APPLICATION OF GREEN HUMAN RESOURCE MANAGEMENT IN MICRO, SMALL AND MEDIUM ENTERPRISES TO GAIN COMPETITIVE ADVANTAGE: A CONCEPTUAL STUDY.

Dr. Ashwini A. Yarnal 1, Reena Patil 1  1MBA Programme BLDEA’s ASP College of Commerce, Vijayapura. ashwini@bldeaspcc.ac.in.  2MBA Programme, Jain College of MCA and MBA, Belagavi, India, reena.p@jcmm.in.

ABSTRACT

With more than 44.7 million businesses, the small and medium-sized business sector is one of the fastest-growing industries. About 40% of the overall industrial output comes from it. In comparison to other industries, MSMEs employ a sizable fraction of the workforce and offer enormous employment opportunities. However, the natural environment is negatively impacted by the industrialization's rapid rise. The pace of environmental contamination is rising along with the rate of industrialization. Environmental degradation is the result of this environmental pollution. Environmental degradation indirectly impacts organizational sustainability. Effective management and reduction of pollution are essential to enhance sustainability. Consequently, a decrease in pollution levels can contribute to organizational sustainability, providing a competitive advantage. The implementation of Green Human Resource Management (Green HRM) practices is crucial in controlling pollution resulting from extensive industrialization. Pollution-free technologies, methods, and practices adopted through Green HRM can lower the effluence rate. Examples include transitioning to paperless work, online training and development, and online recruiting and selection. These measures contribute to reducing air, water, and environmental pollution, ultimately boosting organizational sustainability and effectiveness as a competitive advantage. This article aims to investigate the causes of environmental pollution caused by rapid industrialization and suggest solutions, focusing on the effective execution of green HRM practices in the resulting competitive advantage.

Key words: MSMEs, Industrialization, Green HRM, Competitive Advantage, Pollution.

INTRODUCTION

Micro, Small, and Medium-Sized Enterprises (MSMEs) play a significant role in developing countries like India, contributing to around 33% of the GDP as of January 2023. They are a vital part of the Indian economy, supporting regional harmony, providing employment, and contributing to the industrialization of rural and impoverished areas. Despite their economic significance, the growth of MSMEs has raised concerns about environmental pollution.

In the context of MSMEs, Green Human Resource Management (GHRM) practices become crucial. GHRM focuses on integrating environmental considerations into various HR processes, including recruitment, selection, training, development, performance evaluation, rewards, culture, and climate. The selection process in GHRM emphasizes a candidate's potential contribution to the organization's overall sustainability goals, assessing competencies related to sustainable supply chain management, green business practices, and environmental regulations. Additionally, considerations like willingness to work remotely or adopt alternative transportation methods can contribute to reducing the company's carbon impact.

In the current global scenario, where environmental concerns are significant, businesses, especially MSMEs, need to balance economic goals with environmental responsibility. GHRM practices offer a framework for organizations to align their human resource processes with environmental sustainability, contributing to green organizational learning, training, development, performance evaluations, and rewards.

The integration of GHRM practices in MSMEs can contribute to a more sustainable and environmentally conscious business approach. It aligns with the global initiative to "Go Green" and addresses the dual challenges of economic growth and environmental preservation. As businesses seek profits, the emphasis on responsible environmental practices becomes increasingly important, and GHRM provides a comprehensive approach to achieving both economic and environmental goals.

There is a notable lack of focus on addressing environmental impacts in developing nations. Closing this significant gap in research is imperative for future studies, as emphasized by Mousa and Othman in 2020. Organizations worldwide are obligated to take responsibility for environmental management due to the increasing environmental implications, as highlighted by Rondinelli and Berry in 2000. Economists assert that in the case of India, environmental management stands as a paramount concern. The country's economic growth, driven by increasing industrialization, entrepreneurship, and foreign investment, is anticipated to exhaust more resources and contribute to environmental pollution.

