ADOPTION OF GREEN HUMAN RESOURCE MANAGEMENT PRACTICES AND ORGANISATIONAL WELLBEING IN THE GHANAIAN SERVICE SECTOR

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Abstract:

Global environmental imbalances have compelled businesses to adopt strategic initiatives towards the preservation and sustainability of the natural environment. This study examined the effect of green human resource management adoption on organisational wellbeing, in terms of employee innovation and creativity, environmental performance, organisational efficiency, and reputation, as well as talent attraction. The study was cross-sectional in nature and utilized a survey instrument for data collection. The study purposively selected 350 respondents from selected firms in the Ghanaian service sector, of which 213 responded to the items. The Partial Least Squares Structural Equation Modelling analytical method was used for data analysis. The findings of the study revealed that the adoption of green human resource management practices has a positive effect on all the variables studied, with organisational reputation having the highest effect. The study has both theoretical and practical implications in the field of human resource management and environmental management in emerging economies.

Keywords: green human resource management practices, environmental performance, talent attraction, employee innovation and creativity, organisational reputation, Ghanaian service sector

1. Introduction

Globally, there have been reports on negative environmental occurrences that pose substantial impediments to the attainment of the sustainable development goals (SDG). Many organisations are implementing practical measures, such as green human resource management, green management, green operations, green procurement, green marketing, and green supply chain management to ensure the preservation and sustainability of the environment, because they are major stakeholders and users of the

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environment. Implementing green human resource management (GHRM) is to align human resource management activities with environmental management and sustainability. This is to ensure that organisations move away from their normal business practices and efforts to more business green approaches, while at the same time pursuing their profit motives. GHRM strategies can be explored to encourage employees' pro-environmental behaviours in the workplace (Chaudhary, 2020).

The concerns for the protection of the environment and alignment with the business strategies of organisations have attracted a number of scholarships in recent years. For instance, (Masri and Jaaron, 2017) have explored the outcomes of green human resource management practices on organisational environmental performance, (Jabbour *et al.*, 2017; Nejati *et al.*, 2017; Yong, *et al.*, 2020 Acquah, *et al.*, 2020; Agyabeng-Mensah, *et al.*, 2020; Ahakwa, *et al.*, 2021), have also examined the relationship between green human resource management and green supply chain management, and studies like (Pinzone, *et al.*, 2016 and Pham, *et al.*, 2019) have also explored GHRM and green behaviours of employees. Thus, these scholars attempt to link the green practices of organisations to the efficiencies and performances of these organisations, and at the same time, focusing on environmental sustainability. The empirical literature suggests that there are bundles of human resource management practices that can strategically be targeted towards organisation's environmental performance (Zaid, *et al.*, 2018). The adoption of green human resource management comes with a lot of benefits to the organisation, for instance (Yong, *et al.*, 2019) found that GHRM adoption can help attract and retain employees, reduce cost and create competitive advantage, improves efficiency and business sustainability as well as environmental performance. Though there are enormous benefits of green HRM, organisations cannot enjoy these benefits unless they make strategic decisions to implement the concept. According to Muisyo *et al.* (2021), GHRM offers the right direction for organisations to develop employees who are mindful of the company's sustainability as well as environmental outcomes.

Although, many scholarships have been advanced to highlight the significance of green human resource management practices in encouraging eco-friendly behaviours among employees and ensuring organisational and environmental sustainability, (Mishra and Noida, 2017; Raut, *et al.*, 2019; Song, *et al.*, 2021), noted that the subject is still a limited area of study, especially in the Ghanaian context, which necessitates more studies to be conducted to understand the importance of green human resource management practices and to have a record of updated information on the practice. Additionally, this study is timely, as Ghana's position, per the report of the Environmental Performance Ranking, is very gloomy, with Ghana being ranked as 14th in Africa and 42nd globally in terms of environmental performance. It is sad to note that the 2022 Environmental Performance Index placed Ghana in 170th position out of 180 countries globally, and 45th out of 46 countries in Sub-Sahara Africa. Clearly, the report indicates that Ghana has recorded a deficit in its environmental performance over the last decade with a score of -6.1 (Wendling *et al.*, 2020).

This study is critical in the Ghanaian context, as Ghana has recorded frightening environmental concerns and poorly implemented government regulations. The service sector is selected for this study because of three basic reasons. First, Raut *et al.*, (2019) identified that the service sector around the world has become an important driving force for economic activities that generate considerable amount of pollution and should therefore be part of the green revolution around the globe. Secondly, the Ghanaian service sector is the largest contributor to Ghana's GDP with a growth of 49%, according to the Ghana Statistical Service Report in 2023. And lastly, studies like Ahakwa, *et al.*, (2021), Agyabeng-Mensah *et al.*, (2020), and Acquah, *et al.*, (2020) have looked at green human resources practices and green supply chain practices in the manufacturing sector of the economy. This study intends to examine the effect of GHRM practices on organisational well-being; in terms of organisational reputation, efficiency, talent attraction, employee innovation, and creativity as well as environmental performance in the Ghanaian service sector.

