

Assessing Green Human Resource Management Practices in Banking Sector : A Case Study of SBI Branches in Cuttack

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Abstract



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Firms adopting Green Human Resource Management (HRM) practices have to change the existing strategies in the organization and adopt newer practices which are not only environment friendly but also focused more on sustainable development. These strategies are incorporated in the HR policies and practices of the organization. In this context, many studies have evaluated the green practices being adopted and implemented by the public sector banks in India using primary and secondary data. All the studies have highlighted that recruitment, training and employee motivation are important aspects of human resource management to adopt green human resource management policies. They have also emphasized the need to adopt more HR Practices in the Indian Banking System. However not many studies have been conducted with the focus of identifying similar practices in the banks existing in the state of Odisha. I have tried to address this research gap and assess the green HRM practices undertaken by a public sector bank, State Bank of India in the state of Odisha. I have used a mixed method approach to explore the green HRM practices followed in this organization and to what extent are they adhered to. I have also identified the enablers and the barriers in the adoption of these practices. The analysis from this study will be helpful largely to organizations in the service sector particularly the banking sector which aim to improve their green HRM practices.

Keywords: Green human resource management practices, Sustainable development, Public sector bank, State Bank of India

Introduction

Green Human Resource Management (HRM) is defined as adopting human resource management policies as more environment friendly. It enables the firms to adopt the strategies in the organization or to change the existing strategies in the organization with the policies focused more on sustainable development. The objective of bringing this change in the human resource management is to inculcate the habit in the workforce regarding optimum utilization of resources taken from the society.

Green management as a concept for sustainable development aims to balance the need between industrial growth and protecting the natural environment for the future generations to thrive. However, it is a matter of debate as to how an organization or the society can achieve sustainability through green management. Thus, creating opportunities for further research on how to create a sustainable green business. Digital India is a major contributor to the concept of Green initiatives by the organization. Keeping in view the objectives of digital India, companies are already opting for a paperless economy. Banks in India play a vital role in implementing the policies of the government. Banking is one of the most common services used by the public. Almost every citizen of the country used the banking service in one or other way. Banks are also changing the human resource practices to deal with the changing business environment

Review of Literature

We further discuss our review of the existing literature on Green HRM practices in public sector banks in India. Sunita & Sharma in their research paper have evaluated the green practices being implemented by the public sector banks in India (Sunita & Sharma, 2017)[1]. The major finding of this study is that there is imbalance among HR Practices to support

the environment in the banking Sector and there is a need to adopt more HR Practices in the Indian Banking System. Chanderjeet (Chanderjeet, 2017)[2] in the study conducted on the banking sector of India have collected both primary and secondary data. Questionnaire is used to collect the data from the banking sector. No information regarding the sample is given. The major finding of this study is recruitment, training and employee motivation are important aspects of human resource management to adopt green human resource management policies. The researcher suggests that, carpooling, paper wastage etc. policies should be used. Moreover, innovation should be used in framing policies but proper autonomy is not available with the banks. Nath Vikas, Nayak Nitin & Goel Ankit (Nath, 2014)[3] in their study have evaluated the rating standards by RBI, norms and Green Initiative taken by public and private sector banks in India. They have been considered top private and public sector banks on the basis of their profit. The major findings of this study are that Indian banks i.e. private and public are lacking in implementing the strategies of Green Human resource management as compared to their foreign counterparts around the world. The researcher further suggests that banks should adopt more regressive strategies like mass transportation, paperless environment etc. Bihari, Suresh Chandra & others (Bihari Chandra, 2014)[5] in their study on Green Banking in India has evaluated the awareness and steps needed to adopt green practices in the banking sector. The sample considered was the top banks in the private and public sector banks in India. The major findings of this study are that to enter the international market, Indian banks have to recognize the importance of sustainable development and social responsibility. Ritu (Ritu, 2014).[6] in her study Green Banking Initiatives by Indian Public and Private Sector Banks has evaluated that there is an urgent need to follow green banking practices and efforts should be made to create more awareness among the banks regarding Green Initiatives.

Through the introduction of green initiatives there has been an improvement in safety and health of the workers as well as creating a set of knowledgeable workforce and supervisors [7]. The scope of green HRM practices is much more than mere implementation of environmentally sustainable initiatives. It is also about following practices that encourage employees to attain sustainable objectives. HR functions have a crucial role in attainment of these objectives [8], [9]. Renwick [10] mentions that Green HRM integrates HR processes like recruitment, talent management, training and development to the environmental sustainable objectives of the organization.

Bhardwaj, Broto Rautla and Malhotra, Aarushi (Bhardwaj, 2013)[11] reviewed various models of green banking practices which are adopted by Indian companies and derived the conclusion that adoption of green practices in a bank has an impact on the performance of the organization. State bank of India (SBI), has also adopted green banking initiatives in its lending and borrowing operations. It has adopted a two pronged approach of i) Reducing bank's own carbon footprint and ii) Creating awareness among the bank's clients to adopt low carbon emission practices. For example windmills are being used at some places to generate green power. Md. Maruf, Ullah. (2012)[12] made a comparative analysis among different types of banks like state owned commercial and development banks as well as public and foreign commercial banks operating in Bangladesh to explore whether they have adopted green banking policy. The results indicated that only public and foreign commercial banks have adopted green banking guidelines and financed some of green banking based projects. The "green banking" initiatives of the commercial and development banks owned by the state were not up to the mark.

Research Gap

The evidence from the available literature in the Indian banking sector highlights that there is an increasing need to explore further about Green HRM practices. It is the responsibility of banks to adopt these practices. In the Indian banking sector there is a dearth of literature on implementation of the Green HRM practices and hence to fill this gap the present study assumes great significance. The research on this topic is in its early stages and needs to be explored as sustainability is the need of the hour. As per companies act 2013, every company is obliged to perform the corporate social responsibility. As per banking Regulation Act and RBI guidelines, banks can contribute 1 % of the profit towards corporate social responsibility. Various studies have shown the lack of implementation of Green HRM in the banking Industry and thus the study aims to fill this gap.