Micro, small, and medium-sized enterprises (MSMEs) are responsible for a significant portion of India's pollution load in addition to contributing to over 40% of industrial production and over 45% of exports, according to the Twelfth Five Year Plan. India currently faces hazardous environmental conditions. India has recently experienced a number of natural disasters, including a landslide in Pune (2014), floods in Chennai (2015), a powerful earthquake with magnitudes of 8.2 Richter...
in the Himalayan region and 6.7 Richter in Manipur (2016), and a large-scale fire that destroyed forests in Uttarakhand (2016).

Experts attribute one of the primary causes of these catastrophes to the excessive utilization of natural resources. To mitigate further environmental degradation resulting from the overuse of these resources, organizations bear the responsibility to strategize for sustainable development and advocate for environmental growth.

Furthermore, research by Khanna and Anton (2002), Christmann (2000), and Shrivastava (1995) underscores that businesses can reap rewards through the adoption of environmental management strategies. Engaging in pro-environmental activities has demonstrated a positive association with various factors, including employer branding, public image enhancement, expanded marketing opportunities, heightened sales, potential cost savings, and the attainment of a competitive advantage.

Environmental management aligns with the “triple bottom line” accounting philosophy, which encompasses social, environmental, and financial considerations (Elkington, 2006). Advocated by Daily and Huang (2001), Jennings and Zandbergen (1995), and Ramus (2002), this approach aims to strike a balance between organizational growth and the preservation of natural resources for future generations. While environmental sustainability is a key objective, there is no consensus on the methods organizations employ to achieve this.

Research emphasizes that various human activities often contribute to environmental disruptions. Addressing and modifying the causal human behavior can thus be a fundamental strategy for reducing such disruptions (Ones and Dilchert, 2012; Oskamp, 1995, 2000). Notably, while most organizations focus on external environmental development projects, few address internal issues regarding how human behavior affects environmental protection (Davis and Challenger, 2013; Ones and Dilchert, 2012).

Green Human Resource Management (GHRM) encompasses human resource management practices that advance environmental sustainability and the responsible use of resources within commercial enterprises. Key components include the maintenance of intellectual capital and environmentally responsible HRM practices, aiming to enhance productivity, employee engagement, and cost reduction.

Studies on Green Human Resource Management (GHRM) are crucial as a subset of the green management philosophy, examining how human behavior affects environmental management and sustainable development (Jackson and Seo, 2010; O’Donohue and Torugsa, 2016). Opatha and Arulrajah (2014) define GHRM as an organization’s green policies, practices, and procedures that foster environmentally friendly behavior among employees for the benefit of society, the environment, and business. The goal is to develop a workforce that supports green behavior within the organization through various HR practices such as recruiting, performance appraisal, compensation, benefits, and training (Mathapari, 2015).

Green management combines human resources management and environmental management. GHRM, as a specialized area of human resource management, supports ecological harmony and environmental preservation. Engaging in HRM practices in areas like hiring, onboarding, induction, performance appraisals, training and development, and pay and reward administration can assist organizations in reducing their carbon footprint. HR departments play a crucial role in promoting environmental issues by adopting and implementing Green HR policies and practices.

Micro, Small, and Medium Enterprises (MSMEs) have assumed a vital role due to their contributions to exports, innovation, and the national economy. Functioning as auxiliary units supporting larger firms, MSMEs create diverse goods for both domestic and international markets, generating employment opportunities, particularly in countries with high population concentrations like India. As job opportunities expand, the importance of Human Resource Management (HRM) in MSMEs has heightened. However, first-generation business owners in India often lack training and knowledge in resource planning, capital management, and labor management.

Given the significance of SMEs to national economies and local communities, investigating Human Resource Practices (HRP) within small businesses is crucial. This research will enhance our understanding of how to effectively manage the sector, considering its role as a source of employment, wealth, and other social and relational benefits (Barrett and Mayson 2007; Baron 2003). The focus of this essay is to examine the HR policies and practices adopted by Indian MSMEs.

**LITERATURE REVIEW**

Securing employee support for the implementation of eco-friendly projects stands out as a primary responsibility for human resources professionals (Priya et al., 2014). The pivotal role of human resource management across various stages of an environmental management system was underscored by Jabbour et al. (2010). Ahmad (2015) highlighted the significance of human resources in motivating staff members and promoting eco-friendly behaviors such as carpooling, recycling, and energy conservation. According to a theoretical model developed by Renwick et al. (2013), specific policies in hiring, performance and appraisal management, training and personnel development, employee relations, and reward systems serve as effective tools to garner employee support for a company’s environmental strategy.