2.1 Literature Review
2.1.1 Theoretical Foundation
2.1.2 Corporate Environmentalism Theory
This study has its theoretical basis in the Corporate Environmentalism Theory. The tenet of the theory lies in its focus on how businesses respond to environmental concerns and integrate sustainability practices into their operations, strategies, and decision-making processes. Forbes and Jermier (2012) postulate that organisations are faced with both external and internal stakeholders to be environmentally responsible. Organisations respond to these pressures by developing and implementing strategies that align with sustainable goals to ensure compliance with the legal requirements and environmental performance that create competitive advantage through innovative and sustainable practices. The theory accentuates that aligning environmentally sustainable practices with organisational practices can generate economic and competitive benefits in the long term (Rotner, 2016). It also examines why and how companies engage in environmentally friendly practices, ranging from regulatory compliance to proactive efforts to minimize their ecological footprint (Banerjee, 2002). The theory highlights that environmental problems arise as a result of the activities of organisations, ranging from development, manufacturing, and consumption of products and services. Thus, the integration of environmental issues into the strategic planning at all levels of organisations, goes a long way to address the environmental deficits generated by the operations of organisations.

Jermier *et al.* (2006) explained that organisations should be responsible for the achievement of both economic growth and ecological rationality and that management should have a voluntary and proactive lens that goes beyond environmental laws and regulatory compliance. This study believes that organisations can promote environmental stewardship through its policy implementation and practices that enhance the reduction of waste, pollution, consumption of natural resources, emission during organisational processes, and recycling and reuse of products and services, and

by so doing, can achieve both economic and competitive advantage through enhanced reputation, talent attraction, greater efficiency and overall well-being of employees and the organisation.

2.2 Green Human Resource Management Practices

The increasing pressures on organisations to embark on sustainable practices to ensure resource and environmental conservation have compelled them to embark on strategic initiatives in implementing policies and practices that ensure environmental preservation and management. One of such initiatives is green human resource management (GHRM). Green human resource management practices have been defined differently by many scholars. For instance, Pham *et al.* (2019) defined it as the alignment of HR strategic goals that focus on pollution prevention. To them, all the HR activities and processes are embedded in environmental management. Mowaiye *et al.* (2022) also defined the concept as HR policies and practices that are environmentally friendly and aim to achieve economic objectives through environmental distinctiveness and branding, that protect the environment against negative impacts. GHRM has also been described as the application of policies, practices, and systems that focus on spreading environmental principles and values that ensure green employees for the benefit of the individual, organisations, society, and the natural environment (Ismail & Hassan, 2020).

Many scholars have identified packages of activities that ensure greening in an organisation. Hmeedat and Albdareen (2022), for instance, assert that green recruitment and selection can help organisations achieve their green objectives by ensuring a fit between their recruitment and selection policies with environmental concerns, as well as selecting candidates who appreciate those values. Mwita (2019) recommends that green recruitment and selection should involve the use of paper-free processes to reduce environmental impact. Applicants could be invited through electronic means, like emails and online application forms, and the selection process through video-based interviews to offset any travel-related environmental pollution. This will ensure that the right candidates are pooled as well as ensuring environmental preservation. Barinua and Worlu (2022) add that the selection criteria should be designed to incorporate environmental awareness and the willingness to conserve energy. Candidates with a pro-environmental attitude and conscientiousness should be preferred. This will enable organisations to easily inculcate pro-environmental behaviours and culture in the workplace.

Green training and development are another activity under GHRM. Green training and development involve the spreading of environmental education and the creation of awareness about environmental issues among employees. Faisal (2023) suggests that training needs analysis should cater to green behaviours, since the success of acquiring green employees depends on the type of training given to them. Hmeedat and Albdareen (2022) argue that green training and development should encompass programmes that address the need for employees to understand conservation issues to develop their skills and competencies in solving environmentally related problems and

creating environmental awareness among employees in the workplace. Mwita (2019) warns that green training and development should not just be the creation of awareness and the development of employees' skills, but the process itself should be environmentally friendly. The author suggests that trainers may use online training packs, instead of printed materials to reduce the use of papers. Thus, green training and development is the best tool for impacting employees with the knowledge, skills, and competencies to reduce environmental pollution and enhance resource conservation.

Green compensation and rewards are a strategic initiative that aims to compensate and reward employees, both financial and non-financial for exhibiting green behaviours in the workplace. Faisal (2023) proposes that the reward system must be aligned with the organisational environmental goals. Green compensation and reward must seek to improve environmental performance, create green employees and improve pro-environmental behaviour among employees. Hussain (2018) submits that green compensation and rewards are good methods that organisations can use to provoke the interest of employees in green issues in the workplace. Hmeedat and Albdareen (2022) advocate that financial compensation and rewards should be given to employees who show great initiative and exhibit pro-environmental behaviours in the workplace to encourage workplace environmental conservation. Additionally, employees who perform their tasks in an environmentally friendly manner should be presented with special awards and certificates of appreciation. However, Ren *et al.* (2018) argue that a combination of both financial and non-financial rewards could serve as the best reinforcer for employees to display green behaviours in the workplace.

