

## LITERATURE STUDY: THE RELATIONSHIP BETWEEN GREEN HRM, CORPORATE REPUTATION, AND EMPLOYEE WELL-BEING

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### ABSTRACT

*This paper examines the relationship between Green Human Resource Management (GHRM), corporate reputation, and employee well-being through a comprehensive literature review. GHRM is an approach that integrates environmentally friendly practices into human resource management, increasingly important in the context of global sustainability. The aim of this study is to analyze existing literature and identify how the implementation of GHRM can influence corporate reputation and employee well-being. The analysis results show that the application of GHRM contributes to enhancing corporate reputation, which in turn positively impacts employee well-being. By creating a healthier work environment and promoting employee engagement in sustainability practices, GHRM not only improves the company's image but also increases employee satisfaction and motivation. These findings highlight the importance of integrating GHRM into human resource management strategies to achieve sustainable and beneficial outcomes for both companies and employees*

## ABSTRAK

Artikel ini mengkaji hubungan antara Green Human Resource Management (GHRM), reputasi perusahaan, dan kesejahteraan karyawan melalui tinjauan literatur yang komprehensif. GHRM adalah pendekatan yang mengintegrasikan praktik ramah lingkungan ke dalam manajemen sumber daya manusia, yang semakin penting dalam konteks keberlanjutan global. Tujuan dari studi ini adalah untuk menganalisis literatur yang ada dan mengidentifikasi bagaimana penerapan GHRM dapat mempengaruhi reputasi perusahaan dan kesejahteraan karyawan. Hasil analisis menunjukkan bahwa penerapan GHRM berkontribusi pada peningkatan reputasi perusahaan, yang pada gilirannya berdampak positif pada kesejahteraan karyawan. Dengan menciptakan lingkungan kerja yang lebih sehat dan mempromosikan keterlibatan karyawan dalam praktik keberlanjutan, GHRM tidak hanya meningkatkan citra perusahaan tetapi juga meningkatkan kepuasan dan motivasi karyawan. Temuan ini menekankan pentingnya mengintegrasikan GHRM ke dalam strategi manajemen sumber daya manusia untuk mencapai hasil yang berkelanjutan dan bermanfaat bagi perusahaan dan karyawan.

## INTRODUCTION

In the context of globalization and increasing awareness of environmental issues, companies are required to adopt more sustainable practices. Green Human Resource Management (GHRM) has emerged as an innovative solution that integrates environmentally friendly practices into human resource management. This initiative is a response to global challenges such as climate change and the depletion of natural resources (Faeni, 2024). GHRM not only focuses on reducing negative environmental impacts but also aims to create added value for organizations and society.

### 1. Importance of GHRM

GHRM encompasses various important elements in human resource management, including recruitment that considers environmental awareness and training employees about sustainability. Companies can implement training programs to enhance employees' understanding of environmentally friendly practices and the significance of sustainability. Additionally, providing rewards for employees who actively contribute to green initiatives can increase their motivation and engagement (Faeni et al., 2025).

Research indicates that companies implementing GHRM tend to have better reputations. Organizations that are proactive in adopting environmentally friendly

practices are often viewed positively by consumers and stakeholders, which can enhance customer loyalty and attract quality talent (Lee & Klassen, 2016). Thus, GHRM serves as both a tool for sustainability and a strategy to strengthen the company's reputation.

## 2. Employee Well-Being

Employee well-being is also a crucial aspect of GHRM. Well-being includes physical, mental, and social dimensions influenced by corporate culture and the work environment. By applying GHRM, companies can create healthier work environments and support employees in engaging in sustainability initiatives. This can lead to increased satisfaction, motivation, and loyalty, ultimately contributing to improved organizational performance (Jabbour & Santos, 2008).

## 3. Research Objectives

This research aims to analyze the relationship between GHRM, corporate reputation, and employee well-being. By reviewing existing literature, this study hopes to provide deeper insights into how GHRM can contribute to organizational success and individual well-being. The findings are expected to serve as a foundation for companies to implement GHRM practices more effectively, thus achieving broader sustainability goals.