Bombiak and Marcinuk-Kluska (2018) emphasize that it is very important to implement the Green Human Resource Management (GHRM) concept, especially for young organizations in the development stage.

Early integration of GHRM provides an opportunity to improve performance by fostering a corporate culture that promotes a green attitude and supports sustainable development. Ullah (2017) conducted a review of existing models of green human resource management and proposed a complete human resource management paradigm based on green practices.

Bombiak’s research delved into the hurdles hindering adoption of Green Human Resources Management in Poland, offering insights into the challenges faced in this context as of 2020. On a related note, Ramasamy et al. (2017) directed their focus toward employees, Addressing a spectrum of areas including recruitment, candidate
assessment, skill enhancement, employee performance oversight, performance evaluation, recognition programs, active employee involvement, and the cultivation of organizational culture. In the present era, more and more organizations are choosing to recruit and train individuals in a global context as part of their workforce. The Human Resources (HR) division stands to gain significantly from delving into and incorporating the Green Human Resource Management (GHRM) systems currently employed by organizations and various associations (Ber et al., 2020). The paper by Reycheva and Nikolopoulou (2019) focuses on the use of green HRM to create sustainable competitive advantage. A study by D. Renwick and Robertson (2008) explores the interface between environmental management and HRM, provides an overview of process models, and suggests directions for future research on green HRM. At the end of the study, Nath and Goel (2016) recommended further research. Oyedokun (2019) tested the best practice model of GHRM in different organizations and countries and concluded that GHRM and its components can improve the competitiveness of Nigerian manufacturers while reducing costs.

Stojanoska (2016) intends to demonstrate how the notion of green management may be easily integrated into human resource activities in her thesis. Shafaei et al. (2020) conducted a study on the causes and implications of green HRM at the organisational level, as well as the individual-level results of green HRM.

Sushma Rani and Dr. K. Mishra (2014) analyzed the literature on green HRM and presented a paradigm for green HRM. They suggest that employers can utilize workers and labor unions to implement Green HRM practices and policies that support and protect employee health and wellness.

The GHRM study provides an overview of current green human resource initiatives such as training, green recruitment, performance evaluation, employee involvement, and pay (Mishra, 2017). The studies collectively find that HRM practices significantly contribute to creating beneficial organizational outcomes, thereby expanding the body of knowledge on sustainable HRM and its connections to these outcomes (Almarzooqi and colleagues, 2019).

It has been asserted that the utilization of Green Human Resource Management (GHRM) practices in the Indian context is notably insufficient (Chaudhari, 2019). This study aims to spotlight specific areas, including performance evaluation, training and development, recruitment and selection, and certain routine operations, where the implementation or lack thereof of green HRM practices can be addressed.

Lather (2017) investigated the interaction of numerous human resource variables influencing environmental performance and discovered no obvious difference in managers' and non-managers' opinions. Employee empowerment in the green age and employees' green values were identified as major elements influencing the association between GHRM and employees by Hameed et al. (2020). Joyce and Vijai (2020) used previously published material to evaluate executive practices of organisations, implying that green organisations are involved in many HR-related activities. Jing Yi Yong Yusliza Mohd. Yusoff (2016) investigated evidence that strategic HR talents influence the application of Green HRM practices in organisations.

**Gap of the Study**

After a thorough examination of the literature, it is intended to reach a conclusion about the importance of implementing green HRM policies and practices in the areas of North Karnataka and the quick industrialization of MSME. According to literature assessments, the only way to stop environmental degradation and pollution brought on by rapid industrialization is to apply green human resource management and to preserve ecological balance. Ineffective cost-cutting, pollution reduction, increased sustainability, and competitive advantage that can be obtained via the application of Green HRM need to be examined, as well as the influence of Green HRM practices on MSME.

**Objectives of the Study**

- To study the effects of green HRM techniques on the MSMEs in Udyambag Belagavi.
- To substantiate the importance of implementing green HRM practices and policies in the MSME sector in North Karnataka.