Green performance management practices seek to incorporate the environmental performance of employees into the performance management system. This process involves the systematic improvement in the environmental performance of an organisation. Mwita (2019) declares that organisations can implement green performance management by setting green goals and tasks for employees. This can be translated into green performance standards and behaviours which could be used as key indicators against which environmental performance of employees could be measured. Though studies like Masri and Jaaron (2017) have found that, green performance management may not be an effective way of ensuring greening in an organisation, feedback on environmental performance to employees can change their attitudes toward greening. Providing environmental performance feedback will enhance the understanding, knowledge, abilities, and skills of employees, which can inspire them to accept and practice green behaviours. Moreover, continuous monitoring and evaluation of employees in terms of environmental performance will improve pro-environmental responsibilities (Jayabalan *et al.,* 2020).

2.3 Hypothesis Development

2.3.1 GHRM and Employee Innovation and Creativity

Employee innovation and creativity can be described as the ability of employees to generate new and valuable business ideas, solutions, and concepts that are geared towards the improvement and sustainability of organisations. Innovation and creativity bring about improvement in business products, services, and processes, thereby reducing wastage and total cost of production of goods and delivery of services. Many scholars have established the link between green human resource management practices and innovation and creativity of employees. For instance, Kanan *et al.* (2023) found a significant and positive relationship between green human resource management practices and employee innovation and creativity. Zahrani (2022) argues that the adoption of green human resource management practices can help businesses to be innovative and creative in terms of strategies to enhance business operations and competitiveness. His analysis revealed a positive link between GHRM and employee green creativity. Alyahya *et al.* (2023) presume that GHRM has a significantly positive relationship with employee creativity. The authors recommend that in order to enhance employee green creativity and innovation, organisations should pay attention to green human resource management practices. This current study thus, hypothesises that:

H0₁: The adoption of green HRM practices significantly affect employee's innovation and creativity in the Ghanaian Service Sector.

2.3.2 GHRM and Environmental Performance

Environmental performance is the ability of an organisation to manage and reduce its impact on the environment. In order for organisations to minimise the effect of their activities on the environment, many governments have formulated and implemented environmental regulatory frameworks to ensure environmental sustainability. Empirical studies have shown that when organisations adopt the practice of green human resource management, they are able to perform in terms of resource efficiency and utilization, pollution prevention, waste management as well as environmental regulatory compliance, which subsequently, improve environmental sustainability (Anwar *et al.*, 2020; Yong *et al.*, 2020; Jabbour & de Sousa Jabbour, 2016; Jabbour, 2015; Pham, Tučková, & Jabbour, 2019; Arda, Bayraktar, & Tatoglu, 2018). Bekhit *et al.* (2023) established that the primary goal of green human resource management is to promote eco-friendly behaviour among employees to ensure that their production activities lead to a cleaner atmosphere, less usage of paper as well as proper elimination of waste. Their findings revealed that green human resource management significantly affects the environmental performance of organisations. Elshaer *et al.* (2021) also noted that human resources can enhance organisational environmental performance by incorporating green activities in its practices and by formulating and implementing environmental management goals. These authors proposed that environmental performance could be achieved through proper management of organisational operational processes to ensure the reduction of waste, greenhouse gases, and pollution. Yusoff *et al.* (2020) confirmed that green human

resource management leads to efficient resource allocation and management and thus, relates to environmental sustainability. This study thus, assumes that:

H0$_2$: The adoption of green HRM practices can have a significant influence on organisational environmental performance in the Ghanaian Service Sector.

2.3.3 GHRM and Organisational Efficiency

Organisational efficiency is defined as a measure of multi-faceted qualitative and quantitative elements. To be efficient, organisations need to come up with strategic plans and initiatives aimed to ensure optimal use of the environment and resources to achieve maximum outputs. Mowaiye (2022) describes organisational efficiency as the delivery of quality goods by the organisation in the most cost-effective and timely manner. Green human resource management practices ensure proper environmental and resource conservation, thus, helping organisations to achieve operational efficiency. The findings of Chayanan (2020) revealed a positive relationship between GHRM practices and organisational efficiency. Eric and Odock (2017) established that GHRM practices, in terms of green training of employees, provide them with the skills and competencies needed to efficiently manage environmental and material resources for optimal production. This study, therefore, proposes that:

H0$_3$: The adoption of green HRM practices has a statistically significant effect on organizational efficiency in the Ghanaian Service Sector.

2.3.4 GHRM and Organisational Reputation

Bernett *et al.* (2006) contend there is no distinctive definition of organisational reputation, as different scholars have defined the concept based on their study perspective and context. However, many authors agree that organisational reputation is regarded as the opinions and beliefs of the organisation's status in society. Tunturk and Deniz (2021) describe organisational reputation as the impressions and opinions formed by an organisation's stakeholders (employee, customers, suppliers, competitors, society, etc.,) based on their roles, capacities, and responsibilities in the organisation. Afum *et al.* (2021) found that organisations with pro-environmental behaviours tend to attract positive societal perceptions and esteem reputation. Merlin and Chen (2022) stated that organisations that implement GHRM and ensure environmental management principles and policies as part of their strategic initiatives, promote their attractiveness, image and reputation, which give such organisations a competitive advantage. Guillot-Soulez *et al.*, (2022) confirm that the implementation of GHRM empowers organisations to realise their goals through the development of employee attitudes and perceptions with respect to the reputation and prestige of the organisation. Therefore, this study hypothesises that:

H0$_4$: The adoption of green HRM practices significantly affect organizational reputation in the Ghanaian Service Sector.

