



## A STUDY ON GREEN HRM PRACTICES AND ITS IMPACT ON INDIAN BANKS

Sfoorti Sheersh

Mahima Kochita

Dr.Bijalben Shah

MBA Student

MBA Student

Assistant Professor

Faculty of Management Studies

Faculty of Management Studies

Faculty of Management Studies

Parul University

Parul University

Parul University

**Abstract:** Green banking refers to the banking industry being managed in such a way that it aids in the overall reduction of external fossil fuel byproducts and internal carbon footprint. The current study aims to better understand the use of green banking products in the banking industry, as well as the green banking practices of public and private sector banks in India. Concentrate on the assumed fact that both public and private banks have begun to implement green banking. The report discusses the essential concepts of GHRM, the GHRM practices used by Indian banks, and why banks are adopting GHRM practices. Gives a detailed setting and relevance to the topic while briefly discussing the findings of other related investigations.

**Key Words:** Green Banking, Green HRM, GHRM Practices adopted by banks

### I. INTRODUCTION

Green HRM is a new topic in the contemporary environment. Green HRM was created as a result of global environmental progress. Green HRM has become well-known all throughout the world. Its significance varies from one person to the next. It aims to assist in the development of energy speculation assets or the reduction of pollution caused by endeavors and general living affinities. The primary goal of greening is to limit the negative consequences of energy consumption and pollution on the environment. Green development as a company strategy will push economic success in the steadily developing planet. The unavoidable truth is that affiliations will expect to play a critical role in the fight against global warming. HRM will fulfill the association's commitment to green practices with the help of the board and its laborers. Green HRM's ability could transform into the director of legitimacy goals, which will assist with achieving your association targets.

### What is Green HRM?

Green Human Resources Management (GHRM) can be characterized as a bunch of arrangements, practices, and frameworks that animate the green conduct of an organization's representatives to make an earth touchy, asset productive, and socially mindful association. Green HRM grows its occupation in the headway and achievement of acceptable focuses inside an association. The word Green HRM applies essentially to the responsibility of approaches and activities in the field of HRM. It is usually known as green human resource the board or GHRM.

## Benefits and Importance of GHRM

Green HRM plays a critical role in achieving broader objectives, such as cost-cutting, expanding corporate social responsibility policies, and making organizations truly engaging, as well as making administration more appealing. The following are a few advantages:

- It helps organizations cut costs without sacrificing capability;
- It lowers an organization's total costs by making better use of power, water, and manufactured goods.
- It aids in achieving greater representative work fulfilment and devotion, resulting in increased usefulness.
- Promote a culture of concern for individual representatives' overall prosperity.
- Small businesses can also save money on electricity by using energy-efficient and cost-effective innovations.
- It is frequently used to create excellent advertising when a company incorporates green practices into its working environment.

## Policies of Green HRM

- **Recruitment and Selection Method-** Associations can go online to utilize new talents on the block with online applications and resumes to diminish colossal paper waste. HR should ensure that the accompanying phases of the decision cycle choose the competitors' status to embrace eco-obliging choices after the chief screening of CVs. During a gathering, a couple of requests should focus in on environmental issues or an aggregate energy that combines a corporate technique with reasonability concerns. At last, every contender can similarly be given a green score and added to the total accounting page of scores that will eventually rank the top up-and-comers.
- **Onboarding Process-** Acknowledgment projects should be coordinated in such a way to propel the combination of these new workers with the lifestyle of green attention to the affiliation. Additionally, these ventures should moreover diagram the association's biological issues and the green exercises that are being made inside the association.
- **Learning and Development-** Learning and development are an approach that focuses on eroding agents' limits, capacities, and perspectives. Biological legitimacy trailblazers should provide planning materials to cultivate delegate data and capacities. Learning and progress can help the agents find more productive ways to deal with their connection. Associations can employ automated media and computerized planning modules for routine organization preparation. Energy conservation, waste management, and repurposing environmentally friendly features can all be used to create green planning community centers.
- **Performance Management and Appraisal-** Performance Management is a dynamic way for managing the distinctive capacities of revamping personnel, which aids in the achievement of corporate objectives. As a result, performance management can combine environmental sensitivity targets with express estimations to create a greener atmosphere. Green goals, duties, and commitments, such as generating green care and allowing them to participate in the organization's green activities, can also be viewed as part of the chiefs' performance evaluation.
- **Compensation and Reward Management-** Green compensation and reward management mean to perceive workers' commitment to cultivating a more down to earth affiliation. Three sorts of compensations are following:
  - Cash related prizes can be as boosts in salary, financial pay, and rewards.
  - Non-Monetary prizes like leaves for exceptional occasions, gifts, etc.
  - Affirmation based prizes include the delegate's responsibility towards the association, assessment from the top organization, etc.