## 4. Scope of the Study

This study will focus on companies in Indonesia, considering the specific cultural and social context. By gathering data from various companies, this research will analyze how GHRM can be applied and its impact on corporate reputation and employee well-being. Understanding the local context is expected to provide more relevant and applicable insights.

## 5. Significance of the Research

The results of this research are anticipated to make a significant contribution to the literature on GHRM and offer practical guidance for companies in implementing effective sustainability strategies. Therefore, this study aims not only to deepen academic understanding of GHRM but also to provide practical solutions for companies looking to enhance sustainability and employee well-being. Furthermore, this research can encourage companies to commit more to social and environmental responsibility, ultimately benefiting society as a whole.

## **METHODOLOGY**

The method used in this study is a systematic literature review. A literature review is a research method that collects and critically evaluates existing literature on a specific topic. According to Nazir (2014), literature study is a data collection technique involving an examination of books, literature, records, and reports related to the problem being addressed. In this research, the literature review is used to identify, analyze, and synthesize previous research on the relationship between GHRM, corporate reputation, and employee well-being.

### 1. Data Collection

Data collection was conducted through searches in various academic databases, such as Google Scholar, ScienceDirect, and Web of Science. Keywords used in the search included "Green Human Resource Management," "corporate reputation," "employee well-being," "sustainability," and combinations of these keywords. Inclusion criteria included journal articles, books, and research reports relevant to the research topic published within a relevant time frame (2010-2025).

### 2. Data Analysis

Data analysis was performed using content analysis methods. Content analysis involves identifying key themes and patterns emerging from the reviewed literature. Data were analyzed qualitatively to identify relationships between GHRM, corporate reputation, and employee well-being. The results of the analysis are presented in descriptive narrative form, citing relevant sources to support the arguments presented (Faeni et al., 2025).

### 3. Analytical Framework

The analytical framework in this study is based on a theoretical model linking GHRM with corporate reputation and employee well-being. This model assumes that GHRM can enhance corporate reputation through sustainable practices, which in turn can improve employee well-being through a healthier work environment and support for green initiatives (Jabbour & Santos, 2008; Lee & Klassen, 2016).

## RESULTS AND DISCUSSION

### 1. Green Human Resource Management

Green Human Resource Management (GHRM) is an approach that focuses on integrating environmental sustainability practices into all aspects of human resource management. The goal of GHRM is to create a work environment that supports sustainability and enhances organizational performance through employee engagement. Here are some key elements of GHRM:

#### a. Green Recruitment

Green recruitment is the process of selecting candidates who emphasize environmental awareness and commitment to sustainable practices. In this phase, companies seek individuals who not only meet professional qualifications but also share values aligned with the organization's sustainability goals. By implementing green recruitment, companies can foster a more environmentally friendly culture and encourage employees to contribute to green initiatives.

#### b. Training and Development

Training and development of employees in the context of GHRM is crucial for providing the knowledge and skills needed to implement environmentally friendly practices. This training program may include:

- Education on sustainability: Explaining the importance of sustainability and its impact on the environment.

- Environmentally friendly practices: Teaching methods for waste reduction, energy efficiency, and sustainable resource use.
- Practical skills: Equipping employees with ways to apply green policies in the workplace.  
With appropriate training, companies can motivate employees to actively participate in sustainability initiatives.

c. Reward Programs

Reward programs are designed to recognize employees who contribute to sustainability practices. These rewards can take the form of financial incentives, public recognition, or opportunities to engage in green projects. By creating an effective reward system, companies can:

- Increase motivation: Employees who feel valued are typically more motivated to engage in green initiatives.
- Encourage collaboration: Rewards can motivate employees to work together on sustainability projects.
- Build a green culture: Recognizing contributions to sustainability will reinforce green values within the organization.

d. Sustainable Policies and Practices

GHRM also involves developing policies and practices that support sustainability, such as:

- Waste reduction policies: Minimizing the use of paper and other resources in the workplace.
- Green mobility policies: Encouraging the use of public transportation or environmentally friendly vehicles by employees.
- Health and safety initiatives: Integrating environmental considerations into health and safety policies.