2.3.5 GHRM and Talent Attraction

Every organisation needs competent human resources to meet its strategic goals and objectives. Organisations compete to attract the best talent. The goal of talent attraction is to entice prospective employees who possess the requisite qualifications for the job opening (Sembiring & Damayanti, 2023). Many studies have found a significant connection between green human resource management practices and talent attraction. For instance, Islam *et al.* (2019) established that an organisation's environmental activities are strongly connected to its reputation. Organisations that pursue environmentally sustainable goals command public respect and an enhanced reputation. This is an important driving force for job seekers, as they perceive such organisation as socially and environmentally responsible. Further, Umrani *et al.* (2022) found that organisations that follow environmental practices enhance their success as employers of choice, which serve as an attraction to job seekers. Tang *et al.* (2018) postulate that organisations with a positive outlook to environmentally related standards attract prospective job applicants. Guerici *et al.* (2015) affirm that an organisation with green reputation positively affect application attractiveness. Based on the literature, this study formulates that:

$H0_5$: There is a statistically significant effect of the adoption of green HRM practices on talent attraction in the Ghanaian Service Sector.

3. Conceptualization of the Study

Figure 1: Conceptual Model
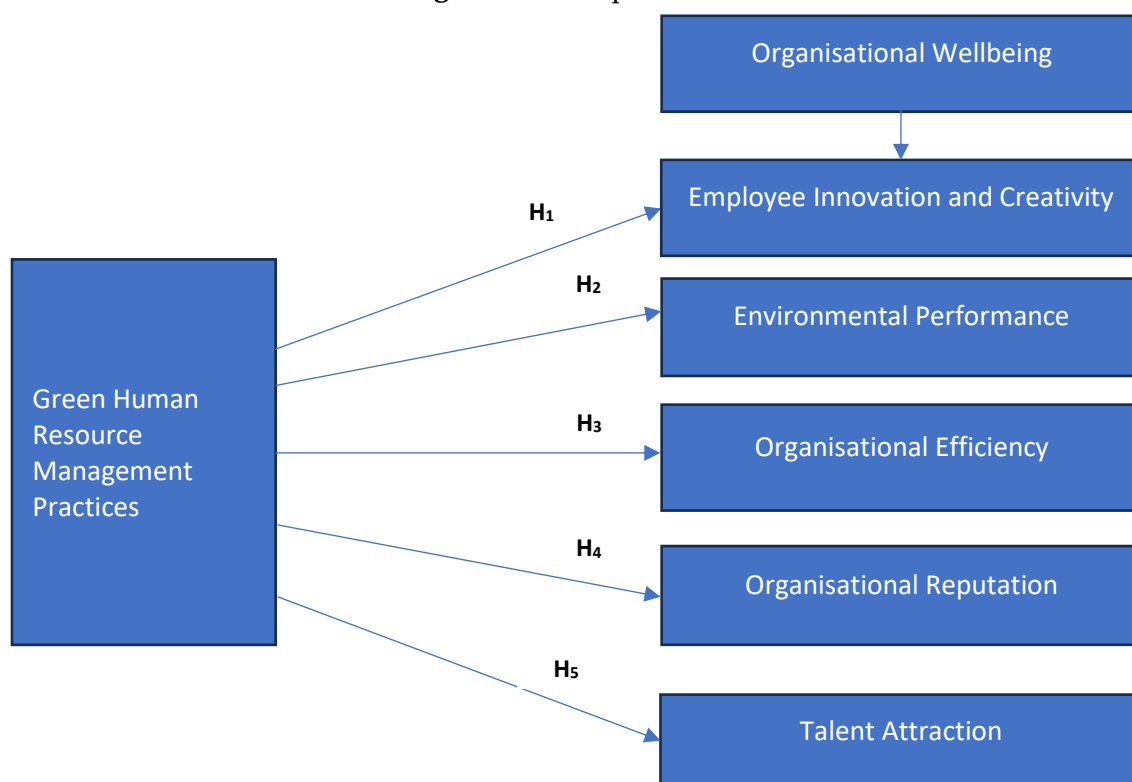
Source: Author's construct (2023)

The conceptual framework describes the variables under study and their relationships. From the framework, it is proposed that GHRM adoption will impact on organisational well-being in areas of employee innovation and creativity, environmental performance, organisational efficiency, organisational reputation, as well as talent attraction.

4. Materials and Methods

This research was cross-sectional in nature. The study's hypothesis was tested using a structured survey questionnaire, which was designed based on the literature review to capture GHRM adoption among Ghanaian service firms and other five constructs of organisational wellbeing; including organisational reputation, organisational efficiency, employee innovation and creativity, talent attraction, and environmental performance. In all, four industries (hospitality, banking, insurance, and health care) in the service sector were conveniently sampled and contacted through their human resource departments to respond to the survey. The human resource departments were contacted through personal telephone calls and later followed up with emails. Once the heads agreed to be part of the study, a cover letter and the questionnaire, which was in Google Form, were then emailed to them to be forwarded to their employees. The cover letter described the objectives of the study and invited respondents to voluntarily participate in the study. It also assured participants of confidentiality and anonymity of both the organisation and employees concerned.