Objective of the Study

Author to conduct an exploratory study to assess the green HRM practices being followed in a public sector bank. The study relies on primary data collected by conducting a survey among bank employees posted at SBI in Cuttack. I would primarily be focusing on the following objectives:

1. Exploring whether green HRM practices are followed in the organization and to what extent.
2. Identifying the drivers that encourage the organization to follow green HRM practices.
3. Identifying the barriers in the organization that discourage the organization from following green HRM practices.

This would help in analyzing to what extent the green human resource management activities are practiced in SBI and the drivers that encourage the organization to practice these activities

Research Methodology**Research Design**

A cross sectional descriptive research design was followed and primary data was collected by conducting a survey among the bank employees .The sample comprised 45 bank employees on the basis of convenience sampling. The informed consent of the employees was taken before collecting the data. The data was collected using a structured questionnaire which comprised 24 closed ended questions and 1 open ended question. The closed ended questions were provided with five options depicting different degrees.

The questionnaire consisted of 4 sections namely:

1. Socio-demographic details
2. Details about the organizational culture followed by the top management
3. Details about the employee behaviour
4. Details about the perception of the employees regarding barriers to implementation of green HRM.

Thus the different sections of questionnaire helped us to understand and assess the status of green HRM practices in SBI. To ensure validity it was made sure that the questionnaire contains questions that aim to cover major aspects (practices, barriers, employees & organization). The questionnaire was pilot tested among four respondents and three questions were revised to make the content more clear and understandable.

Different codes were assigned to the options of the closed ended questions. An excel file was created and a template was prepared for doing data entry based on the responses of the questionnaires.

Statistical Tools used for Data Analysis

Data was analyzed in Ms –excel (2017 version) Software. The findings of the analysis were suitably retrieved in the form of tables and graphs.

Data Interpretation and Findings

Data interpretation was conducted based on the observations obtained post data analysis and the responses to the questions were presented in the form of graphs.

Conceptual and Theoretical Descriptions

Green HRM as a concept emerges from the initiatives being taken by organizations to inculcate practices aimed at carrying on their daily operations while protecting the environment. It not only focuses on creating awareness among employees on environmental issues but also lays emphasis on achieving the social and economic goals of both the organization and the employees. Attaining these goals need the will and support of the senior management.

Environment-friendly initiatives initiated by the HR managers in the organization to lower costs, increase efficiency, engage employees better and retain them will help organizations to reduce carbon footprints by maintaining electronic records, holding online meetings and virtual interviews, car-pooling, recycling, online training, energy-efficient office spaces, etc. Adoption of these initiatives help companies to opt for alternative cost cutting methods besides retaining their top talent. This would help in incorporating sustainable business practices. Thus, developing a new organizational culture of green practices through HR managers. It can be safely said that Green HRM needs participation from all the employees of the organization.

Employee behaviour may be affected by the introduction of green culture and behaviour in an organization. This "Green culture" is assumed to be helpful in the adoption of environmental strategies. Therefore it should be inculcated in all the HR functions of recruitment, training, career development, performance management and compensation, etc.

1. The benefits of GHRM, which are mentioned here (1) Companies can bring down costs while retaining quality work-force (2) Organizations enjoy growth opportunities as they operate in a green environment resulting in cutting down operation costs in the long-run (3) Higher employee job satisfaction leading to higher work productivity (4) Fostering a culture of well-being for fellow workers (5) Attracting better performing employees. Dolan's (1997) study of a cohort of MBA students from the USA found that many graduates would opt to join even at lower salaries if the organization is an environmentally responsible one.
2. Green HRM encompasses the life cycle of an employee including training and empowering them as well as involving the management of the organization. Thus, it has multiple dimensions.[45].
3. So by executing Green HRM practices, enterprises can enhance the environmental awareness of employees, their willingness to develop green behaviour and foster values of cohesion among enterprises, and effectively promote the "green factory" of enterprises.

Company Profile-About the Organization

Our study was carried out in the Cuttack branch of State Bank of India (SBI), which is an Indian multinational, public sector bank offering banking and financial services and headquartered in Mumbai, Maharashtra. It is the largest bank in India with a market share of 23% in assets and one-fourth in total loan and deposits market. It also employs the largest number of people among all the other Indian banks.

Analysis and Interpretation- Assessing Green Hrm Practices in State Bank of India at Cuttack**Socio-Demographic Characteristics of the Employees**

In this section, I aimed to explore gender, age, designation, location, educational qualification and work experience. The profile of the respondents was also reflected with the age and gender, educational qualification, designation and work experience of employees working with SBI. These details helped to better understand the socio-demographic background of the population:

Gender

Out of 45 respondents, 18 were females while 27 were males. The proportion of males was found to be higher than females in the sample.

Designation

Out of 45 participants, the maximum number of participants belonged to the category of deputy manager (n=18), followed by senior associate and junior associate respectively.

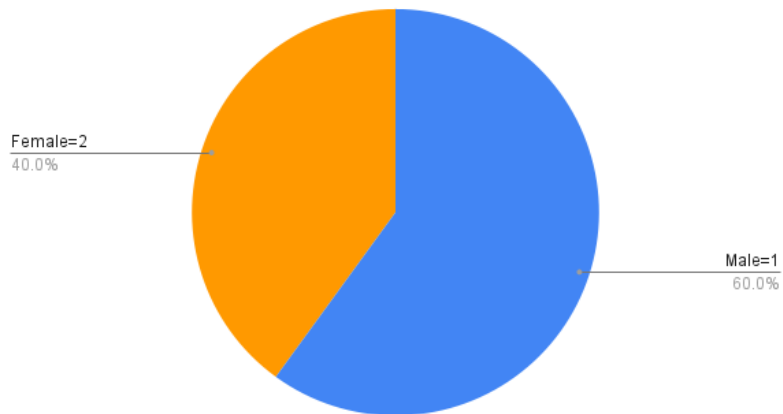
Age

For ease of classification, the age of the participants were categorized in age groups of 5 years duration starting from 20 years till retirement age of 60 years. Maximum number of participants belonged to the age group of 30-35 years (n=17) followed by the age group 35-40 years and 25-30 years reported to have 10 participants each.