## Green HR Initiatives by Different Banks in India

**1. State bank of India:** The bank offers a wide cluster of monetary items and administrations, every one of which emphatically affects the general public or potentially climate. Not many of the bank's new items/administrations with intrinsic natural/social advantages like Green Channel Counter, Green Remit Card and so forth.

- **World Water Day:** As part of the bank's social responsibility, the bank has given north of 42000 water purifiers to over 42000 schools spread across 35 states and association domains during the momentum monetary to assist with providing clean drinking water to children in schools, particularly in reverse regions.
- **Distribution of Water Purifiers to Schools:** On the occasion of Teacher's Day in 2012, our bank, as part of the csr the state bank family, distributed more than 19,000 water purifiers to more than 19,000 schools in 35 states and association domains around the country. This work is expected to help more than 40 thousand understudies around the country.
- **Fans Distribution to Schools on State Bank Day 2013:** In order to assist impoverished schools and to reiterate the bank's commitment to serve the local community, each of our branches has chosen a destitute school and talented electric fans to perform on the occasion of state bank day, which will provide delight to a significant number of younger pupils.

**2. Punjab National Bank:** Various Green Initiatives taken by bank are as per the following:

- A bank coordinated in excess of 250 tree manor drives
- A different review sheet to survey the execution and the effect of green drives has been advanced.
- The bank is accentuating on green structures.
- Banks empowering green practices, for example, imprinting on both side papers, composite fax machines and so on
- The bank had marked green vowed of the service of new and sustainable power.
- Natural security in the credit cycle, in all undertaking advances, banks had formed rules to guarantee that all essential endorsements including from contamination control board have been gotten before dispensing of advances.
- Banks had place rules for giving money to units delivering sun powered energy, wind energy and hydel energy.
- PNB was granted the second prize for the best wind power project financed by wind power India 2011.

**3. Bank of Baroda:** Some of the other significant drives in further developing the client support during this year are:

- Online Fixed Deposits-The bank's clients can now put aside online fixed installments through the framework called Baroda interface.
- SMS Alert Facility
- Corporate Social Responsibility: As a capable corporate resident, bank of Baroda is thinking about giving to public/state alleviation reserves and to any individual, trust, society, altruistic/social establishments of notoriety occupied with social exercises to support the immense assortment of individuals. Gifts are given to advance different exercises. They are broadened basically as a social government assistance measure on a non-business premise to individual trusts, social work associations/establishments and so forth

**4. Industrial Development Bank of India:** IDBI bank makes a stride towards the green drive in corporate administration by going paperless and sending archives to investors through electronic mode. The bank proposes to send every one of the archives like regular gathering sees/different notification, yearly report or some other record to individuals in electronic structure.

**5. Syndicate Bank:** In Syndicate bank, 'the handling of 'green drives' incorporates the utilization of electronic means.' public electronic assets move assisted organization with banking in removing fixed costs. ATM exchanges are more than the counter exchanges, i.e., as of December 2011 counter exchanges represented Rs 512.83 crore for the bank contrasted with Rs 970 crore through ATM counter. This is on the grounds that banks urge clients to utilize plastic cards. Additionally, more exchanges are affected through net banking. They have begun reusing waste from April 1 2012 through approved recyclers informed by the public authority. The bank is right now running 80 provincial branches with sun oriented fueled ups.

