



Green Human Resource Management Practices and Employer Branding in Kathmandu Valley: The Mediating Roles of Corporate Environmental Strategy and Social Sustainability

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Article History

Received: March 12, 2026

First Revised: April 11, 2026

Second Revised: May 25, 2026

Accepted: July 10, 2026

Cite

Bajracharya, D. M., & Timalisina, P. K. (2026). Green human resource management practices and employer branding in Kathmandu valley: The mediating roles of corporate environmental strategy and social sustainability. *SAIM Journal of Social Science and Technology*, 3(1), 89–107. <https://doi.org/10.70320/sacm.2026.v03i01.007>

Abstract

Purpose: The study examines how Green Human Resource Management practices influence employer branding, with Corporate Environmental Strategy (CES) and Corporate Social Sustainability (CSS) as mediating factors.

Methodology: Explanatory research design was used in research. Primary data were collected by structured questionnaires from 405 working respondents of Kathmandu Valley using purposive sampling. Structural Equation Modeling (SEM) with Smart PLS 4 was used to test the relationships among variables.

Findings: GHRM directly and indirectly enhances employer branding through CES and CSS, while low awareness, weak policy integration, and resistance remain key challenges.

Originality: A fresh empirical investigation of the GHRM and employer branding nexus within the Nepalese setting based on the Resource-Based View (RBV) and Competitive Advantage Theory is used.

Conclusion: The mediating roles of CES and CSS further substantiate the strategic importance of green practices in HRM in addition to reaffirming. Elevation of implementation barriers by leadership commitment and policy structures is vital in achieving sustainable organizational outcomes.

Keywords: green human resource management, employer branding, corporate environmental strategy, corporate social sustainability, structural equation modeling

Introduction

Green Human Resource Management (GHRM) is a strategic approach to align human resource practices with environmental sustainability goals. It integrates green policies into HR processes such

as recruitment, training, performance management, and rewards in order to create a sustainable organizational culture (Renwick et al., 2013). The growing global interest in the environment and corporate social responsibility has made GHRM a



critical tool for organizations looking to become more competitive and develop their employer brand (Tang et al., 2018). Employer brand, or the reputation of a company as an employer, is increasingly influenced by how it positions itself on issues of sustainability because environmentally conscious employees want to work for those companies that share the same values (Greening & Turban, 2000).

Globally, organizations are adopting GHRM practices to address environmental challenges and meet stakeholder expectations. Studies indicate that firms implementing GHRM benefit from improved environmental performance, cost savings, and enhanced employer attractiveness (Pham et al., 2020). For instance, multinational corporations like Toyota and Samsung have leveraged GHRM to build strong employer brands by promoting green innovation and compliance with environmental regulations (Bonini & Oppenheim, 2008). However, the adoption of GHRM varies significantly across regions, with developed economies leading the way and developing nations facing structural and financial barriers (Obeidat et al., 2020).

In Nepal, GHRM is still in its early stages with minimal adoption rates due to economic constraints, institutional weakness, and low levels of awareness (Shrestha, 2022). The country's traditional HR practices combined with short-term business goals have dissuaded incorporating sustainability into HR planning (Adhikari, 2010). Despite these challenges, some forward-thinking firms, for example, Surya Nepal and Chaudhary Group, have begun implementing green HR practices like online hiring and green training (Pradhan, 2024). However, the expanded function of GHRM in employer branding is an understudied research area in Nepal, where cultural stratification and political unrest contribute to its difficulty of implementation (Ghimire et al., 2022).

This study investigates the link between GHRM and employer branding in Nepal to address the knowledge gap on how sustainable HR practices

influence organizational attraction. Specifically, this study examines if green recruitment, training, and performance management practices of GHRM function to enhance employer branding via environmental responsibility signals and employee commitment. The study also investigates the mediating role of organizational culture and industry differences.

The integration of GHRM into Nepal's HR landscape presents both opportunities and challenges. While global evidence highlights its potential to strengthen employer branding, contextual factors such as economic instability and cultural barriers may limit its effectiveness. This study analyses to provide actionable insights for Nepalese firms to leverage GHRM as a competitive advantage, thereby attracting and retaining talent while contributing to environmental sustainability. By bridging the research gap, the findings will inform policymakers and organizational leaders on the strategic value of GHRM in Nepal's evolving labor market.

