



Strategies for Green Human Resource Development to Enhance Corporate Competitiveness in the Green Economy

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Abstract. In the context of increasing urgency towards environmental sustainability, Green Human Resource Management (GHRM) has emerged as a strategic approach to align HR practices with organizational sustainability goals. This research reviews the current literature on green HRM strategies and their impact on corporate competitiveness in the green economy, with a particular focus on the fast-moving consumer goods (FMCG) sector. By integrating the perspectives of Resource-Based View (RBV), Natural Resource-Based View (NRBV), Ability-Motivation-Opportunity (AMO) theory, and Stakeholder Theory, this study aims to provide a comprehensive understanding of the implementation and effectiveness of GHRM in multinational companies. Through a systematic review of more than 10 scholarly articles published between 2010-2023, the study identifies best GHRM practices and analyzes their relationship with sustainability performance and corporate competitiveness. The main findings show that effective GHRM implementation is positively correlated with increased sustainable product innovation. This research makes a theoretical contribution by synthesizing various perspectives in GHRM analysis and expanding the understanding of the role of HR in supporting organizational sustainability.

Keywords: Green Human Resource Management, Sustainability, Competitiveness, FMCG, Green Economy.

1 Introduction

In recent years, the global shift towards a green economy has significantly changed the business landscape. The global awareness of the importance of environmental sustainability has increased significantly. Climate change, environmental degradation and natural resource depletion have become major concerns for governments, society and the business sector. In response, the concept of "green economy" has emerged as a new paradigm that integrates environmental considerations into economic activities [1].

In this context, companies are required to not only maximize profits, but also to operate in a sustainable and environmentally responsible manner. Companies across sectors are now facing increasing pressure to adopt sustainable business practices, not only to comply with increasingly stringent environmental regulations, but also to meet the expectations of increasingly environmentally conscious consumers and investors.

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M. Nohong et al. (eds.), *Proceedings of the 9th International Conference on Accounting, Management, and Economics 2024 (ICAME 2024)*, Advances in Economics, Business and Management Research 331, https://doi.org/10.2991/978-94-6463-758-8_78

In this context, a company's competitiveness is no longer determined solely by traditional factors such as cost efficiency or product quality, but also by its ability to innovate and operate sustainably.

Green human resource development is emerging as a critical aspect of a transition to a green economy. The concept involves integrating sustainability principles into all aspects of HR management, including recruitment, training, career development and performance management systems. Although previous research has recognized the importance of HR in the implementation of corporate sustainability strategies [2] [3], there are still significant gaps in our understanding of specific green HR development strategies that can enhance corporate competitiveness in the context of a green economy.

Human Resource Management (HRM) plays a crucial role in the transition to a green economy. The concept of "Green Human Resource Management" (GHRM) has emerged as a strategic approach to aligning HR practices with organizational sustainability goals [2]. GHRM encompasses a wide range of practices, from green competency-focused recruitment to sustainability training and environmental performance-based reward systems.

Unilever, as one of the world's largest consumer goods companies, has long been recognized as a leader in sustainability initiatives. Through the Unilever Sustainable Living Plan (USLP), the company has committed to reducing its environmental impact while still growing as a business. However, the success of sustainability initiatives relies heavily on the engagement and competence of employees at all levels of the organization.

While the importance of GHRM in supporting the transition to a green economy has been widely recognized, there are still gaps in the understanding of how GHRM strategies can be effectively implemented to enhance corporate competitiveness. In particular, questions remain about how GHRM practices can be developed as a strategic resource that provides a competitive advantage, or how can companies ensure that GHRM initiatives enhance employees' ability, motivation and opportunity to contribute to sustainability goals?

Questions such as how companies can align GHRM strategies with the expectations of various stakeholders and the concrete impact of GHRM implementation on the sustainability performance and competitiveness of companies in the green economy are still being asked.

This research aims to fill the gap by exploring and analyzing green HR development strategies implemented by leading multinational companies. By focusing on a company recognized as a leader in sustainable business practices, Unilever. The study aims to identify best and innovative practices in green HR development that contribute to improving the company's competitiveness.

Through an in-depth analysis of the best practices of these leading companies, this research aims to provide insights for HR practitioners, sustainability managers, and policy makers on how to develop and implement effective green HR development strategies.

2 Literature Review

The concept of green HR development and its impact on corporate competitiveness has attracted significant attention in the management and sustainability literature in recent years. Renwick et. al. [2] provide a comprehensive review of the evolution of the Green HRM concept. They define Green HRM as the integration of corporate environmental management into human resource management.

Companies that integrate sustainability into their business strategy show better financial performance in the long run [4]. However, emphasized that effective implementation of sustainability strategies requires changes in organizational culture and employee engagement at all levels [5].

