Green Behaviors Factors on Green Human Resources Management Practice on the Employees of "The First Movers on Sustainable Banking" in Indonesia

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Abstract—**Based on the 2018 Environmental Performance Index (EPI), Indonesia's environmental quality is ranked 133 out of 180 countries. The low quality of the environment is caused by human resources who do not comprehend the concept of environmentally friendly industries. The low comprehension of environmentally friendly industries is also indicated by the low implementation of Green HRM in companies in Indonesia. Green Human Resource Management (GHRM) is an environmentally friendly initiative towards better work efficiency, lower costs, and higher levels of employee involvement. Green HRM plays an important role in organizations to support the resolution of environment-related problems, awareness of the use of more economical natural resources and support environmentally friendly products. The realization of this problem will help organizations to create energy-efficient work areas. This study uses an exploratory approach which explores the dominant factors that construct green behavior in green HRM practices on the employees of "The first movers on sustainable banking" in Indonesia. Based on the analysis using the Principal component analysis method and narrative literature review, factors that form environmentally friendly behavior in HR management practices, includes: (1) regulation; (2) environmental awareness; (3) leader commitment; (4) vision and mission; (5) organizational policies; (6) technology provision; (7) facilities; (8) organizational programs; (9) employee recruitment; (10) employee training; (11) performance appraisal; and (12) compensation program.**

Keywords: green banking, green behavior, green human resource management, human resource management

I. INTRODUCTION

Sustainable National Development is still the main issue being promoted by the government at this time. Sustainable National Development is an effort to improve prosperity and opulence for all aspects of life of the people, nation and state in the long run. Sustainable development has three main pillars, namely economic, social and environmental [1].

The fact is, at this time Indonesia's environmental quality is still considered quite alarming. Based on the Environmental Performance Index (EPI) of 2018 [2], Indonesia's environmental quality is ranked 133 out of 180 countries with a score of 46.92. While the first rank was obtained by

Switzerland with a score of 87.42. The score shows a gap that is quite far. Even when compared to ASEAN countries, Indonesia's environmental quality is still far behind.

The following are environmental quality data on ASEAN countries based on the 2018 Environmental Performance Index (EPI):

TABLE I.   ASEAN ENVIRONMENTAL QUALITY DATA

No.	Country	Rank	Score
1	Singapore	49	64,23
2	Brunei Darussalam	53	63,57
3	Malaysia	75	59,22
4	Philippines	82	57,65
5	Thailand	121	49,88
6	Vietnam	132	46,96
7	Indonesia	133	46,92
8	Myanmar	138	45,32
9	Cambodia	150	43,23
10	Laos	153	42,94

Source: Environmental Performance Index (EPI), 2018

Based on the results of research by Asni Mustika Rani, et al [3], the low quality of the environment is due to human resources who do not master the concept of environmentally friendly industries. The low mastery of environmentally friendly industries is also indicated by the low implementation of Green HRM in industries in Indonesia.

Currently, one of the industries that has begun to apply the concept of environmentally friendly in its activities is the banking industry. There are 8 (eight) banks in Indonesia which are incorporated in 'The First Movers on Sustainable Banking' announced the formation of the Indonesian Sustainable Financial Initiative (IKBI) which is a tangible manifestation of Indonesia's banking commitment in implementing sustainable financial practices. Where the aim is to strengthen institutions, especially in the area of environmental, social and governance risk management.

The establishment of The First Movers on Sustainable Banking shows that increasing awareness of environmental sustainability is a concern of various parties, including the banking sector. Therefore, a research is needed to identify the

process of implementing environmentally friendly behavior in companies, especially in the field of comprehensive human resources. That is related to various factors that are stimulating the creation of environmentally friendly behavior in companies, one of which is in the banking sector.

Based on the background, the formulation of the problem in this study is: "What are the factors that shape environmentally friendly behavior in Green Human Resource Management practices in banking sector employees in Indonesia?"

II. LITERATURE REVIEW

A. Green Human Resources Management

Concern for the environment has become an issue that is increasingly being discussed in organizations as they interact with customers and workers. Employees themselves are often seen as a source of pressure for organizations to overcome environmental problems [4]. Therefore, the concept of Green Human Resource Management (GHRM) is the most prominent phenomenon for forward-thinking businesses. GHRM is an environmentally friendly initiative towards better work efficiency, lower costs, and a higher level of employee involvement [5].