Research Objective

This study aims to examine how Green Human Resource Management (GHRM) practices relate to employer branding in Nepalese organizations by assessing employees' understanding of GHRM, identifying factors influencing and hindering its adoption, and proposing strategies to strengthen its implementation.

Literature Review

Green Human Resource Management

Green Human Resource Management (GHRM) has emerged as a strategic management philosophy that integrates environmental sustainability into core human resource functions to enhance organizational performance while minimizing ecological impacts. The concept extends traditional HRM by embedding environmental objectives across recruitment, selection, training and development, performance appraisal, compensation, and employee participation

mechanisms. Úbeda-García et al. (2022) define GHRM as the integration of HRM techniques with environmental management objectives to promote sustainable workforce practices and improve organizational performance. Similarly, Sharma (2016) conceptualizes GHRM as the incorporation of environmental management principles into HR functions to encourage sustainable organizational practices and reduce ecological footprints. Tang et al. (2018) further argue that GHRM strategically leverages HR policies to cultivate environmentally responsible employees, enhance resource efficiency, and reduce the environmental impact of business operations. Collectively, these definitions indicate that GHRM transcends regulatory compliance by embedding sustainability into organizational culture and strategic decision-making.

The literature demonstrates a paradigmatic shift in GHRM from an operational HR function to a strategic organizational capability contributing to sustainable competitive advantage. Early studies primarily emphasized environmental compliance and pollution reduction, whereas contemporary research recognizes GHRM as an integrated system that simultaneously improves environmental performance, employee commitment, organizational innovation, and financial outcomes. Ghimire et al. (2022) argue that organizations achieve corporate environmental sustainability by incorporating green recruitment, environmental training, green performance management, and reward systems into their HR strategies. Their study emphasizes that employees become active contributors to environmental management when organizations systematically integrate sustainability into HR practices. Likewise, Tamang and Mishra (2022) found that GHRM practices significantly enhance workplace sustainability within educational institutions by improving environmental awareness, employee engagement, and organizational commitment toward sustainable development. These findings suggest that GHRM strengthens not only environmental performance

but also organizational resilience, employee satisfaction, and institutional competitiveness.

Recent empirical evidence further indicates that GHRM contributes to broader organizational performance by fostering innovation and supporting long-term sustainability strategies. Pham et al. (2020) observe that organizations across industries increasingly integrate green HR practices into strategic management systems to respond to environmental challenges, stakeholder expectations, and regulatory pressures. Similarly, Mishra (2025) argues that green innovation strategies significantly improve corporate financial performance by encouraging resource efficiency, innovation capability, and sustainable business practices. Although the study primarily focuses on green innovation, its findings reinforce the strategic importance of environmentally oriented organizational capabilities, including GHRM. Furthermore, Celestin and Mishra (2025) demonstrate that sustainable finance, particularly through green bonds and environmentally responsible investment, provides organizations with financial mechanisms that support green organizational transformation. Their findings imply that successful environmental sustainability requires not only green human resource practices but also complementary financial and strategic investments that collectively strengthen organizational sustainability.

Despite the growing body of literature, earlier studies reveal that the integration of environmental sustainability into HRM developed relatively slowly. Renwick et al. (2008) reported that environmental issues received limited attention within mainstream HRM research between 1998 and 2008, despite increasing global concern for sustainable development. Subsequently, Jackson and Seo (2010) proposed that traditional HR functions—including recruitment, employee development, performance appraisal, and compensation—could become effective mechanisms for achieving corporate sustainability. Since then, research has consistently

demonstrated that organizations implementing comprehensive GHRM systems experience improved environmental performance, stronger organizational commitment, enhanced employer branding, and greater competitive advantage. Consequently, GHRM is increasingly recognized as a strategic organizational capability rather than merely an environmental management initiative.

Theoretical Foundations

Resource-Based View (RBV) Theory

The Resource-Based View (RBV), proposed by Barney (1991) and extended by Wernerfelt (1984), argues that organizations achieve sustainable competitive advantage through resources that are valuable, rare, inimitable, and non-substitutable (VRIN). Unlike traditional competitive theories that emphasize external market conditions, RBV highlights the strategic importance of internal organizational resources and capabilities in generating long-term competitive advantage. Human capital, organizational culture, knowledge, and managerial capabilities therefore become critical strategic resources when they are effectively developed and difficult for competitors to imitate.