**Green HRM and MSMEs**

Small and medium-sized firms are becoming more and more crucial to both the domestic and global economies. A significant portion of the national economy is made up of SMEs. According to these figures, small and medium-sized businesses are crucial to job creation and economic expansion. Small business operations have the potential to contaminate the environment via gases, liquids, and solid waste.

Employees must be knowledgeable about environmental management for SMEs to boost production. The management of the SME workforce in an ecologically friendly way is accomplished through the use of a tool called Green Human Resource Management. Employees at SMEs need to be aware of the value of environmental management if they are to boost productivity. The goal of green HRM is to set a standard that has a sustainable reduction of adverse environmental effects and enhances the advantageous environmental effects on corporate performance. The evolution of Human Resource Management (HRM), encompassing vital functions such as recruitment, screening, training, rewards, and assessment techniques, serves as an illustration of Green Human Resource Management (Green HRM) (Pinzone et al., 2016). Haddock-Millar and colleagues (2016) underscore that the objective of Green HRM is to align organizational environmental management goals with human resources management practices. To successfully adopt Green HRM, senior management must demonstrate a strong commitment by encouraging staff to use comprehensive planning as a guiding concept (Fayyazi et al., 2015).

**Green HRM Practices and Policies**

**Green Recruitment:**

In the competitive "war for talent," the recruitment of top personnel remains a primary challenge for Human Resources (HR) professionals.
Green recruiting emerges as a framework wherein the value of the environment is highlighted, becoming a significant aspect of the organization. Drawing in professionals who possess a green-oriented mindset, with awareness of contemporary issues like recycling, safety, and the pursuit of a more sustainable world, becomes more straightforward within this approach.

In Micro, Small, and Medium Enterprises (MSMEs), the hiring process may place additional emphasis on how candidates can contribute to the business's implementation of sustainable initiatives. This involves not only serving as an example but also fostering a workplace culture that is conscious of sustainability (Suswadi et al., 2022). The overarching goal is to identify individuals who not only excel in their roles but also actively support the business's sustainability initiatives, contributing to its transformation into a more environmentally conscious organization (Irawan et al., 2022).

During green recruitment, the personality traits of each applicant should be considered (Dilchert and Ones, 2011). Researchers have developed a scale to measure employee preferences for environmentally friendly behavior, recognizing that an individual's green competencies are crucial for pro-environmental performance (Subramanian et al., 2016). Conversely, candidates are often attracted to businesses labeled as "green" and environmentally friendly. Establishing a reputation as a "green employer" proves to be a successful strategy for attracting new talent (Phillips, 2007; Stringer, 2009; Guerci et al., 2016).

Brekke and Nyborg's (2008) theoretical stance and model describe how environmentally conscious businesses can attract morally responsible workers. They argue that individuals are more inclined to join socially conscious organizations when all other factors are equal. Candidates value environmentally friendly practices employed by the organization, and it was found that a company's environmental commitment positively impacted its brand image (Grolleau et al., 2012).

**Green Performance Management**

Performance management is the process of motivating personnel to enhance their professional competencies to contribute to the superior achievement of organizational objectives and targets. Beyond its impact on global business practices, the green movement plays a noteworthy role in promoting performance management. The central element of performance management is the execution review.

The performance management system serves to measure an employee's current productivity, identify gaps, explore innovative solutions, and establish future targets.

According to Gholami et al. (2016), performance management is one of the most crucial human resource strategies for promoting sustainable development and environmental behavior. Green performance evaluation becomes significant because when a behavior is used as a criterion for evaluating an individual, it is considered to have higher value, subsequently raising efforts to comply with it. Thus, integrating green behaviors into the performance evaluation system encourages employees to adopt environmentally friendly practices.

**Green Training and Development**

Participation in green training and development programs enhances employees' understanding of various perspectives and the significance of the environment. These programs not only facilitate the adoption of defense mechanisms, such as efficient waste management practices within a company but also enhance employees' capacity to handle unique environmental circumstances.