By implementing these policies, companies not only provide a positive impact on the environment but also enhance employee well-being.

e. Evaluation and Reporting

To ensure the success of GHRM, it is important for companies to conduct regular evaluations and reporting on their sustainability practices. This process includes:

- Data collection: Gathering information about the impact of green practices on organizational performance.
- Performance assessment: Evaluating the effectiveness of GHRM programs in achieving sustainability goals.
- Reporting: Communicating evaluation results to stakeholders to improve transparency and accountability.

By conducting evaluations and reporting, companies can identify areas for improvement and adjust their GHRM strategies to be more effective.

## 2. Corporate Reputation

Corporate reputation refers to the public's perception of an organization's quality, reliability, and commitment to social and environmental responsibility. This reputation plays a significant role in how companies are viewed by customers, employees, and other stakeholders.

Green Human Resource Management (GHRM) significantly contributes to a positive corporate reputation by demonstrating a commitment to sustainability. Through GHRM practices such as green recruitment, sustainability training, and environmentally friendly policies, companies can highlight their dedication to social responsibility. Research indicates that organizations with a strong reputation are not only more appealing to customers but also more effective in recruiting and retaining high-quality employees (Faeni et al., 2025).

Companies that actively implement environmentally friendly practices tend to have a better image among consumers. When companies show a commitment to sustainability, consumers are more likely to support and purchase products from those brands. This positive perception not only enhances customer loyalty but also provides a competitive advantage in the market.

A good reputation, built through a commitment to sustainability, can positively affect a company's financial performance. Consumers are more inclined to choose products from brands that demonstrate environmental care, meaning that companies with a strong green reputation may see increased sales and profitability (Lee & Klassen, 2016). Therefore, investing in GHRM benefits not only the environment but also the sustainability of the business itself.

Overall, corporate reputation is greatly influenced by how companies manage their social and environmental responsibilities. By adopting GHRM practices, companies can build and maintain a positive reputation that attracts customers and employees, as well as supports better financial performance. Thus, GHRM is an important strategy for establishing a strong and sustainable corporate reputation.

## 3. Employee Well-Being

Employee well-being encompasses various aspects of work life, including physical, mental, and social dimensions. Green Human Resource Management (GHRM) plays a crucial role in enhancing employee well-being by creating a healthier work environment and supporting engagement in sustainability initiatives.

Employee well-being is not only related to physical health but also includes mental well-being and social relationships in the workplace. A supportive work environment helps employees feel more comfortable and productive. GHRM focuses on creating a positive work atmosphere where employees feel valued and supported.

GHRM contributes to employee well-being by encouraging participation in environmentally friendly practices. Employees involved in sustainability initiatives often report higher levels of job satisfaction and motivation (Jabbour & Santos, 2008). Through

active engagement in sustainability programs, employees feel that their contributions have a positive impact, which enhances their sense of ownership towards the company. According to Faeni et al. (2025), employees who feel engaged in sustainability initiatives not only feel more valued but are also more motivated to contribute to the company's goals. This sense of being valued contributes to employee loyalty, which further enhances job satisfaction. When employees believe they play a role in achieving larger goals, they are more likely to work harder and are less inclined to leave the company.

Engagement in sustainability initiatives leads to increased job satisfaction and loyalty, which can positively impact overall productivity and organizational performance. Employees who are satisfied with their jobs are more likely to contribute maximally and help achieve the company's goals. A healthy and supportive work environment not only benefits employees but also provides a competitive advantage for the company.

Overall, employee well-being is an essential aspect of human resource management. By implementing GHRM, companies can create a work environment that supports both the physical and mental well-being of employees, while also encouraging their engagement in sustainability initiatives. In this way, GHRM contributes to enhancing employee satisfaction, loyalty, and productivity, ultimately benefiting the organization as a whole.

#### 4. The Relationship Between GHRM, Corporate Reputation, and Employee Well-Being

Analysis reveals a significant positive relationship among Green Human Resource Management (GHRM), corporate reputation, and employee well-being. Implementing GHRM practices not only enhances a company's reputation but also positively impacts employee well-being.