Within the context of GHRM, the Resource-Based View provides one of the most appropriate theoretical explanations for understanding how environmentally focused HR practices contribute to organizational success. Green recruitment, sustainability-oriented training, environmental performance appraisal, green reward systems, and employee involvement collectively develop unique environmental knowledge, skills, and competencies that become valuable organizational assets. As these capabilities are embedded within organizational culture and routines, they become difficult for competitors to replicate, thereby strengthening sustainable competitive advantage and employer branding.

Recent studies further reinforce the applicability of the RBV framework in explaining GHRM outcomes. Ghimire et al. (2022) contend

that green human capital developed through environmentally oriented HR practices constitutes a strategic organizational resource that enhances environmental sustainability and organizational competitiveness. Similarly, Tamang and Mishra (2022) demonstrate that systematic implementation of GHRM practices improves employee competencies and institutional sustainability, thereby creating valuable organizational capabilities. Mishra (2025) further supports the RBV perspective by arguing that green innovation represents a strategic capability that enhances corporate financial performance while strengthening long-term competitiveness. Likewise, Celestin and Mishra (2025) emphasize that sustainable finance and green investment complement organizational green capabilities by providing the financial resources necessary to sustain environmental initiatives and organizational transformation. Collectively, these studies suggest that GHRM creates strategic organizational resources that improve environmental performance, stimulate innovation, strengthen employer branding, and ultimately generate sustainable competitive advantage.

Ability–Motivation–Opportunity (AMO) Theory

The Ability–Motivation–Opportunity (AMO) theory (Appelbaum et al., 2000) provides a critical analytical framework for understanding how GHRM drives environmental sustainability performance. The theory posits that employee performance is underpinned by three interconnected determinants: ability (knowledge and skills), motivation (willingness), and opportunity (organizational enablement). Applied to GHRM, the AMO framework explains how HR systems build eco-capabilities: ability is developed through training and development programs in sustainability and competence-building; motivation is established through green performance appraisal, rewards, and the internalization of environmental values; and opportunity is created through participative structures such as green teams and resource allocation for eco-initiatives (Renwick et al.,

2013). Such synergy transforms human capital into future-oriented environmental stewardship, with employees acting as catalysts of sustainable innovation (Dumont et al., 2017). Using the AMO framework, GHRM transcends operational-level compliance to strategically embed environmental goals in the organizational DNA, transforming HR practices into sources of lasting competitive advantage through unique, socially contextualized eco-capabilities that are difficult for competitors to replicate.

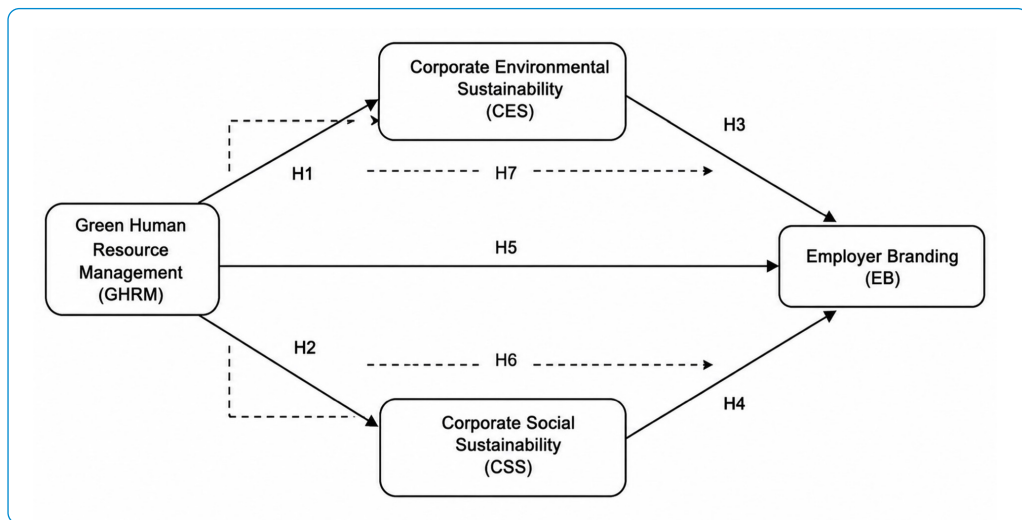
Conceptual Framework

Green Human Resource Management (GHRM) practices—encompassing green recruitment, training, and compensation—function as strategic, value-creating resources that generate Sustainable Competitive Advantage (SCA) when channelled through a Green Organizational Culture (GOC). According to Barney (1991), GHRM practices constitute valuable, rare, inimitable, and non-substitutable organizational assets that integrate sustainability into the firm's core competencies.