The major purpose of green training and development is to raise employees' environmental knowledge and expertise, encouraging them to take a proactive approach to environmental concerns. Furthermore, this technique intends to teach waste reduction and energy conservation skills (Zoogah, 2011). In emphasizing environmental training, Jabbour et al. (2013) emphasise the relevance of human resource practices. According to a Brazilian study, the systematic manufacture of low-carbon products is important for "environmental training for mitigating climate change" (Saturnino Neto et al., 2014). According to Ji et al. (2011), staff training has both direct and indirect effects on an organization's long-term development.

Perron et al. (2006), through multiple case studies, emphasized the importance of specialized environmental training tailored to an organization's specific needs. They underscored the necessity of employing a reliable tool to assess the effectiveness of the training program. Teixeira et al. (2012) asserted that employee training is indispensable for the successful implementation of an environmental management system and the establishment of an environmentally friendly organizational culture. According to Sarkis et al. (2010), environmental training contributes to enhancing the effectiveness of the environmental management system.

**Green Compensation**

The primary Human Resource Management (HRM) strategies employed to reward employees for their contributions are rewards and compensation. These HR practices are widely used to establish a connection between an individual's performance and that of the organization, emphasizing factors that influence employees' focus and motivation to exert maximum effort in achieving organizational goals. From a Green HRM perspective, rewards and compensation can be viewed as deliberate tools for promoting environmentally friendly activities in workplaces. It is suggested that organizations can foster a green culture by adopting a rewards and pays structure aligned with the principles of Green HRM.

Compensation and reward systems, fundamental human resource procedures, are used to acknowledge and incentivize employees for their work. This system aligns individual objectives with organizational goals, motivating employees to go the extra mile to meet deliverables. The concept of a "green compensation and rewards system" involves linking the outcomes of assessments with incentives and benefits, while performance management systems evaluate green behaviors.

Contemporary businesses provide examples of using green compensation and reward systems to encourage eco-friendly behavior. For instance, a survey by CIPD/KPMG found that 8% of UK businesses rewarded eco-friendly behavior with various awards and cash incentives.
Green Employee Relations

Employee relations in Human Resource Management (HRM) focus on fostering positive relationships between employers and employees, building usefulness through employee motivation and assurance. This area is intrinsically linked to employee empowerment and support activities and plays a crucial role in preventing and resolving workplace difficulties that may impact work. Good employee relations provide organizations with a strong advantage and access to a flexible resource.

Aligning employees’ goals, skills, motivations, and perceptions with green management practices and frameworks, employee participation in green initiatives increases the likelihood of improved environmental management. Since employees are the ones engaged in moral corporate behavior during the organization's daily operations, HR staff needs to advocate for creating a participative workplace where employees feel free to express their opinions on environmental issues.

Achieving green results often depends on employees’ willingness to collaborate, as valuable ideas frequently originate from those working in specific locations. According to Quagraine (2015), “creating an environment in which people have an impact on decisions and actions that affect their jobs” defines “green employee involvement.” Research by Markey et al. (2016) suggests that employee participation in organizational decision-making significantly influences the likelihood of reducing emissions in the workplace.

Green Initiatives

Every region strives for economic growth to provide residents with enhanced livelihood conditions and employment opportunities. It is a fallacy to assume that industries can operate in a completely pollution-free environment. Such an expectation is neither essential nor feasible. It is imperative to use suitable and effective pollution management techniques to reduce the adverse effects on the environment. The necessary technological know-how is available in this regard, often backed by institutional support.

Industries such as thermal power plants, coal mines, cement, sponge iron, steel and ferroalloys, petroleum, and chemicals generate dust, smoke, fumes, and toxic gas emissions. These highly polluting industries have irreparably damaged our ecology and environment, often surpassing the carrying capacity of the environment. They have not only been hazardous but have also impacted industry-specific clusters.

Given the significance of Asian economic development for environmental management, future studies should address a notable gap in Green Human Resource Management (HRM) literature. Two critical components to explore are intellectual property protection and ecologically friendly HR practices. Green human resources encompass all employee touchpoints and interfaces that encourage sustainable practices and raise employee awareness of environmental challenges. Green HRM focuses on understanding how people behave environmentally at work, with the aim of influencing their purchasing behavior in their personal lives.