**6. Canara Bank:** Canara bank, green banking is a type of paperless banking. As indicated by them it will be authorized when the RBI demands it. Canara bank has been the initiator of paperless banking and is the most noteworthy money for sun oriented energy related tasks. The bank is additionally known to lead carbon financing in Delhi and Mumbai.

**7. Union Bank of India:** UBI utilize green financial channel for topping off of challans or vouchers. The whole report of bank to top administration is through e-revealing utilizing SMS and email. The notification/yearly reports shipped off investors by email as a green drive for corporate administration. The distributing and recovering of e-round through demos totally gets rid of papers. A report the executive's framework with work process used to utilize papers with reinforcement set up. Green financial diverts helped in decrease in completion time and expanding consumer loyalty by quality cooperation as additional time accessible to branch. Normalization and robotization of business processes become conceivable because of e-banking. Proficient usage of assets and diminishing the gamble of business interruption. Challenges looked while carrying out are non-uniform use of business rules at workplaces and an excessive number of assets utilized at better places.

**8. IndusInd Bank:** Following practices have been started by IndusInd Bank:-

- The bank is running ATMs on sunlight based power and has spearheaded an eco-clever change in the Indian financial area.
- The bank is anticipating all the more such drives in tending to the difficulties of environmental change.

**9. HDFC Bank:** Following practices have been started by HDFC Bank:-

- Paperless Initiatives: Awareness: representatives are had mindful of their effect by sharing reports on individual level based on a novel ID.
- The board Practice:
  - No pen and paper strategy on telephone banking premise.
  - Credit strategy will be delivered through computerized Mode.
  - No printing exchanges at ATMs.
  - Restricted Email Printing.
  - Bills above sum 1 Lakh or above may be given in computerized mode.
- Protection of Energy: Energy proficient hardware's are being utilized in the branches. Sun based controlled ATMs, Led Lights, Conference call offices, Virtual Desktops and so on are strategies utilized in the ICICI bank. Mindfulness among the workers is established with regards to the effect on the climate of the exercises of representatives in the wake of estimating the distance went by them.

- Electricity: In all gathering rooms and meeting corridor to urge clients to turn off the light when not required. Power Powered Signboards and ACs are turned off after 10 PM and 7.30 PM separately in a couple of branches.
- Preparing and Development: Module on energy utilization is being given to the workers to outfit themselves with the adequate information for saving assets.
- Computerized Banking: various drives are being taken by the bank as payzapp, an application utilized for credit installment on the web.

#### 10. ICICI Bank

- Green Products and Services:
  - Instabanking-Bank has given an assortment of administrations under one umbrella and gives clients to accommodation banking whenever anyplace through Internet banking, Mobile banking, Tab banking and Interactive Voice Response (IVR) banking. This diminishes the carbon impression of the clients since they don't have actual proclamations or travel to their branches.
  - Electronic Branches-Bank has set up completely electronic branches where the clients can manage all their financial exchanges.
  - E-Drive-Bank has sent almost 200 thousand yearly reports in electronic structure and bank have saved in excess of 60 tons of paper in the last quarter by sending e-explanations to over 6.5 million ledgers and 300 thousand Visa clients.
  - Vehicle Finance - Bank urge to clients to utilize climate amicable vehicles by offering 50% waiver on handling expense for those vehicle models which uses substitute wellsprings of energy like the Civic Hybrid of Honda, Tata Indica CNG, Reva electric vehicles, Mahindra Logan CNG adaptations, Maruti's LPG rendition of Maruti 800, Omni and Versa and Hyundai's Santro Eco.(IBN Live, 2015)
  - Home Finance - The bank has decreased the handling charge for buying homes in Leadership in Energy and Environmental Design (LEED) affirmed buildings.(IBN Live, 2015)
- Green Engagements:
  - 'World Environment Day'- Bank has observed World Environment Day consistently on fifth June. On the event, bank has embraced sapling manor drive, alongside PUC drive where workers were urged to have their vehicle's PUC looked at and merchants were set up at select pinnacles for something similar.
  - 'Go Social' crusade was sent off for representatives where each individual could post photos of their green drive on Facebook and twitter, and spread the news to families and companions to participate in the excursion to Go Green.
  - 'World Environment Week'- went on from June 09 to 13 with every day of the week addressing an alternate green topic: No plastic day, Reuse paper day, Carpool day, Duplex printing day and Save energy day.
  - 'Solar Branches'- Solar power is a wellspring of inexhaustible and non-dirtying clean energy. Under the Banks Go Green drive, around 294 provincial minimal expense branches have been fitted with sunlight based chargers. Therefore, bank has created 1440 units of sun based energy per branch every year which prompted the energy utilization cost has diminished significantly.
- Green Communication: ICICI Bank has widely promoted the current inside media and consistently demand to clients about Online Bill pay, Online Funds Transfer and Subscribing to e-articulations for "paperless" and "paper free" method of going through with banking exchanges.