These practices build GOC as a mediating mechanism, transforming environmental values into shared behaviours and norms (Khammadee & Ninaroon, 2022), thereby enabling sustainable competitive advantage through enhanced efficiency, creativity, and stakeholder trust. Most significantly, this sustainable competitive advantage transcends operational excellence to amplify Employer Branding: the GOC-facilitated alignment of GHRM practices conveys environmental stewardship externally, imbuing the firm with the reputation of a socially responsible employer (Tang et al., 2018). This attracts talent seeking purpose-driven organizations, facilitates internal retention and advocacy, and effectively turns competitive resources into brand differentiation in the labour market. Thus, the model positions GHRM as the catalyst for a self-sustaining cycle wherein strategic green HR practices, mediated by green organizational culture, generate sustainable competitive advantage and strengthen employer branding.

Figure 1

Conceptual Framework



Green Human Resource Management (GHRM) entails HR practices that prioritize environmental issues in recruitment, training,

performance appraisal, and employee participation. These practices have a crucial role in building organizational culture that supports environmental

awareness and proactive sustainability behavior. Corporate Environmental Sustainability (CES) is the commitment of an organization to reduce its environmental impact through resource-efficient operations and environmentally friendly strategies. Several empirical studies have unveiled that GHRM has a positive association with improved environmental performance since it furnishes employees with knowledge, motivation, and opportunity to act in environmentally responsible ways (Fawehinmi et al., 2020; Muisyo et al., 2021).

GHRM encompasses green recruitment, environmental training, green performance management, and reward systems that encourage employees to adopt sustainable behaviors. These practices strengthen an organization's environmental and social sustainability initiatives, thereby enhancing its reputation as an employer.

In this framework, Corporate Environmental Sustainability (CES) and Corporate Social Sustainability (CSS) are proposed as mediating variables between GHRM and Employer Branding (EB). Organizations implementing effective GHRM practices are expected to strengthen their environmental strategies and social sustainability initiatives, which positively influence employees' perceptions and external stakeholders' evaluations of the organization. Consequently, firms with strong environmental and social sustainability performance are more likely to attract and retain talented employees, thereby strengthening their employer brand.

The framework also proposes a direct relationship between GHRM and Employer Branding, recognizing that environmentally responsible HR practices may directly enhance organizational attractiveness. At the same time, it assumes that part of this influence occurs indirectly through CES and CSS, which serve as mechanisms translating green HR practices into enhanced employer reputation. Hence, the following hypothesis is derived:

- H Green Human Resource Management (GHRM) has positive relationship with Corporate Environmental Sustainability (CES).
- H2 Green Human Resource Management (GHRM) is positively related to Corporate Social Sustainability (CSS).
- H3 Corporate Environmental Sustainability (CES) is positively correlated with Employer Branding (EB).
- H4 Corporate Social Sustainability (CSS) is positively related to Employer Branding (EB).
- H5 Green Human Resource Management (GHRM) is positively related to Employer Branding (EB).
- H6 Corporate Social Sustainability (CSS) mediates the relationship between Green Human Resource Management (GHRM) and Employer Branding (EB).
- H7 Corporate Environmental Sustainability (CES) mediates the relationship between Green Human Resource Management (GHRM) and Employer Branding (EB).

Methodology

Study Area and Population

This research was conducted in Kathmandu Valley, central Nepal, comprising the districts of Kathmandu, Lalitpur, and Bhaktapur. The valley is the political, economic, and administrative capital of the nation and therefore a very suitable setting to research organizational practices such as Green Human Resource Management (GHRM) and Employer Branding.