##### a. GHRM and Corporate Reputation

GHRM practices, such as green recruitment, sustainability training, and environmentally friendly policies, help companies demonstrate their commitment to social and environmental responsibility. This, in turn, improves the company's image in the eyes of the public. When consumers and stakeholders recognize a company's efforts in sustainability, they are more likely to appreciate and acknowledge these initiatives, boosting the company's reputation.

##### b. GHRM and Employee Well-Being

GHRM also plays a crucial role in enhancing employee well-being by fostering a healthier work environment and encouraging participation in sustainability initiatives. Employees involved in green programs often feel more valued and report higher job satisfaction. This contributes positively to their mental and physical health, as well as their loyalty to the organization.

##### c. Integrating GHRM into Management Strategy

Incorporating GHRM into the company's management strategy allows for the creation of an environment that supports sustainability while promoting employee well-being. Companies that adopt this approach consider both environmental aspects

and employee welfare as integral to long-term success. By creating synergy between corporate reputation and employee well-being, organizations can build a more committed and productive workforce.

d. Holistic Approach

A holistic approach that combines GHRM, corporate reputation, and employee well-being can lead to a more resilient and dedicated workforce. When employees feel valued and engaged in sustainability practices, they are more likely to contribute positively to the company's objectives. This benefits not only the individuals but also fosters the long-term success of the organization.

## CONCLUSION

This study shows that there is a significant positive relationship between Green Human Resource Management (GHRM), corporate reputation, and employee well-being. The implementation of GHRM serves as a bridge that connects sustainability initiatives with corporate image and employee satisfaction.

First, GHRM not only contributes to environmental sustainability but also enhances corporate reputation in the eyes of consumers and stakeholders. Companies that demonstrate commitment to environmentally friendly practices tend to be viewed more positively, which in turn attracts more customers and quality talent.

Second, employee well-being becomes an important aspect of GHRM. Employees involved in sustainability practices feel more valued and motivated, which positively impacts their job satisfaction. A work environment that supports green initiatives can enhance the mental and physical health of employees, contributing to higher productivity.

Third, the analysis results indicate that the implementation of GHRM can be an effective strategy for companies to achieve sustainability goals while improving employee well-being. Therefore, companies are advised to integrate GHRM practices into their human resource management strategies to achieve more sustainable and beneficial outcomes for all parties involved.

Overall, this research emphasizes the importance of GHRM in creating synergy between social responsibility, corporate reputation, and employee well-being, and suggests the need for further research to explore the specific mechanisms linking these three variables.

## RECOMMENDATIONS

Based on the research findings regarding the relationship between Green Human Resource Management (GHRM), corporate reputation, and employee well-being, several recommendations can be made for companies seeking to effectively implement GHRM practices:

1. **Integrate GHRM into Management Strategies**  
Companies should integrate GHRM into their human resource management strategies. This includes developing policies that support environmentally friendly practices in all aspects of management, from recruitment to employee training and development.
2. **Employee Training and Education**  
Providing comprehensive training and education on sustainability and green practices is essential. Employees who understand the importance of sustainability are likely to be more engaged and motivated to contribute to green initiatives.
3. **Rewards and Incentives**  
Implementing a rewards and incentives system for employees actively participating in sustainability initiatives can enhance their motivation and engagement. Reward programs can include formal recognition, bonuses, or support for innovative projects related to sustainability.
4. **Stakeholder Engagement**  
Involving stakeholders, including customers, suppliers, and communities, in sustainability initiatives can strengthen corporate reputation. Transparent communication regarding the company's sustainability efforts can enhance trust and loyalty.
5. **Ongoing Research**  
Companies are encouraged to conduct further research on GHRM and its impact on employee well-being and corporate reputation. This research can help companies understand the specific mechanisms linking these three variables and adjust their strategies based on existing findings.
6. **Collaboration with Educational Institutions**  
Companies can establish partnerships with educational institutions to develop training programs and curricula focused on sustainability and GHRM. This will not only enhance employee knowledge but also help create talent ready to contribute to green practices.

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