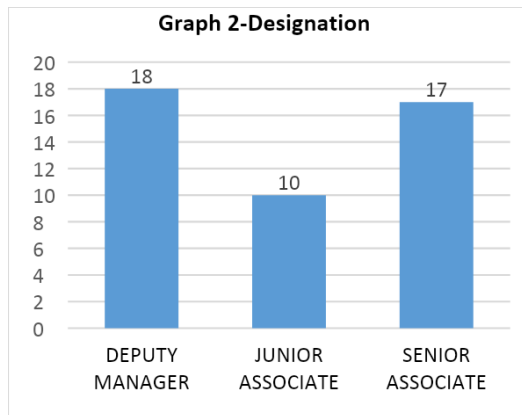
Work Experience In SBI

All the employees have been working in the bank for at-least five years. Among which nine of them are working for a time period of 5-10 years and 36 of them are working in the bank for more than 10 years.

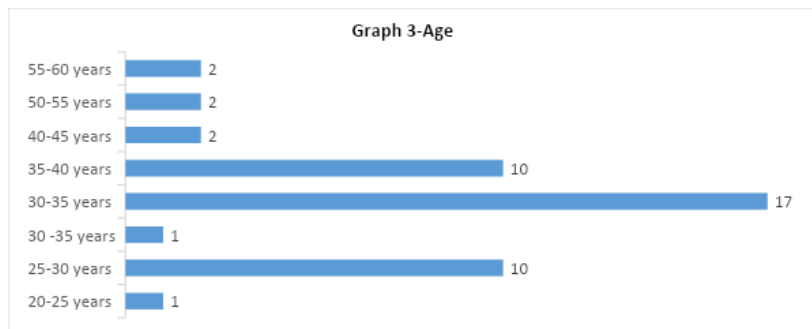
Graph 1-Gender

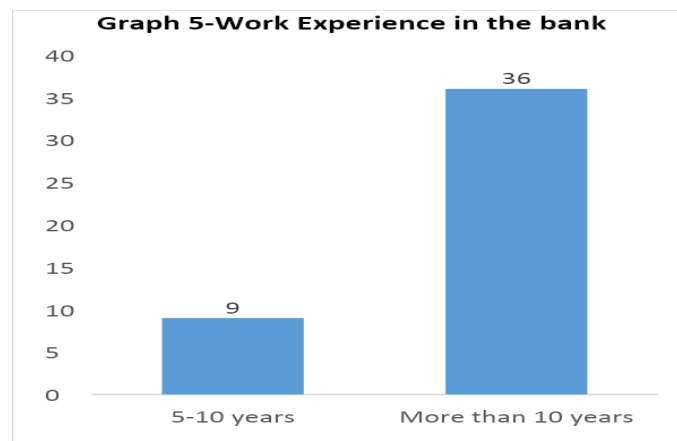
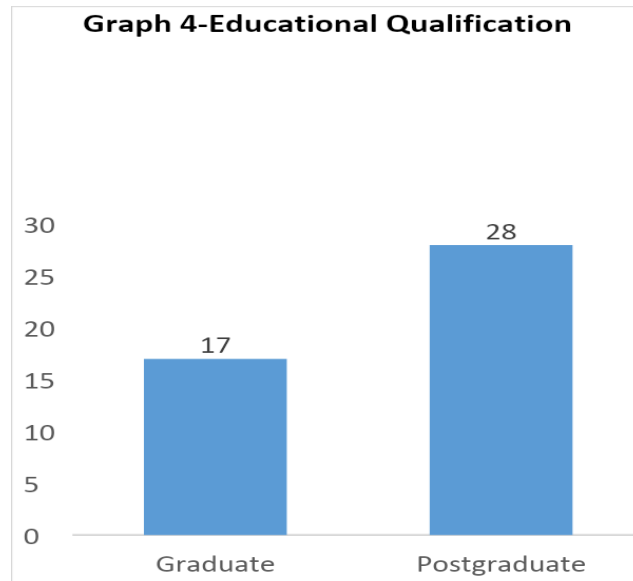


Graph 2-Designation



Graph 3-Age





Green Hrm Activities Practiced in the Organization

The detailed study shows the respondents view on various aspects relating to green HRM practices with respect to organizational culture. Higher management plays a crucial role in maintenance of organizational culture which promotes green HRM practices thus making environmental responsibility an integral part of the corporate vision statement.

This section comprises questions which enquire about the perception of employees regarding the top management's role to promote green HRM practices in SBI. We aim to explore the role of top management to promote environmentally friendly attitudes when performing professional tasks, training and development, performance management and competencies, rewards and compensation, etc. Based on the ratings of the participants over Likert scale, the evaluation of green HRM practices in the bank was conducted.