#### 11. Axis Bank

- The yearly GHG discharges have diminished through utilization of sustainable power during it is 2443 tonnesCO<sub>2</sub>e. (BRR, 2014-15).
- Pivot bank sent off tree ranch program and established 1 lakh sapling on first and second august more than thousand areas of the country.
- In August 2011, under the green financial exercises with the subject of „Reduce, Reuse and Recycle“ bank has handled all the dry waste reuse it into journals, scratch pads and envelopes. The program has assisted with reusing around 87,206 kg. (Axis media focus, 2015).
- Bank urged to their clients to utilization of e-explanations and electronic interchanges to decrease paper utilization. In the monetary year 2014 banks 61% of investors have accepted their yearly reports by means of e-mail. (Axis My Idea, 2015).
- As a piece of green drive banks corporate office „Axis House“ at Mumbai which is planned and developed as a Platinum LEED-Certified Green Building. (Hub My Idea, 2015)Axis House has gotten the „Platinum“ rating granted by the US Green Building Council for its current circumstance cordial offices and decrease of carbon emissions. (Axis Bank Customer Care, 2015).
- In November 2012, bank coordinated 'Sprinkle' an all India painting rivalry for 7-12 age bunch youngsters at all its 1741 branches to spread mindfulness about natural issues. The topics of the opposition are make strides toward environmental friendliness, save water, save life and one-earth and one family. (Pivot SPLASH, 2015).
  - Bank has embraced maintainable loaning rehearses and without delivering leeway from contamination control authorities“ bank doesn't back to toxin ventures and demand to introduce emanating treatment plant. (BRR, 2014-15).
- Under green financial drives, banks 29% of explanations are given electronically, 83% of Demat accounts e-proclamations gave through electronic medium, 92% of Demat invite packs sent as e-welcome unit and 71 percent of investors enlisted for eAR. (BRR, 2014-15).

- Bank involves environmentally friendly power for road lighting, gathered water from water collecting framework and sewage treatment plant, furniture utilized by bank which is made from reused materials and so forth (greencleanguide.com, 2015).
- Hub bank started sunlight based UPS for ATMs under its Independent ATM Deployment (IAD) model. (greencleanguide.com, 2015).

## II. OBJECTIVES

The study is related to answer the following questions:

- How many employees are aware about Green HRM?
- How many Banks are aware about environmental management system?
- How many banks have ISO 14000 certification?
- How is cost factor associated with waste disposal?
- What is the effect of moral obligation on social responsibility?