The Kathmandu Metropolitan City itself has a significant percentage of Nepal's urban population. It is expected to have a population of 1,622,000 as of 2024, a growth of 3.25% from 2023. According to the 2021 census, the population of the city was 2,041,571, of which 1,035,726 were males and 1,005,861 were females. A vast majority of

this population, approximately 1,524,323, are of working age (15–64 years), making Kathmandu a highly relevant setting for organizational behaviour studies, work, and sustainability-related research.

The study targeted employees and HR professionals employed in private-sector organizations of all industries in the valley. The purposive sampling method was used to reach respondents who are familiar with or involved in green HRM practices. The urban multiplicity and concentration of corporate organizations in Kathmandu provide an explanatory basis for examining how GHRM practices influence employer branding in the face of a changing business scenario in Nepal.

Sampling Technique

The study used a non-probability purposive sampling technique to select participants based on the research objectives. Specifically, participants were respondents in medium and large-scale private sector organizations in Kathmandu Valley, i.e., employees, human resource practitioners, and mid- to senior-level managers who have exposure to Green Human Resource Management (GHRM) practice. The approach enabled participants to provide significant responses on the role of green HR practices in employer branding in the Nepalese business environment. Furthermore, organizational heterogeneity in Kathmandu Valley allowed the sample to capture perspectives from industries such as banking, education, manufacturing, and services. Data is collected using conventional sampling methods. Sample size determination is illustrated in the next part of this section.

Sample Size Determination

In studies with large populations especially where the target population proportion is unknown Cochran's (1977) sample size formula is extensively applied. The formula is designed to calculate a representative sample size for population proportion estimation in large surveys.

Cochran developed equation to generate a representative sample for proportions in large populations, which is given as:

The following formula is used for the determination of sample size:

$$n = \left(\frac{Z}{e} \right)^2 \text{ (Burmeister \& Aitken, 2012)}$$

Where,

n = sample size for study

Standard tabulated value for 5% level of significance (z) = 1.96

Prevalence or proportion of an event 50% = 0.50

So, $P = 0.50$, $Q = 1 - P = 0.50$

Allowable error that can be tolerated (e) = 5%

So, total sample for the study (n) = $\left(\frac{Z}{e} \right)^2$

$$PQ = \left(\frac{1.96}{0.05} \right)^2 \times 0.50 \times 0.50$$

$$= 384.16 \approx 384 \text{ respondents}$$

$$\text{Non-response error 5\%, i.e., } 384 \times 5/100 \\ = 19.2 \approx 19 \text{ respondents}$$

Thus, sample size was calculated to be $(384 + 19) = 403$ respondents. During the data collection process, a total of 405 data points were collected, exceeding the expected sample size.

Research Instrument and Data Collection

Questionnaire used in this study included close-ended questions on a five-point Likert scale designed to capture respondents' views of Green Human Resource Management (GHRM) practices, corporate sustainability, and employer branding. The structured design improved clarity, reduced ambiguity, and facilitated analysis of quantitative data.

The data were collected using Google Forms, a web-based tool that enables simple distribution and tracking of responses. It allowed respondents to respond remotely via their phones or computers, which saved time and money. A total of 405

employees from various sectors of the Kathmandu Valley gave valid responses, which supplied the necessary data to conduct the planned statistical analysis.

Data Analysis Technique

The data gathered was analysed with the assistance of descriptive and inferential statistical tools, including Structural Equation Modeling (SEM).

Descriptive Analysis

Descriptive analysis is a method of summing up and reporting data for the purpose of uncovering patterns and relations within a sample or population. Descriptive analysis helps in interpretation of respondent behaviour and identification of significant trends through the aggregation of various variables (Burmeister & Aitken, 2012). Descriptive statistics were used in this study to examine the socio-demographic profile of respondents in the areas of Green Human Resource Management, corporate sustainability, and employer branding. The analysis provides sound insights that improve subsequent inferential research.