Top Management Clarifies Information And Values of Environmental Management

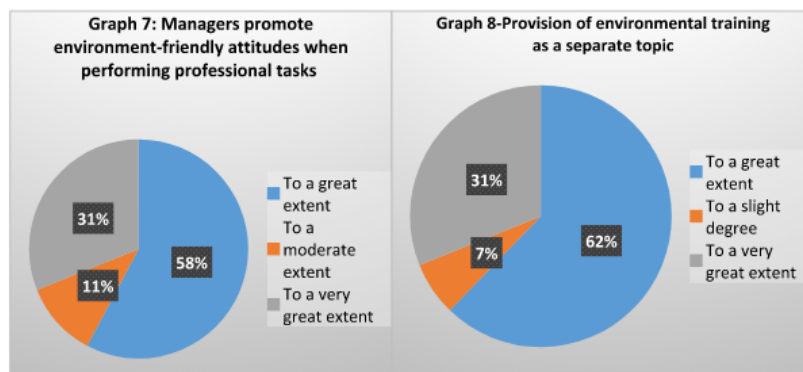
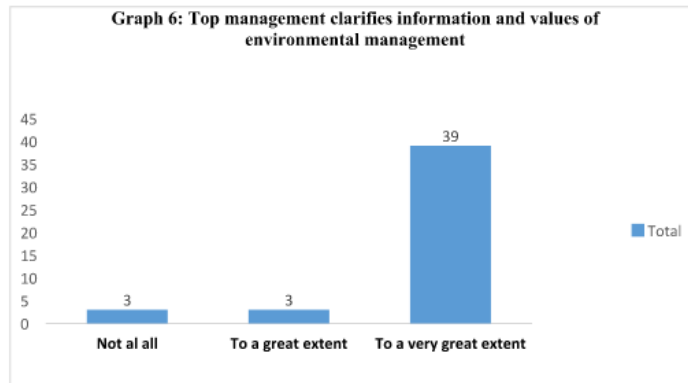
Majority of the participants (n=39) agreed that the top management clarifies about the information and values of environmental management to a very great extent. While 3 out of 45 participants did not at all agree that their top management clarifies information and values of environmental management. Considering the crucial role of the top management, it is important to ensure that all the employees are provided clarifications and information regarding the environmental management.

Managers Promote Environment-Friendly Attitudes When Performing Professional Task

All the participants agreed that managers encourage environment friendly tasks. Around 58% of participants said that the managers promote environment friendly attitudes when performing professional tasks such as paperless transactions which will lead to minimization of use of paper. No participant disagreed about the promotion of environmental friendly attitudes by the managers.

Provision of environmental training as a separate topic

All the participants said that there is provision of environmental training as a separate topic in SBI 62% of participants (n=28) said that there is provision of environmental training as a separate topic to a great extent. While 31% of the participants agreed that the managers provide environmental training as a separate topic to a very great extent.

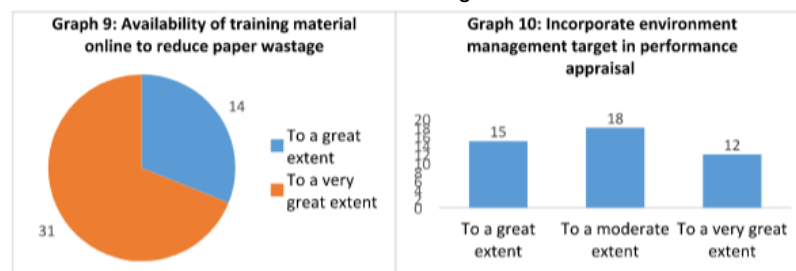


Availability of training material online to reduce paper wastage

All The Participants Reported That The Training Material Is Available Online To Reduce Paper Wastage. 31 Of Them Found The Availability Of Training Material To A Very Great Extent While 14 Found Its Availability To A Great Extent.

Incorporate environment management target in performance appraisal

All of them agreed there is incorporation of environment management targets in performance appraisal in SBI. 12 of them said it is incorporated to a very great extent , 15 of them found it to be incorporated to a great extent and 18 of them said it is included to a moderate degree.



Incentives For Workers to Submit Ecological Initiatives (E.G., Ecological Project Competitions)

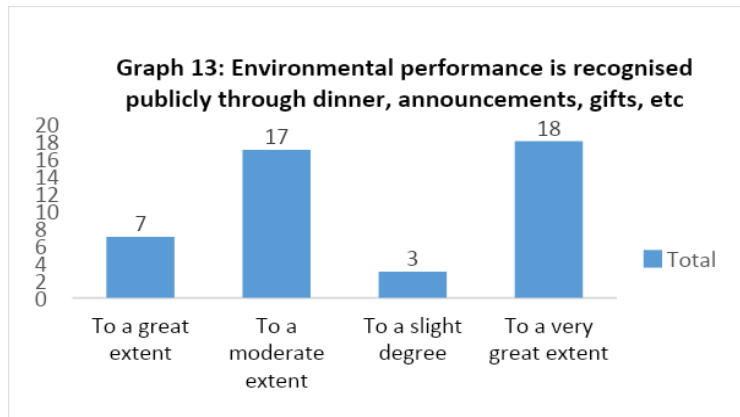
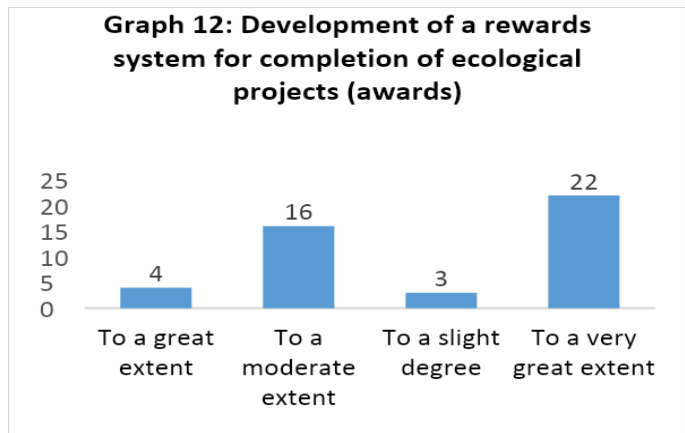
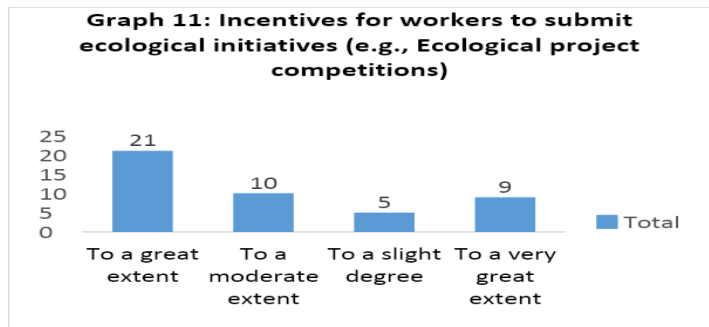
There were various responses among the participants, 5 of them said incentives were provided to a slight degree for workers to submit ecological initiatives.10 found the incentives to be provided to a moderate extent. Maximum number, 21 of them, said incentives are provided to a great extent while 9 agreed that is provided to a very great extent.

