

Green Human Resource Management and Employee Outcomes: A Critical Literature Review

Document type	Literature Review
Subject	Human Resource Management and Sustainability
Academic level	Postgraduate
Referencing style	APA 7th edition
Approx. word count	808

Illustrative academic sample for learning and portfolio demonstration. Not intended for submission as a student's own assessed work.

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Introduction

Green human resource management (GHRM) refers to the alignment of HR practices with environmental objectives through activities such as green recruitment, training, performance management, employee involvement and rewards. The literature has expanded rapidly, but the field is moving beyond the early question of whether GHRM relates to environmental outcomes. Recent studies increasingly examine how GHRM affects employee attitudes, retention, resilience, engagement and sustainable performance, as well as when these effects may become demanding or counterproductive. This review critically synthesizes that shift and argues that GHRM is most effective when employees experience environmental expectations as supported, meaningful and resourced rather than merely imposed.

From environmental practices to employee mechanisms

Systematic evidence indicates that GHRM research now spans multiple levels of analysis and a broader set of sustainability outcomes (Joshi et al., 2023). A central theoretical development is the move toward mediating mechanisms. Yuan et al. (2024), drawing on conservation of resources theory, found that GHRM could increase voluntary workplace green behavior through environmental commitment while also generating emotional exhaustion. This dual mechanism challenges uniformly positive accounts of GHRM and suggests that green expectations can operate simultaneously as a resource and a demand.

Retention and the social exchange perspective

Employee retention is especially important because environmental practices may influence how employees interpret organisational values. Islam et al. (2022) found that green training and development and green rewards were positively related to millennial employee retention in SMEs, whereas other green HR practices did not show uniformly positive relationships. Their findings are consistent with social exchange reasoning: employees are more likely to reciprocate practices that provide tangible development, recognition and support. The implication is that merely labelling HR processes as 'green' is insufficient; employees must perceive a credible benefit and a coherent organisational commitment.

Resilience, engagement and sustainable performance

Sustainable HRM research provides complementary evidence on employee capability. Lu et al. (2023) found that sustainable HRM practices were associated with employee resilience and work engagement, with resilience indirectly supporting performance through engagement. At the organisational level, Zhao et al. (2024) linked GHRM with sustainable development performance through organisational ambidexterity and showed that responsible leadership strengthened key relationships. These studies suggest that GHRM contributes to performance when it builds adaptive capacity rather than focusing only on compliance.

Innovation and strategy as boundary conditions

GHRM also interacts with broader organisational systems. Aftab et al. (2023), using data from manufacturing firms in Pakistan, found that green innovation and pro-environmental behaviour helped explain the link between GHRM and environmental performance, while environmental strategy shaped the strength of these relationships. This finding is important because HR practices operate within a strategic architecture. Training employees in environmental practices is unlikely to produce durable results if operational goals, investment decisions and leadership priorities reward contradictory behaviour.

Critical synthesis and research gaps

Three limitations remain. First, much of the evidence relies on cross-sectional survey designs, restricting causal inference. Second, many studies are concentrated in specific national and sectoral contexts, so the meaning of green HR practices may vary across labour markets and cultures. Third, the literature often treats GHRM as a coherent bundle even though individual practices can have different effects. Future research should use longitudinal and multisource designs, compare bundles with individual practices, and examine employee well-being alongside environmental outcomes. The possibility of green fatigue or emotional exhaustion should be treated as a substantive boundary condition rather than an incidental finding.

Theoretical perspectives

The literature is theoretically plural. Social exchange theory explains why employees may reciprocate supportive green practices with commitment and retention, while conservation of resources theory highlights the possibility that environmental expectations consume energy when resources are insufficient. The job demands-resources perspective similarly suggests that training, autonomy and support can function as resources, whereas additional monitoring or targets can become demands. These

lenses are complementary rather than mutually exclusive. Together they predict that the effect of GHRM depends on the balance between what the organisation asks employees to do and what it gives them to accomplish those expectations.

Employee well-being as a missing criterion

A notable weakness in early GHRM research was its emphasis on environmental performance without equivalent attention to employee well-being. This omission matters because a sustainability strategy that improves environmental indicators by increasing workload or emotional exhaustion may be difficult to sustain. Yuan et al. (2024) explicitly identify this tension by showing both commitment and exhaustion pathways. Future studies should therefore measure well-being, workload and recovery alongside green behaviour. This would allow researchers to distinguish genuinely sustainable HR systems from practices that shift environmental responsibility onto employees without redesigning jobs or providing sufficient support.

Conclusion

The literature supports GHRM as a potentially valuable pathway to environmental and employee outcomes, but its effects are neither automatic nor uniformly positive. The strongest evidence points to mechanisms involving commitment, resilience, engagement, innovation and strategic support. GHRM is therefore best understood as a system of environmental expectations plus organisational resources. Where employees receive training, recognition, voice and credible leadership support, green HR practices can support retention and sustainable performance. Where demands are layered onto existing workloads without resources, the same practices may contribute to exhaustion.

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