## III. LITERATURE REVIEW

- **Jyorden T. Misra, Managing Director Spearhead Inter Search**, believes that ‘Eco-consciousness or the color ‘green’ is rapidly emerging in every dimension of our lives and workplaces are increasingly displaying an organized response to this challenge by bringing in ‘professional consciousness’ at an institutional level as well as individual employee level. Green HRM is one, which involves two essential elements: environmentally friendly HR practices and the preservation of knowledge capital. The HR of the organization plays a major role in making environmental responsibility a part of an organization’s mission statement (**Taj, 2011**).
- **Anjana Nath, Regional Head of HR in Fortis Healthcare Ltd.** suggests that —GHRM can be defined as environmentally friendly sHR initiatives resulting in greater efficiencies, lower costs and better employee engagement. Human resources play a key role as it creates awareness amongst employees and builds engagement, which in turn, helps organizations to operate in an environmentally sustainable fashion (**Taj, 2011**).
- **Md. Maruf, Ullah. (2012)** conducted a comparative examination of several types of banks in Bangladesh [State-owned Commercial Banks (SCBs), State-owned Specialized Development Banks (SDBs), Public Commercial Banks (PCBs), and Foreign Commercial Banks (FCBs)] to evaluate if they followed Bangladesh Bank's green banking strategy (BB). According to the findings, only PCBs and FCBs have embraced green banking guidelines and sponsored green banking-related initiatives.
- **Rajput, Namita. and Kaura, Ruchika. (2013)** studied response of Indian banks to environment turbulence and their action in the view of green banking adoption and gap. They analyzed that main barrier to environment sustainability is “lack of RBI mandates” and RBI needs to make more policies embedding green issues. The results showed that India is adopting green practices very slowly as compare to other countries.
- **Bhardwaj, Broto Rautla and Malhotra, Aarushi. (2013)** analysed numerous types of green banking practises used by Indian businesses to thrive and found that banks that use green banking practises have an impact on the organization's performance. SBI was the country's first bank to consider generating green electricity and putting in place a renewable energy plant for captive usage.
- **Renwick et al. (2013)** GHRM has been enhanced to improve employee green behaviours, attitudes, and capabilities, to drive workers to think green, and to create chances for employees to gain knowledge and skills related to environmental sustainability, as has been established. This thesis defines GHRM as HRM strategies, policies, procedures, and activities that aim to generate good environmentally associated results for a company, taking into account prior debate as well as contemporary definitions of GHRM and comparable ideas. The underlying goals of GHRM using existing definitions, is to identify and implement appropriate green associated practices designed to change the way companies’ actions and decisions affect the environment. This can be done by way of increasing operational efficiencies, using energy and water resources responsibly and changing employee attitudes to understand, embrace and acknowledge the importance of responsible green related behaviors. However, based on the above discussions, and the current undefined nature of the GHRM construct, the extent literature is considered to be somewhat inconclusive. Ongoing debates on how best to define GHRM continue, with little clarity in regards to its actual application or veritable workplace consequences.

- **Socially Responsible Human Resource Management (SRHRM) (Kramar, 2014; Shen and Benson, 2014)(8).** Kramar (2014) states that the term \_sustainable HRM has not been clearly defined, but encompasses several terms that link sustainability with HRM. Sustainable work systems, HR sustainability, HR management sustainability, sustainable leadership, and sustainable organizations are some of the concepts used in the sustainable HRM construct. (Kramar, 2014). According to Kramar (2014), the overarching correlations between these sustainability concepts are that they recognise the social and human effects of a sustainable approach to HRM both overtly and implicitly. Sustainable HRM should contribute to the development of an organization's human and social capital as a major outcome. Using this discourse as a guide, the difference between GHRM and sustainable HRM is that GHRM focuses on green organisational goals, such as fostering employee green behaviours and attitudes, whereas sustainable HRM focuses on overall employee development.
- **Nath Vikas, Nayak Nitin & Goel Ankit (2014)** In their research, they looked at the RBI's rating requirements, guidelines, and green initiatives implemented by public and private banks in India. They have considered top private and public sector bank 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 suggest that banks should adopt more regressive strategies like mass transportation, paperless environment etc.
- **Bihari, Suresh Chandra & others (2014)** In their study on Green Banking in India, they looked at the level of awareness and the actions that need to be taken to implement green practises in the banking industry. The major commercial and public sector banks in India were included in the sample. The study's main conclusions are that Indian banks must realise the significance of sustainable development and social responsibility in order to access the worldwide market.
- **Sunita & Sharma, K.P (2017)** in their research paper have evaluated the green practices being implemented by the public sector banks in India. 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 (2017)** In the examination of India's banking industry, both primary and secondary data were collected. The data from the banking industry is collected via a questionnaire. There is no information provided about the sample. The study's main result is that recruiting, training, and employee motivation are all crucial parts of human resource management when it comes to implementing green HR policies. Carpooling, paper waste, and other regulations, according to the study, should be implemented. Furthermore, innovation should be leveraged in policy formulation, but banks lack the necessary autonomy.