Shaikh asserts that Green Human Resource Management (GHRM) plays an important role in organizations to support solving problems related to the environment by understanding it in the perspective of management, HR policies and practices, training people and implementing rules related to Environmental Protection [6]. This will also make employees and community associations aware of the use of natural resources that are more economical and support environmentally friendly products. The realization of this will help organizations to create energy-efficient work areas.

According to Jain, the Green HRM scheme helps organizations find various ways to save costs without losing their best talent. Green HRM requires the involvement of all members of the organization to make the organization environmentally friendly [7]. Practices to become a Green HRM can take place from normal practice among employees in their work area. Furthermore, according to Mandip Green HRM practices must be explained into the HR process, such as recruitment, training, compensation etc [8]. So, the next HR process is like recruitment; management and performance appraisal; training and development; work relationship; and compensation will support the organization in creating Green HRM through the HR process.

Agus and Lieli in their research stated that research on green behavior in Green HRM practices in an organization can be classified into 3 groups, namely [9]: (i) factors that motivate environmentally friendly behavior, (ii) implementation of environmentally friendly behavior in HR management and (iii) the impact of environmentally friendly behavior in HR management. Among the factors that shape environmentally friendly behavior according to Agus and Leili are as follows [9]:

TABLE II.   GREEN BEHAVIOR'S FACTORS

Regulation	Organizational Policies	Employee recruitment
Environmental Awareness	Technological provision	Employee training
Leader commitment	Provision of facilities	Performance appraisal
Vision and mission	Organizational programs	Compensation

III. METHODS

This study uses an exploratory approach that explores the dominant factors that shape green behavior in green human resource management practices in banking sector employees in Indonesia. There are 12 factors assessed, namely (1) regulation; (2) environmental awareness; (3) leader commitment; (4) vision and mission; (5) organizational policies; (6) technology provision; (7) provision of facilities; (8) organizational programs; (9) employee recruitment; (10) employee training; (11) performance appraisal; and (12) compensation.

Data collection in this study uses the method of library study and field study. Literature study is carried out by gathering information relevant to topics related to green human resource management and green behavior. While the field study was carried out by collecting primary data regarding the behavior of banking sector employees in Indonesia through in-depth interviews with banks and the FSA, and to selected respondents from the employees of the bank's first movers sustainable banking namely Bank Mandiri, BRI, BNI, BCA, Bank Muamalat, BRI Syariah, BJB and Bank Artha Graha Internasional.

A. Population and Sample

The population in this study are employees of the first movers of sustainable banking in Indonesia:

TABLE III.   FIRST MOVER SUSTAINABLE BANKING EMPLOYEE POPULATION

BANK	Employees
Bank Mandiri	38.307
BRI	60.684
BNI	27.209
BCA	25.439
Bank Muamalat	4.444
BRI Syariah	2.991
BJB	7.535
Bank Artha Graha Internasional	2.741
Sum	*169.350*

Source: Data processing results (2019)

The proportionate random sampling technique was used in this study using a formula from Yamane [10], with a population of 169,350 employees from eight banks of the first mover sustainable banking and a level of error of 5%, the sample taken was 400 respondents.

B. Data Analysis Method

Statistical testing is done by the Principal Component Analysis method. Principal Component Analysis (PCA) is a statistical technique that is applied to a set of variables when researchers are interested in finding which variables in the

collection are related to another. The PCA steps include: selection and measurement of variables, preparation of a correlation matrix, extraction of factors from a correlation matrix, rotation of factors to improve interpretation and interpretation of results.

IV. ANALYSIS AND DISCUSSION

A. Factor Analysis Forming Green Behavior in Green Human Resource Management Practices

The factors that form green behavior in green human resource management practices are formulated into 12 variables, namely rules or regulations, environmental awareness, commitment of leaders, vision and mission of the organization, organizational policies, provision of technology, provision of facilities and infrastructure, organizational programs, employee's recruitment, employees training, performance appraisal, and compensation.

The analysis action after getting the results of the questionnaire is transforming the results of the ordinal data into intervals using the Method of Successive Interval (MSI). Next statistical analysis will be carried out to determine the variables or factors that most determine and interconnected with other variables of the 12 variables that have been determined using Principal Component Analysis (PCA).