Development of A Rewards System For Completion Of Ecological Projects (Awards)

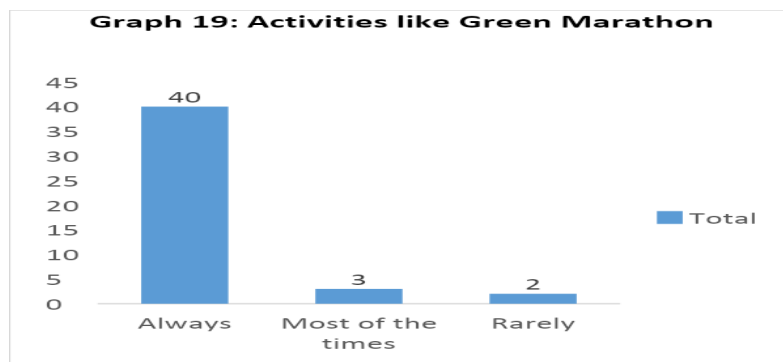
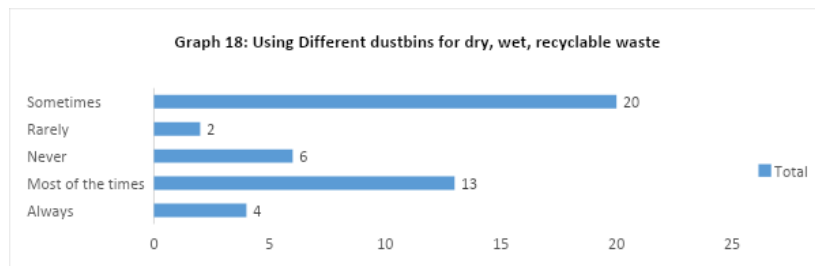
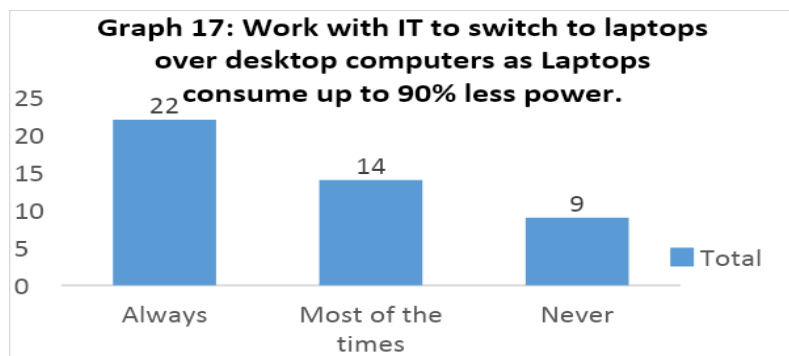
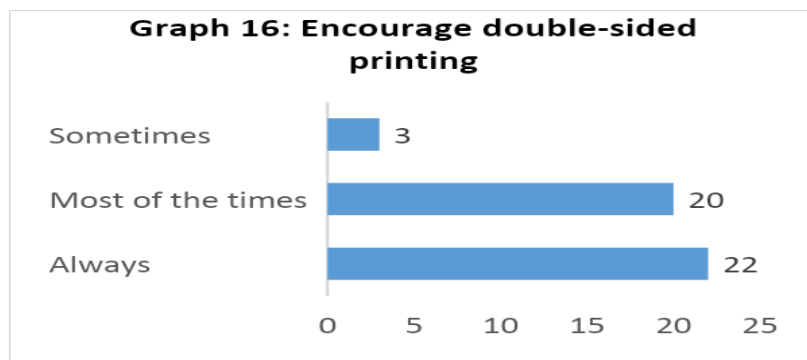
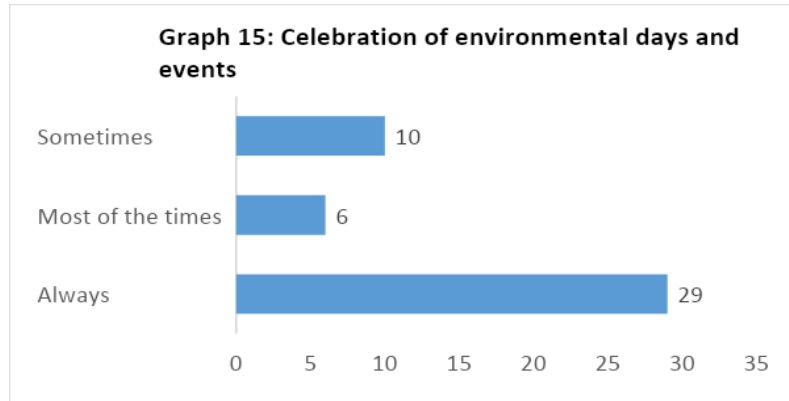
All of them found there is development of a rewards system for completion of ecological projects. Awards are given to such employees in SBI. 22 of them said there is development in the reward system to a very great extent. While only 3 of them said there is development in the reward system to a slight degree.