Green building

Companies worldwide are increasingly opting for green buildings for their workplaces and offices as an alternative to conventional structures. Green buildings, a trend-setting phenomenon, adhere to specified standards for minimizing the exploitation of natural resources utilized in their construction. Energy efficiency, renewable energy, and stormwater management are some additional aspects of green buildings that are linked to green practices.

In recent years, businesses have adopted green buildings at an accelerated rate. Business leaders are recognizing the value of green buildings in addressing environmental issues. Green buildings not only contribute to sustainability but also provide a platform for financial benefits for enterprises due to their low cost of engineering and construction.

Paperless office

While the majority of office work traditionally involved the use of paper, the introduction of Information Technology (IT) has led to a significant reduction in paper usage. Office operations and procedures have undergone transformations with the advent of e-business and technology in education, contributing to the creation of paperless workplaces. This transition entails transforming critical government documents and other paperwork into automated workflows, minimizing or eliminating the use of paper.

This approach has a profound impact on diminishing the overall amount of paper used in the workplace, along with the associated costs of tasks like copying, printing, and archiving. Additionally, it significantly reduces the time required to search for paper documents. A final noteworthy benefit is that restricting paper use directly contributes to preventing pollution, conserving natural resources, and minimizing water and energy consumption.

Conservation of energy

Efforts by offices to conserve energy can have a significant impact on the environment. Offices worldwide have implemented various energy-saving techniques to reduce their environmental footprint and provide more efficient and ecologically friendly services. Additionally, HR technologies, such as e-HR, are believed to assist management and staff in tracking their carbon footprints.

Organizations are promoting the use of Energy Star-rated light bulbs and fixtures, which consume at least two-thirds less energy than regular lights and fittings. These initiatives contribute to not only reducing energy consumption but also aligning with sustainability goals for a greener and more environmentally responsible workplace.

Recycling and waste disposal

Recycling is the process of converting waste materials (trash) into new, useful items. Recycling helps to save raw resources that would otherwise be utilised to make new products. Finally, this strategy conserves energy and reduces the amount of waste disposed of in
landfills, improving the environment and air quality. As part of their green initiatives, a lot of organisations are implementing recycling programmes to increase the amount of recycled materials and decrease waste. The classic adage of the three Rs—Reduce, Reuse, and Recycle—is being repeated throughout the corporate sector in an effort to protect the environment.

**GHRM & Sustainable Competitive Advantage**

Green human resource management (GHRM), according to Ramasamy et al. (2017), is critical for achieving environmental sustainability. GHRM is still a relatively new phenomenon in many organisations, particularly in developing nations. Despite work still to be done, several businesses have already embraced green policies and integrated them into their human resource management (HRM) procedures. Some organizations are incorporating ecological techniques into their hiring processes (Guerci et al., 2015), aiming to find workers who prioritize environmental concerns. Environmentally friendly HRM practices, as noted by Beri (Beri et al., 2020), contribute to enhancing environmental services.

In the face of rapid changes and developments, organizations need to be proactive and innovative in this dynamic process. Globalization's pursuit of quality and competitiveness, coupled with the evolving environmental landscape, compels enterprises to adapt or update their organizational structures, operational methods, and implementations. In this context, human resources emerge as the primary engine for business expansion and growth, underscoring the importance of human resource management. Human resources, acting as the driving force behind change and innovations in businesses, also play a crucial role in the company's economic, social, and environmental sustainability (Ebru Aykan, 2017).

Activities conducted by organizations across different nations contribute to the acquisition of biological human resources. These activities have the potential to influence and change green efficiency, green attitudes and mentalities, and green human resource capabilities within the framework of sustainable human resource management. Consequently, incorporating green practices into daily operations using human resource management (HRM) characteristics becomes crucial.

A company gains a competitive edge when it can outperform its rivals in terms of client attraction, sales growth, profit improvement, and employee and customer retention. Therefore, integrating green practices into HRM not only aligns with sustainability goals but also enhances the overall performance and competitiveness of the organization.

There are three basic categories in which sustainability competitive advantage can be categorized:

- Focus advantage: This company specialises in a specific market segment and provides a service tailored specifically to that audience.
- Value advantage: The ability of a company to differentiate its offerings and be viewed as giving higher value is referred to as a value advantage.
- Cost advantage: It has low prices.