The protocols of the study were guided by the commonly recognised research ethics for the conduct of responsible research (Comstock, 2013). Before the final administration of the questionnaire, the draft questionnaire was given to two academics in the field of human resource management and four human resource managers from the industry to assess the suitability and relevance of the questions. The instrument was pre-tested on a sample of 70 employees from selected educational institutions. Questions that appeared to be irrelevant and ambiguous were removed from the questionnaire. Fifteen items were used to measure GHRM adoption and 33 for organisational wellbeing. The study's constructs were measured on a five-point Likert scale, ranging from 1 (strong disagreement) to 5 (strong agreement). In all, 350 questionnaires were emailed to the various human resource departments, of which 213 were completed and returned, representing a response rate of 61%.

The study employed the Partial Least Squares Structural Equation Modelling (PLS-SEM) technique for the data analysis. The technique is recommended by Hair *et al.* (2021) as the appropriate statistical method for analysing structural relationships between latent variables, which ensures the reduction of errors in the model. Another reason for the application of PLS-SEM for this study is its graphical interface which is regarded as more user-friendliness, compared to other path modelling software like MPLUS, AMOS, and LISREAL (Aftab *et al.*, 2022). Additionally, the statistical technique is robust in its applications and is widely used in management research. The model

assessed the validity and reliability of the survey data. The bootstrapping method (5000 resamples) was employed to evaluate the path coefficient (Beta values) and test for the study's hypothesis. The predictive significance Q^2, effect size f^2, and the model fit test were all evaluated to establish the relevance of the model.

5. Results and Discussion

The results of the study are presented in twofold. These are the demographic characteristics of the respondents, as well as the results of the hypothesis testing. Table 1 presents the demographic information of the respondents. From Table 1, it is evidenced that a greater number of the respondents were males (62.9%). The age group between 36 and 45 was of the majority, representing 36.2%. Respondents from the hospitality industry were the majority (37.7%) and those with tenure between 1 to 10 years constituted 60.1%.

Table 1: Demographic Information of Respondents

Category	Frequency (N)	Percent (%)
Sex		
Male	134	62.9
Female	79	37.1
Total	**213**	**100**
Age		
18 – 25 years	7	3.3
26 – 35 years	71	33.3
36 – 45 years	77	36.2
46 – 55 years	48	22.5
56 and above	10	4.7
Total	**213**	**100**
Type of organization		
Hospitality	80	37.7
Banking	46	21.6
Insurance	34	16
Health care	53	24.6
Total	**213**	**100**
Tenure		
1-10 years	128	60.1
11-20 years	73	34.3
21-30 years	12	5.6
Total	**213**	**100**

Source: Field data (2023).

5.1 Measurement Model Assessment

**Table 2:** Assessment of Construct Reliability, Validity and Multicollinearity

Construct/ Item	Loading	VIF	Cronbach's Alpha	CR (Rho_ A)	AVE
Green HR Practices			0.952	0.954	0.637
GHRP 3	0.709	1.959			
GHRP 4	0. 751	2.523			
GHRP 5	0.801	2.996			
GHRP 6	0.812	3.006			
GHRP 7	0.824	3.544			
GHRP 8	0.761	2.572			
GHRP 9	0.862	3.977			
GHRP 10	0.812	3.152			
GHRP 11	0.791	3.059			
GHRP 12	0.826	3.960			
GHRP 13	0.764	2.841			
GHRP 14	0.809	3.154			
GHRP 15	0.839	3.225			
Organisational Reputation			0.923	0.923	0.764
OR 1	0.885	3.093			
OR 2	0.897	3.408			
OR 3	0.857	2.498			
OR 4	0.880	2.878			
OR 5	0.851	2.540			
Organisational Efficiency			0.950	0.951	0.768
OE 1	0.879	3.536			
OE 2	0.898	3.943			
OE 3	0.887	3.984			
OE 4	0.810	2.445			
OE 5	0.868	3.256			
OE 6	0.914	4.543			
OE 7	0.876	3.553			
Employee Inn. and Creativity			0.949	0.950	0.767
EIC 1	0.863	4.095			
EIC 2	0.861	4.230			
EIC 3	0.896	3.966			
EIC 4	0.878	3.581			
EIC 5	0.871	3.230			
EIC 6	0.869	3.884			
EIC 7	0.890	4.397			
Talent Attraction			0.902	0.905	0.773
TA 4	0.888	2.832			
TA 5	0.896	2.998			
TA 6	0.860	2.457			
TA 7	0.873	2.415			
Environmental Performance			0.952	0.952	0.777
EP 1	0.864	3.036			
EP 2	0.857	3.040			
EP 3	0.898	4.724			
EP 4	0.898	4.560			
EP 5	0.902	4.132			
EP 6	0.888	3.866			
EP 7	0.860	2.963			

Source: Field data (2023).