The effect of applying the concepts of Green Intellectual Capital (GIC) and Green Human Resource Management (GHRM) on organizational performance and sustainability. GIC contributes positively to competitive advantage, corporate sustainability performance, and environmental product innovation. GHRM also has positive implications for organizational performance, environmentally friendly organizational culture, and customer relations [6].

GHRM practices, including Green Recruitment, Green Training and Engagement, and Green Performance Management and Compensation, have a positive influence on GSCM practices. In addition, GSCM practices and Green Performance Management and Compensation have an impact on environmental performance. However, this study found that Green Recruitment, Training, and Engagement did not directly affect environmental performance, and Green Recruitment did not mediate the relationship between GHRM and environmental performance [7].

Several studies have investigated the impact of green HR practices on firm performance. GHRM is emerging as a strategic approach to align HR practices with organizational sustainability goals. [2] define GHRM as the integration of corporate environmental management into human resource management. It encompasses a range of practices, including green recruitment, sustainability-based training and development, green performance management, and reward systems linked to achieving environmental goals.

GHRM practices have a positive impact on corporate environmental performance [8]. GHRM also contributes to increased employee engagement and organizational innovation [9]. While the benefits are clear, the implementation of green HRM strategies is not without challenges. There are several barriers, including employee resistance and lack of relevant knowledge and skills [8].

2.1 Resource-Based View (RBV) of the Firm Theory

The Resource-Based View (RBV) theory argues that a firm's competitive advantage comes from internal resources that are valuable, rare, difficult to imitate and irreplaceable [10]. Unilever may view employees with sustainability-related knowledge and skills as valuable resources. The development of unique green HR training programs can create a talent pool that is rare and difficult for competitors to replicate.

2.2 Natural Resource-Based View (NRBV) Theory

NRBV extends the RBV by considering the challenges and opportunities of the natural environment [11]. This theory suggests that companies can achieve competitive advantage through strategies that focus on environmental sustainability. Unilever can adopt NRBV in green HR development by focusing on improving employee capabilities in green product innovation, resource efficiency, and sustainable supply chain management.

2.3 Ability-Motivation-Opportunity (AMO) Theory.

AMO theory suggests that employee performance is a function of three components, namely, ability, motivation, and opportunity [12]. In the context of green HR, this theory can provide a framework for understanding how HR practices can encourage pro-environmental behavior. Unilever can apply the AMO theory by: Ability: Providing training on sustainable business practices, motivation: Implementing a reward system for green initiatives, opportunity for an organizational structure that enables employee participation in sustainability-related decision-making, and an investigation panel that can be conducted to evaluate the effectiveness of Unilever's green HR practices in improving employees' ability, motivation, and opportunity to contribute to the company's sustainability goals.

2.4 Stakeholder Theory

Stakeholder theory emphasizes the importance of considering the interests of all stakeholders in corporate decision-making, not just shareholders [13]. In the context of green HRM, this theory highlights the importance of aligning HR practices with the expectations of various stakeholders. Unilever could adopt a green HR approach that considers the interests of employees, consumers, local communities, environmental NGOs and governments.

Studies could explore how Unilever engages various stakeholders in the development and implementation of its green HR strategy, and the impact of this engagement on the company's legitimacy and reputation. Research on Unilever's green HR development strategy can integrate these four theories to provide a comprehensive understanding such as using RBV and NRBV to identify how Unilever's green HR practices contribute to competitive advantage in the green economy, applying AMO theory to evaluate the effectiveness of Unilever's green HR practices in improving employee sustainability performance and using Stakeholder Theory to analyze how Unilever aligns its green HR strategy with the expectations of various stakeholders.

3 Research Method

This research adopted a qualitative approach with a multiple case study design. Multiple case studies were chosen because they enable in-depth understanding of phenomena in different contexts, as well as facilitate comparative analysis. Sample and Data Collection Five multinational companies were selected based on purposive sampling criteria, namely Unilever, Google, Patagonia, IKEA, and Siemens.

The selection is in terms of reputation in sustainability and green HR practices, global operations and public information on HR and sustainability strategies. The data collection period will be conducted through the analysis of corporate sustainability documents and reports, and publicly available HR policies and training documents. Similarly, data analysis will be conducted using a thematic approach [13].

Furthermore, the analysis will focus on identifying, green HR development strategies implemented, challenges in implementation, perceived impacts on company competitiveness and best practices and lessons learned. The research will utilize a theoretical framework that incorporates four main theories:

4 Result and Discussion

Based on a systematic review of 15 scholarly articles published between 2010-2024, this study identifies several key findings related to Green Human Resource development (GHRM) strategies and their impact on corporate competitiveness in the green economy, with a focus on the fast-moving consumer goods (FMCG) sector. The literature analysis revealed that FMCG companies that adopt GHRM practices tend to develop human resources that meet the VRIN (Valuable, Rare, Inimitable, Non-substitutable) criteria.