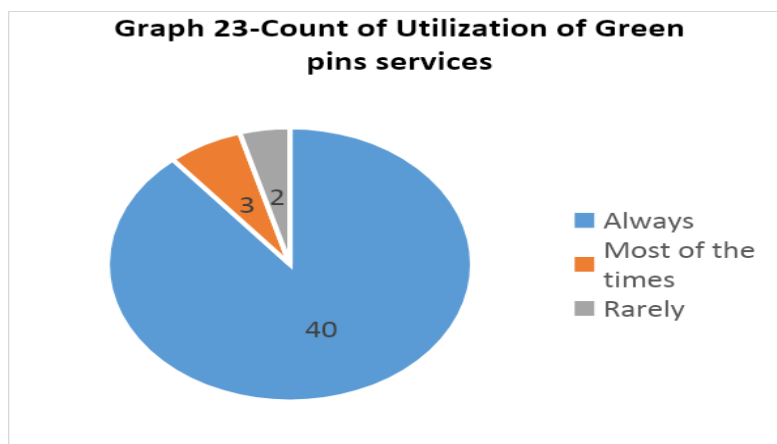
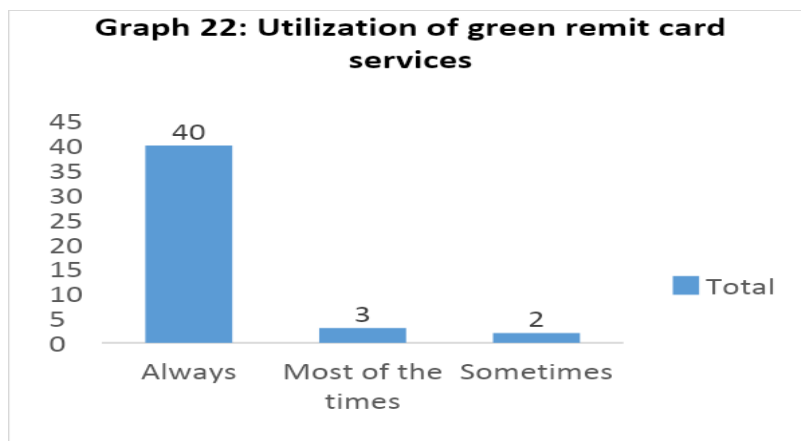
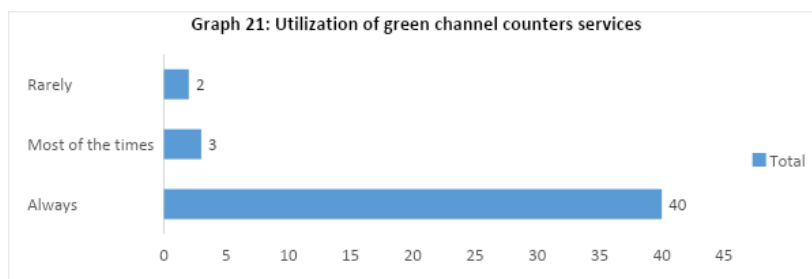
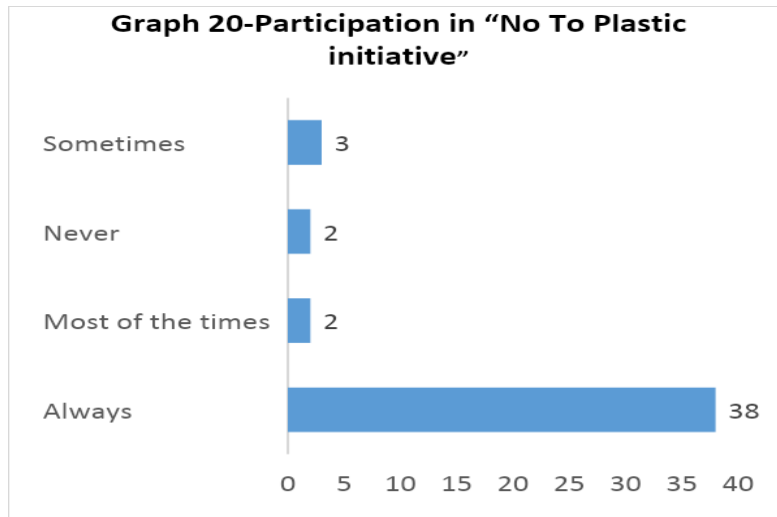
Environmental Performance Is Recognised Publicly Through Dinner, Announcements, Gifts, Etc

There were 18 and 17 participants who said that there is recognition of environmental performance publicly to a very great and moderate extent respectively.



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| Green Hrm Practices Followed By The Employees | Apart from the crucial role of management, employees play an important role in environmental management by following green HRM practices. Green HRM focuses on employee's environmental behaviour in the company, which in turn, carry on such pattern of consumption in their private life (Muster & Schrader, 2011). In this section we aim to explore the status of green HRM practices followed by the employees of SBI through varying questions ranging from planting trees and flowers surrounding the offices, celebration of environmental days and events to workplace practices such as usage of double sided printing, usage of green pin services, etc. |
| Plantation Of Trees And Flowers Surrounding The Offices | 37 of the participants said that they always plant trees and flowers on different environmental days, while 8 of them agreed that they do plant trees at most of the occasions which involve environment promoting measures. |
| Celebration of Environmental Days and Events | 29 of the participants agreed that SBI always celebrated environmental days and events while 10 of the participants found the celebration of the environmental days and events is limited to some days |
| Encourage Double-Sided Printing | Majority of the employees agreed that they are encouraged to use double sided printing in SBI. However 3 of the employees shared that usage of double sided printing is limited to some times. |
| Work With IT to Switch To Laptops Over Desktop Computers As Laptops Consume Up To 90% Less Power. | 22 of the participants agreed that electricity consumption is always reduced by working on laptops rather than using desktop computers while 9 of them did not agree to replacement of desktops with laptops for the purpose of energy saving. All of the employees reported the usage of the desktop. |
| Using Different dustbins for dry, wet, recyclable waste | 20 of the 45 participants said the usage of dry, wet and recyclable waste to sometimes denote occasional usage. While only 4 agreed that different dustbins are used in the bank for different kinds of waste. However 8 of the 45 participants shared that the usage of separate dustbins is either very or rare or never. |
| Activities Like Green Marathon | Activities like the Green Marathon are always conducted as said by 40 of the participants. However 2 respondents said that it is conducted rarely. |
| Participation In "No To Plastic Initiative" | Maximum Number Of Participants I.E. 38 Out Of 45 Reported That They Have Always Participated In No To Plastic Initiative In The Bank Premises. |
| Utilization of green channel counters services | 40 of the participants always utilized the services provided by green channel counters while 2 of the participants rarely used it. 3 participants utilized the green channel counters services most of the time. |
| Utilization of green remit card services | Green Remit Card Services Were Always Used By 40 Participants Whereas 2 Used It Sometimes.3 Said They Used These Services Most Of The Times |
| Utilization Of Green Pins Services | 40 participants said that they always utilized the green pin services. Two participants said they rarely use such services. |