Table 2 indicates the preliminary tests conducted to assess the model. The model assessment utilized Factor loadings, Variance Inflated Factor (VIF) Cronbach's Alpha, Composite Reliability (Rho_A), and Average Variance Extracted (AVE) to evaluate the validity and reliability of the data. As recommended by Ahakwa *et al.* (2021), all the factor loadings exceeded the threshold value of 0.6. To estimate the connections of the various constructs, VIF was employed. Ringle *et al.* (2023) suggest that the VIF values should not be greater than 5, as this indicates a collinearity problem. From Table 2, it is evidenced that there are no problems of collinearity in the study model as all the VIF values are less than 5. Cronbach's Alpha, which is used to measure the internal consistency of the constructs also exceeded the threshold value of 0.7 (Hair *et al.*, 2021). Further, the values obtained from the Composite Reliability analysis were between 0.902 and 0.952, which far exceeded the recommended threshold value of 0.7. Ahakwa *et al.* (2021) propose that the AVE values should not be less than 0.5. From Table 2, it can be seen that the AVE values for all the variables exceeded 0.5, which indicates that the model is a statistical fit for further analysis to be conducted (Wong, 2019; Henseler, *et al.,* 2016). Additionally, to evaluate the suitability and fitness of the study model, the researcher conducted the Standardised Root Mean Square Residual (SRMR), which is defined as the difference between the observed correlation and the predicted correlation. Henseler *et al.* (2016) propose that SRMR is the best method for assessing the goodness of fit of a model in PLS-SEM, to detect model misspecification. The test produced an estimated SRMR value of 0.10, which is satisfactory and indicates a good fit of the data to the model (Henseler, *et al.,* 2016).

5.2 Graphical Representation of the Model

Figure 2: Algorithm of Items Measuring Each Variable
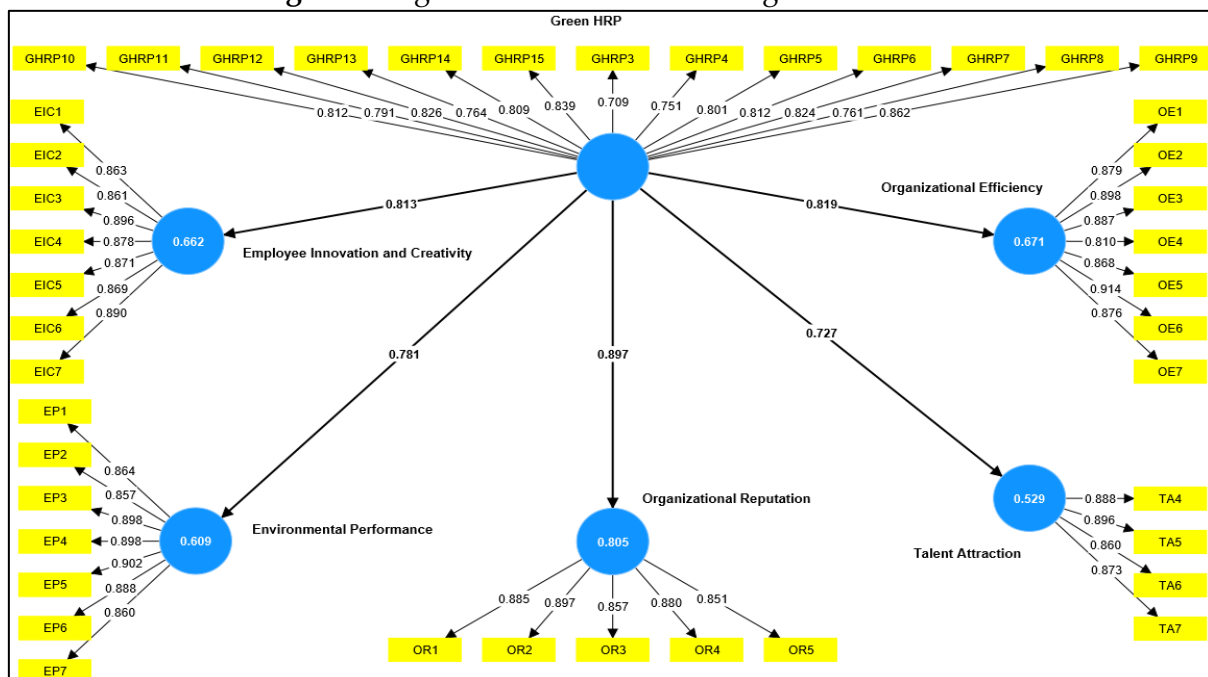
Source: Field data, (2023).

Further analysis was conducted to evaluate the discriminant validity of the variables. Fornell-Lacker's discriminant validity was assessed. Table 3 presents the results of the analysis.

Table 3: Fornell-Larcker's Discriminant Validity

Construct	EIC	EP	GHRP	OE	OR	TA
EIC	0.876					
EP	0.833	0.881				
GHRP	0.813	0.781	0.798			
OE	0.882	0.859	0.819	0.877		
OR	0.806	0.796	0.897	0.863	0.874	
TA	0.835	0.802	0.715	0.829	0.746	0.756

Source: Field data (2023).