#### IV. RESEARCH METHODOLOGY

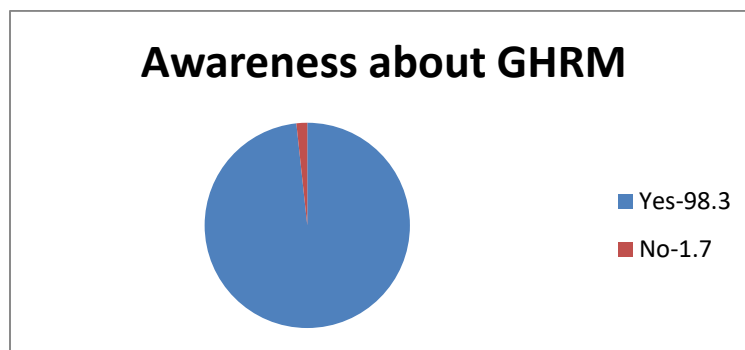
The current review is based on secondary data acquired from yearly reports of individual banks, periodic news published in various periodicals, bank websites, and examination articles published in the relevant subject. The evaluation is limited to public sector banks (State Bank of India, Bank of Baroda, and Punjab National Bank, among others) and private sector banks (ICICI Bank, HDFC Bank, and Axis Bank, among others). In terms of net benefit, these are the public and private area banks. For social event data on the banks' Green HRM practices, which is mostly based on yearly reports of selected banks from 2012 to 2019, Banks Business Responsibly Reports, official sites of individual banks, and so on.

#### V. FINDINGS

The findings of Green HRM Practices in the banking sectors from a study in 2019 are as follows based on the statement of the problems mentioned in the previous chapter:

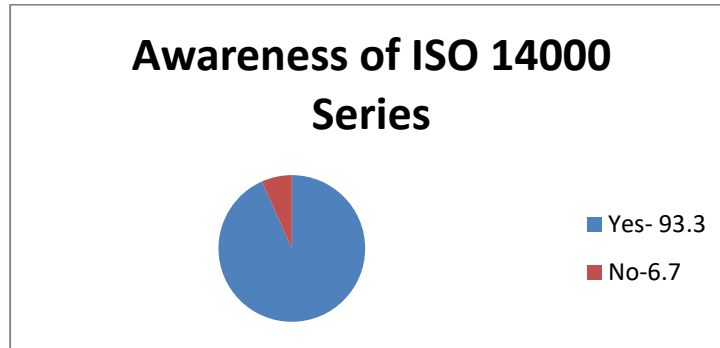
##### Awareness of the term Green Human Resource Management Practices.

Below figure reveals awareness about green human resource management practices. It was found that only 98.3% of the bank employees are aware about GHRM.



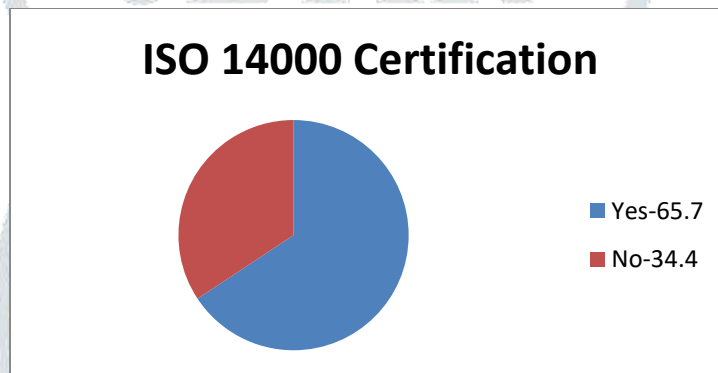
**Awareness of ISO 14000 series issued on environmental management system including a broad range of environmental disciplines.**

It is found that 93.3% of the banks are aware about ISO 14000 issued on environmental management system, which includes a broad range of environmental disciplines.