Barriers To Green Hrm Practices

In this we enquired employees about the extent to which they agree that following barriers discourage their organization to practice green Human Resource Management. These barriers included lack of understanding about green policies, lack of support by management, complexity and difficulty in adoption of green technology, staff resistance, cost of implementing programmes, lack of prioritization. The perception and the views of employees are detailed below:

Lack Of Understanding About Green Policie

Most of the participants strongly disagreed that the lack of understanding about green policies is a barrier for implementing Green Human Resource Management while 2 somewhat disagreed. 3 participants produced a neutral response.

Lack of support by management

Lack Of Support By Management Acts As A Barrier To Green Human Resource Management Practices.22 Participants Said That There Is Complete Support Of Management Is Present In Sbi While 9 Of The Participants Said That There Is Lack Of Support By Management To A Little Extent.

Complexity and Difficulty In Adoption of Green Technology

Most of the participants found the adoption of green technology easier whereas very less number of the participants found it to be difficult. They considered it to be a complex process. Only 3 of the 45 participants perceived adoption of technology as a barrier for implementing Green HRM practices.

Staff Resistance

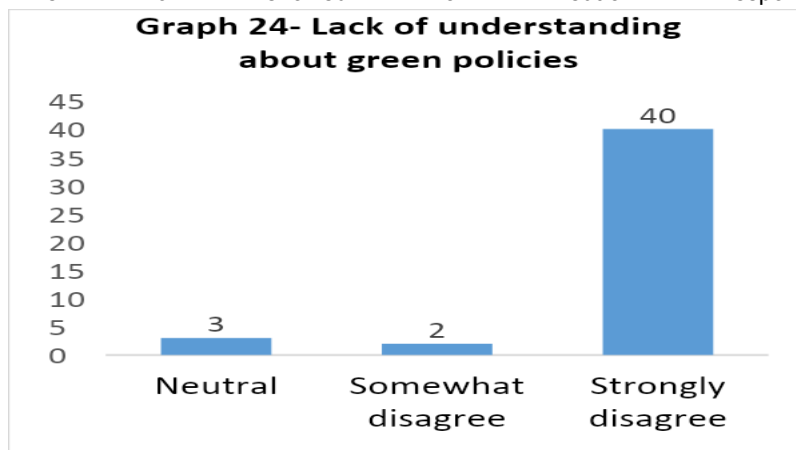
Staff Resistance Acts As A Barrier In Adoption Of Green Hrm Practices. Around 16 Participants Strongly Disagreed Staff Resistance As A Barrier But of The Participants Agreed That The Staff Resistance Is A Barrier For Implementing Green Hrm Practices

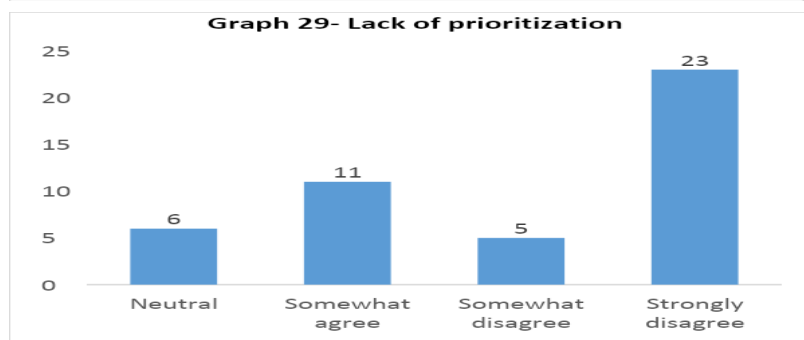
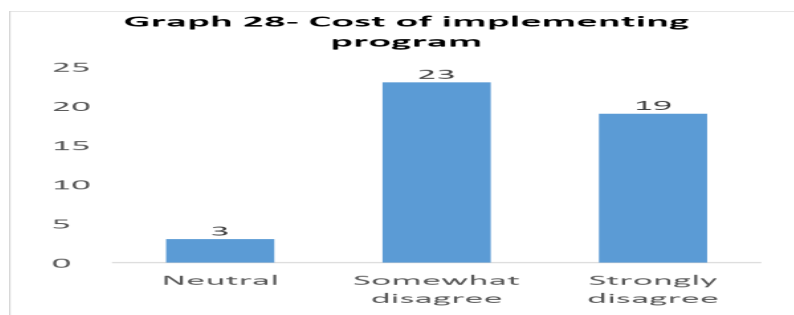
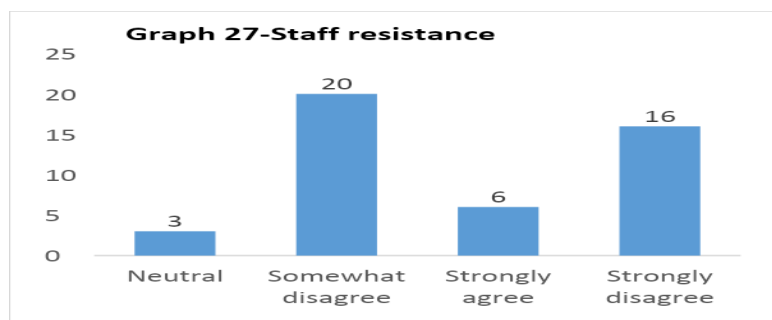
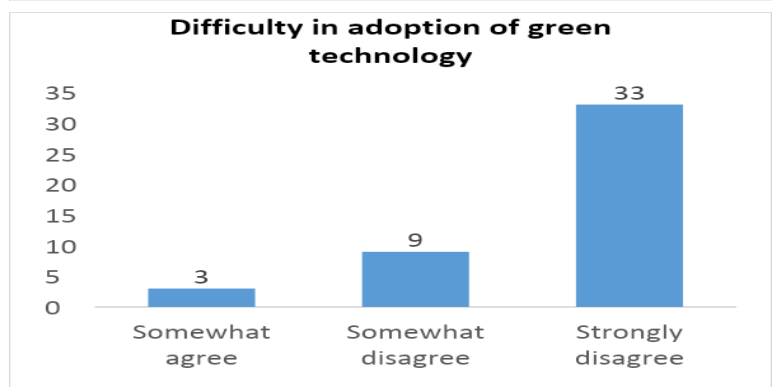
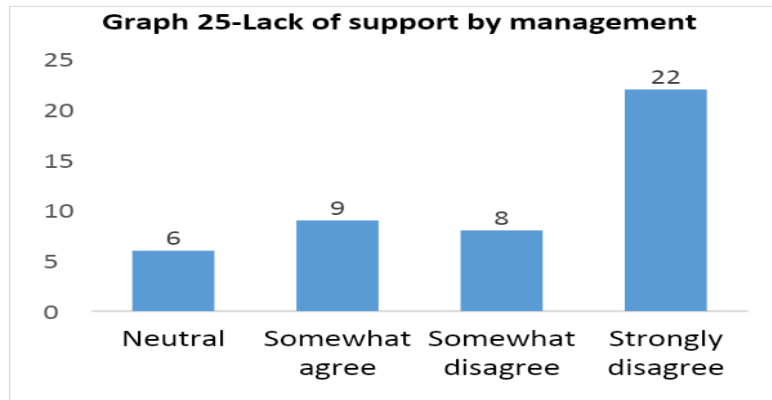
Cost Of Implementing Program