The Fornell-Larcker criteria affirms that for discriminant validity to be established, values should be less than 1. Table 3, evinces that all the values for the study variables are less than 1, indicating the establishment of discriminant validity (Fornell & Larcker 1981). Scholars like Hair *et al.* (2021) recommend the use of Heterotrait-Monotrait (HMTM) Ratio as a modern method for establishing discriminant validity. Consequently, this study analysed the HMTM ratio to ascertain the establishment of discriminant validity in addition to Fornell-Larcker's discriminant validity. Authors like Henseler *et al.* (2016) and Wong (2019), similarly suggest that in the assessment of fitness of the model, values from the HTMT ratio should significantly be less than 1. Table 4 demonstrates the assessment of discriminant validity using the HTMT ratio. From Table 4, it is obvious that all the ratios are significantly less than 1, thus, indicating the establishment of discriminant validity.

Table 4: Heterotrait-Monotrait (HTMT) Ratio

Construct	EIC	EP	GHRP	OE	OR	TA
EIC						
EP	0.876					
GHRP	0.852	0.814				
OE	0.928	0.904	0.857			
OR	0.861	0.849	0.954	0.920		
TA	0.884	0.843	0.741	0.876	0.784	

Source: Field data (2023).

Table 5: Coefficient of Determination, Effect Size and Predictive Relevance

Construct	R^2	R^2 Adjusted	Q^2	F^2
EIC	0.662	0.660	0.499	1.956
EP	0.609	0.607	0.462	1.559
OE	0.671	0.669	0.506	2.036
OR	0.805	0.804	0.610	4.130
TA	0.529	0.527	0.397	1.123

Source: Field data (2023).

Further analysis was done to determine the model's explanatory power, using the coefficient of determination, also referred to as the R^2. The coefficient of determination (R^2) shows the variations in the endogenous variable due to exogenous variables. As demonstrated in Table 5, Employee Innovation and Creativity (EIC) produced an R^2 of 0.662, Environmental Performance (EP) was 0.609, Organisational Efficiency (OE) accounted for 0.671, Organisational Reputation (OR) was 0.805 and Talent Attraction (TA) was 0.529. The explanatory power of all the variables is above 0.5 (50%), revealing that 50% to 80% of the variability observed in the target variables is explained by the model. Moreover, the study investigated the predictive relevance of the model using the blindfolding procedure in SMART PLS-SEM. A Q^2 of above 0 indicates that the model has a predictive relevance, according to Hair *et al.* (2013). Table 5 presents Q^2 values between 0.397 and 0.610, signifying the establishment of the model's predictive relevance. Finally, Cohen's F^2 was assessed to determine the extent to which green human resource management practices affect employee innovation and creativity, environmental performance, organisational efficiency, organisational reputation, and talent attraction. Andrade (2020) establishes that values between 0.2 to 0.5, signifies small effect, 0.6 to 0.8, indicates medium effect, and above 0.8 indicates large effect. From Table 5, all the values are more than 0.8, which shows that green HRM practices have greater effect on all the variables, especially with Organisational Reputation (OR) and Organisational Efficiency (OE).

Table 6: Hypothesis Testing

Hypothesis Pathways	Original Sample	Sample Mean	Standard Deviation	T-Statistics	P-values	Decision
GHRMP => EIC **(H$_1$)**	0.813	0.815	0.048	16.884	0.000	Supported
GHRMP => EP **(H$_2$)**	0.781	0.782	0.048	16.356	0.000	Supported
GHRMP => OE **(H$_3$)**	0.819	0.821	0.038	21.681	0.000	Supported
GHRMP => OR **(H$_4$)**	0.897	0.898	0.015	59.041	0.000	Supported
GHRMP => TA **(H$_5$)**	0.727	0.729	0.052	14.095	0.000	Supported

Source: Field data (2023).

5.3 Results for Hypothesis Testing

Table 6 illustrates the results of the path relations between the study variables, as a way of testing the study's hypothesis. The results demonstrate that all five variables accomplished statistical significance. Specifically, green HRM practices had a statistically significant effect on employee innovation and creativity at ($\beta = 0.813$, $t = 16.884$, $p < 0.000$) for hypothesis one, environmental performance at ($\beta = 0.781$, $t = 16.356$, $p < 0.000$) for the second hypothesis. The third hypothesis also produced statistically significant results at ($\beta = 0.819$, $t = 21.681$, $p < 0.000$). Further, the fourth and fifth hypotheses also established a statistically significant effect of green HRM practices on organisational reputation at ($\beta = 0.897$, $t = 59.014$, $p < 0.000$) and talent attraction at ($\beta = 0.727$, $t = 14.095$, $p < 0.000$). Based on the results presented in Table 6, all five hypotheses were supported.

5.4 Discussion of Results

The study examined the effect of the adoption of green human resource management practices on organisational well-being in the Ghanaian service sector. Specifically, five variables were used to measure organisational well-being. The findings of hypothesis one revealed that the adoption of green HR practices greatly contributes to increased employee innovation and creativity. The effect size is significantly large, meaning that when managers in the Ghanaian service sector want to improve their employees' innovation and creativity, especially in the area of environmental preservation, they need to adopt and implement green HRM practices. This result is in agreement with the findings of Kanan *et al.* (2023) and Zehrani *et al.* (2022). The finding is also in congruence with the result of Alyahya *et al.* (2023), whose findings reported a significant connection between green human resource management practices and employee innovation and creativity.

