ( $\sqrt{AVE}$ ) of each construct is greater than the correlation between constructs and other constructs in the model. This proves that each construct in this study has met the requirements of discriminant validity.

**Table 4. Fornell Lacker Criteria**

Variables	Innovative Culture	GHRM
Innovative Culture	0,834	
GHRM	0,804	0,931

Source: Smart PLS 3.2 output.

3) Composite reliability

*Composite reliability* assesses the true reliability of a variable. *Composite reliability* is more appropriate to test *internal consistency* in SEM because it does not use the assumption of *boot* similarity of each indicator. The reliable construct is if the composite reliability value is  $> 0.70$  (J. F. Hair et al., 2014), (J. F. Hair et al., 2016).

**Table 5. Reability Analysis**

Variables	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
<b>Innovative Culture</b>	0,889	0,893	0,919	0,695
<b>GHRM</b>	0,961	0,962	0,970	0,866

Source: Smart PLS 3.2 output

From table 5, it can be seen that the composite reliability values of Innovative Culture (0.919) and GHRM (0.970), so the two reflective constructs are declared reliable.

#### 4) Cronbach's Alpha ( $\alpha$ )

Cronbach's alpha assesses the lower limit of a construct's reliability value. The rule of thumb for the Cronbach alpha ( $\alpha$ ) value must be  $> 0.7$  (J. Hair et al., 2014), (J. F. Hair et al., 2016). Table 5 shows that the Innovative Culture construct (0.889) and GHRM (0.961). Thus all constructs are declared reliable.

### Inner Model Analysis

#### 1) PLS Algorithm

R-Square can be seen in the PLS Algorithm output above to produce predictions related to the correlation between variables, the structural model, in this case SEM-PLS, can be evaluated from the R value<sup>2</sup> on each independent variable as the power to predict the structural mode. (J. Hair et al., 2014). In general, the qualifications for the limit value of R<sup>2</sup> are classified into 3 groups, namely 0.67 indicates *substantial*, 0.33 for *moderate*, and 0.19 for *weak*. (J. F. Hair et al., 2016).

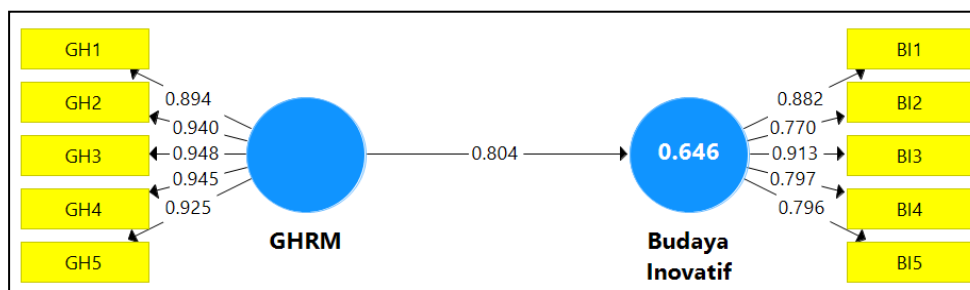


Figure 5. Structural Model (PLS Algorithm)

Seen in Figure 1 above are the results of the structural model (Inner Model) which states that all indicators of the variable shaper have loading factors that meet the requirements, namely above 0.7. This can be seen in all arrows that lead to indicators of each variable. While the number in the middle of the variable is the value of the R Square value (R<sup>2</sup>). GHRM has no R Square (R<sup>2</sup>) value, the variable is an independent variable or independent construct that is not influenced by other variables in this study. This model only explains 64.6% of the variance for Innovative Culture Users. Therefore, we can clarify that the values of R<sup>2</sup> on these variables are moderate.

### Research Hypothesis Testing

Table 6. Testing the Research Hypothesis

Variables correlations	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Result of Hypothesis path
<b>GHRM -&gt; Innovative Culture</b>	0,804	0,815	0,069	11,603	<b>0,000</b>	Accepted

Source: Smart PLS 3.2 output

Based on table 6 shows that one hypothesis **H1**, namely the effect of GHRM on Innovative Culture, is accepted, this is because the results of the *P Value* value  $< 0.05$  and T statistics  $> 1.96$ . then **H1** is accepted and it is concluded that GHRM has a positive and significant effect on Innovative Culture. The path coefficient is positive and significant at 0.804. This states that Green Human Resource Management (GHRM) plays a role in creating an innovative culture by instilling environmental awareness, encouraging employee involvement in sustainable goals, and influencing behavior change in the workplace. Through a focus on sustainability and environmental responsibility, GHRM sparks creativity, generates innovative ideas, and builds a work environment that supports environmentally friendly innovation efforts.

In practical terms, the findings suggest that GHRM practices such as green recruitment, training, performance management, and employee engagement in sustainability initiatives are instrumental in creating an environment where employees feel empowered to innovate. The qualitative data collected through interviews supports this quantitative analysis, revealing that employees who participated in GHRM initiatives reported increased motivation to contribute ideas and solutions that align with the resort's sustainability goals.

Moreover, the results imply that GHRM not only enhances individual creativity but also cultivates a collective innovative culture. This is evidenced by the establishment of collaborative teams focused on sustainability, which have been shown to foster a sense of ownership and responsibility among employees. The positive feedback loop created by GHRM practices encourages continuous improvement and innovation, as employees are more likely to engage in creative problem-solving when they perceive their contributions as valuable to the organization's sustainability objectives.

In conclusion, the analysis of Hypothesis H1 reveals that GHRM is a critical driver of innovative culture at St. Regis Bali Resort. The strong empirical evidence supports the notion that integrating sustainability into human resource practices not only aligns with environmental goals but also enhances organizational creativity and employee engagement. Future research could further explore the specific GHRM practices that yield the most significant impacts on innovation, as well as the long-term effects of these practices on organizational performance and sustainability outcomes.

## CONCLUSION

The findings of this research on the impact of Green Human Resource Management (GHRM) at St. Regis Bali Resort provide compelling evidence that GHRM practices significantly enhance the innovative culture within the organization. The quantitative analysis revealed a strong positive correlation (path coefficient of 0.804) between GHRM and innovative culture, supported by a statistically significant p-value ( $p < 0.000$ ) and T-statistics (11.603), indicating that the relationship is robust and not due to chance. Qualitative insights from employee interviews further corroborated these findings, highlighting that GHRM initiatives, such as sustainability training and the establishment of collaborative "Green Teams," empower employees to engage in creative problem-solving and contribute innovative ideas aligned with the resort's sustainability goals. Additionally, the research demonstrated that GHRM practices lead to tangible benefits, including increased employee motivation, enhanced creativity, and improved organizational performance in terms of sustainability metrics, such as reduced water and energy consumption. The recognition received by the resort for its sustainability efforts underscores the effectiveness of GHRM in fostering a culture of innovation that not only meets environmental objectives but also enhances the overall competitiveness of the organization. In conclusion, this research underscores the critical role of GHRM in cultivating an innovative culture that supports environmental sustainability. The positive impact of GHRM on employee engagement and creativity suggests that organizations aiming to enhance their innovative capabilities should consider integrating sustainability principles into their human resource management strategies. Future studies could expand on these findings by exploring the long-term effects of GHRM on organizational performance and examining the specific practices that yield the most significant innovations.

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