Principal component F1 which is the first main component correlates strongly with nine original variables. The highest value on F1 in a row ie:

- Environmental Awareness (X2) with score 0,810
- Technology provision (X6) with score 0,750
- Performance Appraisal (X11) with score 0,727
- Leader commitment (X3) with score 0,700
- Organizational programs (X8) with score 0,679
- Compensation (X12) with score 0,675
- Provision of facilities (X7) with score 0,672
- Organizational policies (X5) with score 0,656
- Employee training (X10) with score 0,636
- Employee recruitment (X9) with score 0,564
- Vision and mission (X4) with score 0,547
- Rules or regulation (X1) with score 0,540

These results indicate that the twelve criteria differ. If one increases, then the remaining tends to increase too. This component can be seen as a measure of green behavior in green human resource management practices formulated based on environmental awareness, technology provision, performance appraisal, leader commitment, organizational programs, compensation, provision of facilities and infrastructure, organizational policies, employee training, employee recruitment, vision and mission, and rules or regulations. Next, we see that the first major component correlates most strongly with environmental awareness.

The following are interpretations of the twelve variables that are the main factors (F1) forming green behavior in green human resource management practices:

1) Environmental awareness: The worsening of the environment is the biggest motivation for employees to keep the environment sustainable and not pollute the environment. Environmental awareness is now the most important factor that shapes green behavior in green human resource management practices.

2) Technology provision: Organizations that implement green human resource management practices must have technology that can shape green behavior. Technology helps many activities in the organization in order to protect the environment. For example, the use of information communication technology in sending information makes employees no longer waste paper.

3) Performance appraisal: Employee work evaluation is carried out by the organization to employees and is held every period to make employees have high motivation and desire to protect the environment so that it can form green behavior. For example, it has been done at several banks, where periodic assessments are held related to the management of environment in each branch.

4) Leader commitment: The high commitment of leaders to the preservation of the work environment can provide good examples for employees as well as the development of environmentally friendly work patterns in employees.

5) Organizational programs: Organizations that have special programs related to environmental management and safeguarding the work environment can trigger employees to have green behavior. For example, a program that has been implemented in several banks is the award for the cleanest branch offices.

6) Compensation: Compensation is one of the factors that drives a person to do something or work. Appropriate compensation can motivate employees to do more in order to maintain the work environment and establish green behavior.

7) Provision of facilities: Implementation of an activity within the company can run well if supported by adequate facilities and infrastructure. Organizational commitment in providing appropriate facilities and infrastructure can also help the formation of green behavior in employees.

8) Organizational policies: Organizational policy is one of the factors that influence the formation of green behavior in employees. Because basically, Organizational Policy is a binding factor and must be followed by all employees in the organization. Although these policies are not in the form of written policies, employees will always implement them and in the long run will form a culture of environmentally friendly behavior for employees.

9) Employees training: Employee training and development is needed so that employees understand contextually the reasons for green behavior need to be instilled and practiced in daily activities. But unfortunately many banks have not formed and designed a training agenda specifically

related to green behavior in the work area, so this factor has not had a significant influence on the formation of green behavior in employees.

10) Employees recruitment: The recruitment process carried out by the organization in accordance with the values of green human resource management can form green behaviors in employees since the beginning of the process of employee entry into an organization. Employees who previously have a certain understanding or pattern of work can be reshaped or changed during the recruitment process. However, not many organizations have recruitment programs that specifically instill the value of green behavior in the process.

11) Vision and mission: All employees will always help the company or organization where they work to achieve the company's vision and mission. The company's vision and mission that lead to the implementation of environmentally friendly business activities will form green behaviour in employees. In this research, it is known that the Vision and Mission of the Organization is a relatively small forming factor that influences the improvement of employees' green behaviour principles in their daily activities because based on the results of interviews it is known that company policies that lead to the application of environmentally friendly principles have not been contained in the vision and company mission.

12) Rules or regulation: Green behavior in employees is also formed by rules and regulations that are coercive like government regulations. Where basically laws are made to regulate human action. If the government has implemented strict laws or regulations including sanctions if violations occur, then employees who work for an organization will always apply these rules. But unfortunately, in this study it is known that the Rules and Regulations have a relatively small influence on the formation of green behavior in employees, because based on interviews it is known that employees are not aware of the rules of the Financial Services Authority (FSA) – or also known as OJK, regarding the application of green banking principles in banking companies because of the lack of comprehensive socialization done by the government.

When this research was conducted, FSA claimed that there had been 8 (eight) banking companies in Indonesia committed to implementing the principles of green banking in managing their businesses. The eight banks include Bank Artha Graha Indonesia, BRI Syariah, Bank Central Asia, Bank Mandiri, Bank Muamalat, Bank Negara Indonesia, Bank Jabar Banten, and Bank Rakyat Indonesia which are members of the group 'The First Movers on Sustainable Banking'.