The analysis of the second hypothesis revealed a statistically significant effect of green HRM practices on the environmental performance of service firms in Ghana. This result suggests that managers in the Ghanaian service sector can enhance their environmental performance and environmental regulatory compliance through the adoption of green HRM practices, which will ensure less use of paper, reduced pollution as well as efficient management and reduction of waste. This result supports the findings of Anwar *et al.* (2020), Pham *et al.* (2019), and Yong *et al.* (2020), whose research produced the significant effect of green HRM practices on organisation's environmental performance.

Additionally, the third hypothesis signified that the adoption of green HRM practices can increase organisational efficiency in the Ghanaian service sector, through the efficient allocation of productive resources. Organisational efficiency is an important element in the managerial role to ensure proper customer satisfaction and increased profit. Thus, managers in the service sector can boost their overall organisational efficiency through the adoption of green HRM practices. This finding is hypothesis three is in congruence with the results of Chanayan (2020) and of Eric and Odock (2017), who also discovered a significant positive relationship between green HRM practices and organisational efficiency.

It is important to recognise that the adoption of green human resource management practices has a great effect on organisational reputation, as evidenced in the results in hypothesis four. This signifies that managers in the service sector of Ghana can improve their firms' image and promote their attractiveness through the adoption of green HRM practices as a strategic initiative. The results of hypothesis four substantiate the findings of Merlin and Chen (2022) as well as Guillot-Soulez *et al.* (2022), whose findings produced a significant effect of GHRM practices on organisational reputation.

Lastly, the result of hypothesis five reflects a statistically significant effect of the adoption of green HRM practices on talent attraction in the service sector of Ghana. This result implies that in an attempt for organisations in the service sector to be considered employers of choice and attract a great pool of applicants, the adoption of green HRM

practices is important. This finding authenticates the results of Islam *et al.* (2019) and that of Damanyanti (2023), whose analysis revealed a statistically significant effect of GHRM practices and talent attraction.

6. Recommendations

This paper contributes significantly to both theory and practice. Theoretically, the paper validates the importance and contribution of the theory of corporate environmentalism by proving that, when organisations become ethical in responding to environmental needs, by providing strategic initiatives, such as green human resource management practices, such organisations do not only make profit, but also enhance their image and reputation. Additionally, the study provides empirical evidence to support the claim that, the adoption of green human resource management practices significantly contributes to organisational wellbeing. Further, the paper advances existing literature on green human resource management practices in the service sector in an emerging economy. Literature on organisational wellbeing has been promoted by this study, by providing other dimensions of variables that constitute organisational wellbeing. Notwithstanding the contribution to theory, this paper has several practical implications. First, this paper may serve as a guide to Top managers, HR managers, and practitioners in emerging economies in the formulation and implementation of strategic business objectives in the areas of green human resource management practices to ensure sustainability in the environment and to enhance their organisation's operational efficiency and reputation. The findings of the study suggest that managers can align their environmental policies with human resource management strategies to achieve organisational efficiency, attract prospective talent, enhance their reputation as well as increase employee innovation and creativity. Secondly, the findings of the study provide that, the adoption of green human resource management practices is inevitable, especially for service firms in emerging economies that desire to enhance their organisational wellbeing. Finally, the study provides evidence of the need for organisations to acknowledge that green human resources practices, like green training and development, green compensation and reward, green recruitment and selection, and green performance management can serve as booster for the adoption of GHRM practices.

7. Conclusion

This research aimed to examine the effect of the adoption of green human resource management practices on organisational wellbeing in the Ghanaian service sector. The PLS-SEM statistical estimation technique was employed to analyse and validate the findings. The results of the study revealed that the adoption of green human resource management practices contributes significantly to the overall wellbeing of organisations in Ghanaian service sector. It is important to note that GHRM adoption had a greater impact on organisational reputation, followed by organisational efficiency, employee

innovation and creativity, environmental performance, and talent attraction. Thus, the study provides evidence of the importance of GHRM adoption in the service sector of emerging economies like Ghana. This research contributes extensively to the literature on GHRM in the service sector. The robustness of the statistical estimation employed in this research implies that the findings are sufficiently accurate to be considered for theoretical and practical implications.

7.1 Limitations and Future Research Directions

Like many researches in the social sciences, this research is not without limitations. Firstly, the study was conducted among selected service organisations in Ghana, thus, restricting the ability to generalise the findings to other service firms. Thus, future studies could extend the sectors and the sample size to allow for a more generalised result. Secondly, the cross-sectional nature of data collection did not allow for the analysis of causal relationships. Therefore, future studies in this area can consider a longitudinal approach to establish causality. Moreover, future research might study GHRM practices from the Social Identity Theory perspective to unearth the contribution of the theory to employees' pro-environmental behaviours. Finally, this study recommends that future research might look at other variables in the GHRM domain, that were not captured in this current study to examine the challenges organisations face in the adoption of GHRM practices.

Conflict of Interest Statement

The author declares no conflicts of interest.

About the Author

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