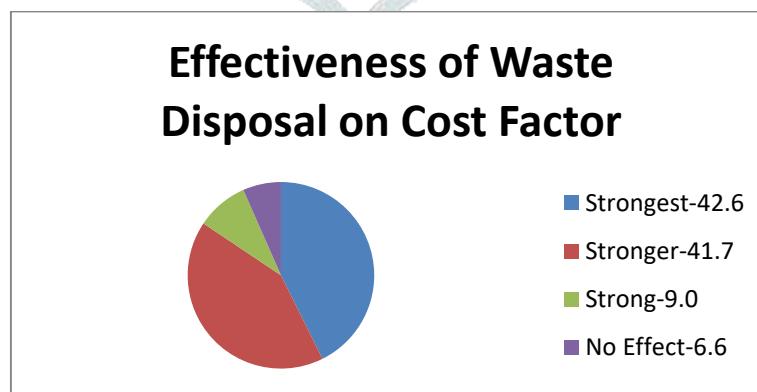
**ISO 14000 Certification**

Figure below highlights that 65.7% banks are ISO 14000 certified.



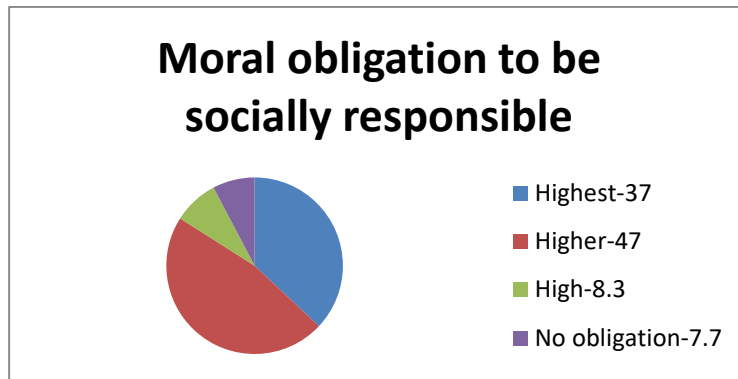
**Cost factor associated with waste disposal**

It was found that 42.6% of the respondents agreed that cost was the strongest factor associated with disposal of waste in their company while 41.7% of the respondents consider it as second strongest reason.



### Moral obligation to be more socially responsible

It was found that 37% of the respondents considered that the main reason behind the application of GHRM practices in their organization was moral obligation to be more socially responsible while 47% respondent considered it as second strongest reason.



### VI. CONCLUSION

It is simply clear from the above research that the review on Green HRM in the banking sector of India setting should be investigated further and should be given due thought in the illumination of the way that it is the need of the current hour and banks need to take on these practices at any expense. In Indian financial area the execution of the Green HR rehearses is on an extremely insignificant level and consequently to fill this hole the current review expects extraordinary importance.

Based on survey of writing obviously greater part of examination papers zeroed in on green results of banks, advantages and difficulties of green banking and green financial acts of a few chose Indian banks. The current exploration study underscores on utilization of green financial items and green financial practices started by top three public and private area banks.

It is apparent from the writing audit that examination on this theme is in its beginning phases and should be investigated as supportability is the need of great importance. According to organizations act 2013, each organization is obliged to play out the corporate social obligation. Banks don't follows the organizations act 2013, yet according to banking Regulation Act and RBI rules, 1 % of the benefit can be contributed towards corporate social obligation. Different investigations have shown the absence of execution of Green HRM in the financial Industry and consequently to fill the exploration hole the need of this study is supported.

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