Through this study, researchers want to see the extent to which the application of environmentally friendly principles is implemented in bank branch offices in Bandung, especially in terms of applying its Green HRM principles.

Researchers conducted several interviews with the Branch Head and employees of several banks that are members of 'The First Movers on Sustainable Banking' in Bandung. Based on interviews, it is known that the branch offices are not aware of the FSA regulations regarding the application of green banking

principles in the banking business sector. In this research, this is caused by there has been no direct notification or socialization from the central office regarding the application of sustainable financial principles so far. However, one of the banks that we investigate claims that although the branch offices on average are not aware of these regulations, in practice so far the application of the green banking principle has been carried out in daily operational activities as the company's commitment to protect and manage the environment.

The work programs that have been implemented by the bank as a form of corporate awareness commitment to the environment are:

- Internal capacity building program; for example by conducting training in environmental analysis, training in profit management of palm oil businesses, and training in profitability management for renewable energy businesses.

- Internal environmental management program that is environmentally friendly; namely by saving electricity consumption on computer networks, saving the use of clean water in the office, making plants as a divider wall and planting plants in the office area and improving air quality in the work environment.

- Social and environmental responsibility program; such as tree planting programs in degraded lands, garden seedling programs, scholarship programs, free treatment programs, blood donor programs, mass circumcision programs, entrepreneurship programs and the development of fostered areas to empower local communities.

- Sustainable financial literacy and inclusion programs for the community and industry; including providing education for industry perpetrators, empowering villages through banking education activities, branchless banking programs, and raising awareness to save for an early age.

- Sustainable financial product and / or service development program; that is for example by diversifying credit portfolios, non-cash transaction programs, public housing loan programs for low-income people and the distribution of People's Business Credit.

- The program of governance adjustments, standard operational procedures for Financial Services Institutions in accordance with the principles of sustainable financial application; namely by compiling manuals for specific products and developing sustainable financial policies.

Seeing the work programs that have been implemented well, basically it can be seen that although the head office has not yet provided information on the existence of FSA regulations in implementing green banking to branch offices, the FSA rules have been reduced to company regulations which must be adopted by all offices branches and centers also always provide support facilities and infrastructure for

employees to support environmental management. But unfortunately, the company's commitment in protecting and managing the environment has not been stated in the company's vision and mission.

'The First Movers on Sustainable Banking' is committed to implementing sustainable principles that are able to create economic, social and ecological value in the process and at the level of policy making and decision making that can drive the company's success by continuing to contribute to the achievement of sustainable development goals. Among others, to ensure the integrity of the environment as well as the safety, ability, welfare, and quality of life of present and future generations.

Meanwhile, in the practice of managing Human Resources in organizations, some of the banks stated that in the recruitment process employees have used a more paperless online system. In addition they impose rules for employees in carrying out their daily work. For example the rules for employees to use the stairs in the afternoon because at 5 pm all lifts are turned off, make the best use of air conditioning, use used paper for drafts or writing, sending leaflet from headquarters to branch offices and Cash Offices via email, savings electricity consumption in the office network, saving the use of clean water in the office, making plants as a dividing wall and planting plants in the office area so that the environment looks more clean and beautiful. As for some of the banks mentioned that once a month there is an assessment for the branch office to assess which office is the cleanest and the results will affect the rewards given by the company every three months. This is considered to provide motivation for employees to apply the green HRM principles in their daily activities.

So far, one of the banks assesses that although there are no specific regulations written, but the employees already have their own awareness to take care of each other and remind them to apply Green HRM principles starting from small things like replacing plants that have withered, turning off electricity if it is not used, clean dirty places, get rid of trash in its place and minimize the use of paper.

Basically, the application of the green HRM principle has been carried out in stages, leaving only the factor that has the greatest impact on employees to raise awareness and commitment to behave in an environmentally friendly manner in the workplace, namely the factor of employee awareness to behave environmentally friendly in the work area.

V. CONCLUSIONS

The factors that form green behavior in green human resource management practices are formulated into 12 variables, namely rules or regulations, environmental awareness, commitment of leaders, vision and mission of the organization, organizational policies, provision of technology, provision of facilities and infrastructure, organizational programs, employees recruitment, employees training, performance appraisal, and compensation.

Based on the results of the questionnaire that has been distributed to bank employees, the factor that has the highest average approval value is the environmental awareness factor. This means that the factors considered influential in shaping the green behavior of the respondent, especially in terms of human resource management, are environmental awareness factors.

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