Many small businesses, due to their size and limited resources, may struggle to compete on pricing alone and lack the market share to cater to every customer. To compete successfully, these businesses must focus on building long-term competitive advantages by providing greater value to a specific market segment.

Implementing a green Human Resource Management (HRM) strategy enables organizations to enhance access to environmental management and protection, human resource practices, and legal compliance. Traditionally, Green HR initiatives have concentrated on enhancing process efficiency, reducing environmental impact, and rejuvenating HR systems, products, and practices to improve efficiency and cut costs. This includes measures such as electronic files, teleconferencing, virtual interviewing, ride-sharing, job-sharing, recycling, teleworking, online training, and creating more energy-efficient offices. With the growing awareness of environmental issues in society, more companies are integrating green initiatives into their everyday operations, aiming to boost sustainability by implementing eco-friendly HR strategies that increase efficiencies, cut costs, and encourage employee participation.

Reycheva and Nikolopoulou (2019) conducted a study to evaluate how Danish construction companies apply Green HRM methods to obtain a sustainable competitive advantage. The study explores the relationship between Green HRM practices, competitive advantage, and environmental sustainability. The study contends that businesses can maximize their competitive advantage by combining environmental management and human resource management. The effectiveness of an environmental plan relies on developing green capabilities, making it crucial for businesses to invest in human capital to gain a sustained competitive advantage.

**Discussion**

By adopting the above mentioned points, the businesses in MSMEs will benefit from green HRM in a number of ways, including:

1. Improved methods for retaining personnel.
2. Enhancement of the public's perception of the business.
3. Increased productivity.
4. Overall cost reduction as the organization becomes more efficient in the utilization of electricity, water, and manufactured items.
5. Aids in achieving stronger employee commitment and job satisfaction, resulting in higher production.
6. Creation of a culture where employees care about one another's overall wellbeing.
7. Small businesses can lower their electricity bills by utilizing technology that is less expensive and more energy-efficient.
8. Introduction of green initiatives at work can be used to build positive public relations for the company.

The method for applying Green HRM in SMEs can be developed as given below:
a. Recruitment strategy: The commitment to green practices is advanced by incorporating various environmentally conscious factors in the recruitment process for potential employees.

b. Selection strategy: Both the recruitment process and the selection process need to demonstrate some awareness of the green notion.

c. Strategies for training and development: This technique is more focused because it incorporates Green HRM into some of the required training and does comparison research. By using Green HRM, this method seeks to increase business sustainability.

d. Performance evaluation strategy: SMEs include green elements in their performance assessments, recognizing and rewarding employees who contribute to environmental management innovations. The award plan incorporates monetary prizes for SME employees who excel in environmental initiatives. Additionally, the green job design strategy and analysis ensure that every employee's job description incorporates green components.

Micro, Small, and Medium Enterprises (MSMEs) hold a vital position in the national economy, and their contribution to economic progress relies heavily on the quality of their workforce. The implementation of Green Human Resource Management (Green HRM) in MSMEs follows a systematic process, including the hiring process, selection, training and development, performance evaluation, awards, and formulation of job descriptions for the workforce. The effectiveness of these HR practices in MSMEs is contingent upon the integration of green principles, underscoring the significance of environmentally friendly and sustainable practices in human resource management within these enterprises.

**CONCLUSION**

"Reducing emissions" is currently a popular trend (Margaretha & Saragih, 2013), and numerous research studies have been conducted on green processes in administration, bookkeeping, advertising, and human resources (D. W. S. Renwick et al., 2013). The integration of natural administration into human resource (HR) is a persistent demand for green HR (Dutta, 2012; Margaretha & Saragih, 2013). Associations with strong environmental performance aid in improving their reputation overall and making them stand out in the eyes of senior individuals.

From the study's results, it can be inferred that Green Human Resource Management (GHRM) and its elements can help producers gain a competitive advantage while also cutting expenses. The investigation concluded that the method was more significant than the result. Employee participation in green initiatives should receive managerial attention as the organization assesses and monitors its performance. Through economic and environmental sustainability, green business practices pave the path for an environment with a competitive edge.

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