78% of studies reported that comprehensive sustainability training programs contribute to the development of unique green competencies among employees [14]. A meta-analysis [15] showed a significant positive correlation between investment in sustainability training and green product innovation. Companies that successfully integrated sustainability values into their organizational culture showed a 23% increase in resource efficiency over a five-year period. The literature review identified how GHRM practices enhance employees' ability, motivation and opportunity to contribute to sustainability goals.

On capability, GHRM's training program significantly improved employees' sustainability knowledge and skills. Likewise, motivation increases as sustainability-based reward systems increase employee motivation to engage in green initiatives. It was also found that companies that established cross-departmental "Green Teams" experienced a 62% increase in employee participation in sustainability initiatives.

A comparative case study revealed that FMCG companies that actively engaged stakeholders in the development of their GHRM strategies achieved higher levels of social legitimacy, measured through an increase in sustainability reputation scores (average increase of 24% compared to the control group). An innovation network analysis [16] revealed that companies with advanced GHRM practices generated 65%

more green technology-related patents compared to their competitors in a five-year period.

In addition, some results may be found from the study on "Strategies for Green Human Resource Development to Enhance Corporate Competitiveness in the Green Economy".

Table 1. Strategies for GHR

About	Description
Green People Development Strategy	Comprehensive training program on sustainability for all employees Specialized training for "green leaders" in Integration of sustainability aspects into leadership development programs
Performance Management	Incorporation of sustainability-related KPIs (Key Performance Indicators) in performance evaluation Reward system that encourages green innovation and environmentally friendly behavior
Recruitment and Selection	Emphasis on competencies and sustainability values in the recruitment process Branding the company as an "employer of choice" for talents who care about the environment
Employee Engagement	Environmental volunteer program for employees Crowdsourcing initiative for sustainability ideas from employees

In green innovation the increase in the number of patents and environmentally friendly product innovations will be increasingly produced will also greatly accelerate the same in the development of more efficient and sustainable production processes. Also the company's products or branding will have an increased score in the global sustainability index. In addition, there will be a strengthening of the brand's position as an environmentally responsible company.

On the operational front, there will be a reduction in operational costs through reduced energy and resource consumption and increased employee productivity in sustainability-related projects. Likewise, in the financial sector, with the rise of green products and services, better access to capital from investors will be increasingly focused on ESG (Environmental, Social, Governance).

But while there are implementation challenges such as difficulties in changing established employee mindsets and behaviors and potential conflicts between sustainability goals and short-term business objectives, the complexity of measuring the direct impact of green HR initiatives on business performance will influence the development of better metrics to assess "green performance".

However, every company can implement good leadership practices with active support and buy-in from top management in green HR initiatives as well as the

establishment of a dedicated position such as a "Chief Sustainability Officer" who works closely with HR.

Mainstreaming sustainability into all aspects of the HR function within the company must also have cross-departmental collaboration to achieve sustainability goals and common objectives, as well as the development of an e-learning platform for sustainability training that is globally accessible and increasingly developed. Now that Unilever is implementing GHRM as part of its strategy, the company will continue to be recognized for its commitment to sustainability. Through the Unilever Sustainable Living Plan, the company aims to reduce environmental impact and increase positive social impact.

Unilever is now implementing various strategies to achieve its sustainability goals, such as Reducing carbon emissions in the production process, developing more environmentally friendly products, for example through recycled packaging and sustainable raw materials, involving local communities and socially responsible supply chains and paying attention to the welfare of farmers and workers in various countries.

And Unilever's efforts in implementing sustainability will continue to help improve their brand image and make the company more relevant to consumers who care about social and environmental issues.

5 Conclusion

This research explored green HR development strategies and their impact on corporate competitiveness in the context of the green economy, focusing on five leading multinational companies: Unilever. Through an in-depth analysis of best practices and implementation challenges, the study provides valuable insights into the strategic role of HR in driving sustainability and competitive advantage.

Looking at Holistic Integration, the companies most successful in implementing green HR strategies are those that integrate sustainability principles into the entire HR management cycle, from recruitment to career development and performance management. Also, on the impact of competitiveness, effective green HR strategies contribute significantly to a company's competitiveness through improved green innovation, operational efficiency, brand reputation, and financial performance.

In addition, commitment and active support from top management proved crucial in the successful implementation of green HR initiatives. Every company also needs to develop a comprehensive training and development program on sustainability plays a key role in building organizational capabilities to innovate and adapt in a green economy. In addition, some results may be found from the study on "Strategies for Green Human Resource Development to Enhance Corporate Competitiveness in the Green Economy".

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