Around 19 participants strongly disagreed with the cost of implementing a program for following Green HRM practices as a barrier while 23 of them somewhat disagreed with it being a barrier. The employees do not perceive the cost of implementing a green HRM program as a barrier for implementing green HRM practices.

Lack Of Prioritization

23 of the participants strongly disagreed that lack of prioritization is a barrier in SBI. 11 participants agreed to a moderate extent that it acts as a barrier while 6 showed a neutral response





Conclusion

1. Out of 45 respondents, 18 were females while 27 were males. The proportion of males was found to be higher than females in the sample.
2. Maximum number of participants belonged to the age group of 30-35 years (n=17) followed by the age group 35-40 years and 25-30 years reported to have 10 participants each.
3. Out of 45 participants, the majority i.e. more than 60% were post-graduate degree holders while the rest were graduates.
4. Out of 45 employees, 36 are working in the bank for more than 10 years.
5. Around 58% of participants said that the managers promote environment friendly attitudes when performing professional tasks such as paperless transactions which will lead to minimization of use of paper.
6. 62% of participants (n=28) said that there is provision of environmental training as a separate topic to a great extent.
7. 31 of the respondents found the availability of training material to a very great extent.
8. All of them agreed there is incorporation of environment management targets in performance appraisal in SBI.12 of them said it is incorporated to a very great extent , 15 of them found it to be incorporated to a great extent and 18 of them said it is included to a moderate degree.
9. There were various responses among the participants.5 of them said incentives were provided to a slight degree for workers to submit ecological initiatives.10 found the incentives to be provided to a moderate extent. Maximum number, which is 21 of them said incentives are provided to a great extent while 9 agreed that is provided to a very great extent
10. All of them found there is development of a rewards system for completion of ecological projects. Awards are given to such employees in SBI. 22 of them said there is development in the reward system to a very great extent. While only 3 of them said there is development in the reward system to a slight degree.
11. There were 18 and 17 participants who said that there is recognition of environmental performance publicly to a very great and moderate extent respectively.
12. 37 of the participants said that they always plant trees and flowers on different environmental days, while 8 of them agreed that they do plant trees at most of the occasions which involve environment promoting measures.
13. 29 of the participants agreed that SBI always celebrated environmental days and events while 10 of the participants found the celebration of the environmental days and events is limited to some days.

Limitations of The Study

The limitation of this research is that the statistical explanation of the combination of the Digital Banking, Corporate Social Responsibility and Green Initiative on the achievement of Green Human Resource Management is lacking. This study does not capture the impact of any of specific Green Human Resource Management practices. It will help organizations in deciding where to devote resources for the best pro-environmental effect. The sample size in the study is quite small and it will be difficult to generalize the findings in a larger context. Secondly, the convenience sampling used in the study cannot be considered representative of the population. The study was conducted in a very short time span. If the time and resources would have been permitted, probability sampling like random sampling would have been a more appropriate strategy for conducting the study. A longitudinal study to track the impact of a specific Green Human Resource Management practice will also be insightful.

Scope of the Study

This study will be immensely helpful to the organization in assessing their performance with regard to following green HRM practices. Besides that, it will also be helpful for other banks which aspire to incorporate these practices in their organization. The analysis from this study will thus be

helpful largely to organizations which wish to improve their green HRM practices.

The study is based on assessing Green HRM practices in organizations which have immense potential to inform decision makers about the status of the Green HRM practices followed in the organizations. This will help the organization to develop and devise for promoting environmentally friendly practices. This study for a stronger methodology comprising larger sampling size, random sampling strategy or probabilistic sampling strategy which can be generalized to a larger population and contribute immensely toward the success of the bank.

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