Inferential Analysis

Inferential analysis is a statistical approach of generalizing from a sample to a population. Inferential analysis enables researchers to test hypotheses, examine the relationships between variables, identify differences between groups, and make predictions on the basis of data (Marshall & Jonker, 2011). By examining numerical data collected through a representative sample, inferential statistics help in drawing reasonable conclusions based on approximation errors and uncertainties. This approach is particularly critical in evaluating complex social or organizational phenomena, such as that of the interaction between GHRM practices and employer branding. Structural Equation Modeling (SEM) was conducted in this study with the use of SmartPLS 4.0, which allowed

for the estimation of cause-and-effect relations among more than one latent construct. Microsoft Excel also helped with data cleaning and initial analysis. Inferential strategies thus facilitated examination of trends in data and generalization of conclusions to the general population of employees of the organizational environment of Kathmandu (Zhang et al., 2018).

Measurement Model Assessment

Measurement model analysis is a fundamental step in Structural Equation Modeling (SEM) used in the analysis of how observed variables (indicators) represent their underlying latent constructs. According to Hair et al. (2021), a measurement model involves the assignment of numerical values to variables based on defined criteria in an attempt to enable accurate representation. In Partial Least Squares SEM (PLS-SEM), this step deals with the relationship between latent constructs and their measurable indicators, also termed as outer models or measurement models (Sarstedt et al., 2021). These models are checked for reliability, convergent validity, and discriminant validity of the constructs. Measurement models can be either reflective indicators are manifestations of the underlying construct or formative indicators jointly form the construct.

Socio-Demographic Information

This section lays out the socio-demographic profile of the 405 respondents from Kathmandu Valley who participated in the study. The primary demographic variables included are gender, age, education level, occupation, organizational position, department, tenure, and industry type. These characteristics help to understand the diversity and background of the participants and therefore offer an insight into how work practices could be perceived or experienced by different groups. The demographic analysis is presented in the table below, with a detailed interpretation to follow.

Table 1*Socio-Demographic Information*

Demographics	Characteristics	Frequency	Percentage
Gender	Male	249	61.5
	Female	150	37.0
	Others	6	1.5
Age	Below 20	19	4.7
	21–30	284	70.1
	31–40	95	23.5
	41–50	7	1.7
Educational Level	Intermediate	14	3.5
	Bachelor's Level	170	42.0
	Master's Level	190	46.9
	Above Master	31	7.7
Profession	Private Job	373	92.1
	Government Job	12	3.0
	Self-Employed	8	2.0
	Public Company	12	3.0
Your Position in the Company	Business Owner	8	2.0
	Manager	72	17.8
	Officer	183	45.2
	Assistant	142	35.1
Department	Human Resource	28	6.9
	Operation	42	10.4
	Sales & Marketing	101	24.9
	Finance & Accounting	125	30.9
	Software Development	79	19.5
	Legal & Compliance	30	7.4
Tenure	Below 1 year	109	26.9
	1–2 Years	180	44.4
	3–4 Years	69	17.0
	Above 4 Years	47	11.6
Industry Classification	Manufacturing	11	2.7
	Services	394	97.3

The sample distribution of 405 participants in this research was heterogeneous but primarily young and service-oriented. The gender distribution of the dominant group was male (61.5%), followed by women (37.0%), with a small percentage reflecting other (1.5%), to ensure inclusivity. The age category is discovered to have a significant portion of respondents (70.1%) lying within the 21–30 years age range, indicating a youthful and, by inference, dynamic professional group. Educational level of the respondents was remarkably high since 46.9% held a Master's degree, 42.0% held a Bachelor's degree, and only a minute percentage (3.5%) were educated up to the Intermediate level. Professionally, an enormous 92.1% of the respondents were employed in the private sector, whereas employees of public companies, government servants, and self-employed individuals were mere representations of the sample. Regarding organizational level, most of them were officers (45.2%), with assistants (35.1%) and managers (17.8%) being second and third, respectively, signalling middle and junior employee predominance. Department-wise distribution pointed to Finance and Accounting (30.9%) and Sales & Marketing (24.9%) as the predominant units, followed by Software Development (19.5%), while Human Resources (6.9%) and Legal & Compliance (7.4%) were represented to a smaller extent. The job tenure indicates most of the respondents with comparatively low service

duration in the form of 44.4% fall under the 1–2 years of experience category and 26.9% fall under the less than 1-year category. Finally, industry-wise classification demonstrates a high bias for the service sector with 97.3% of the respondents being in services and only 2.7% in manufacturing. This demographic profile reflects a highly educated, early-career, service-oriented sample and yields substantive insights into the modern organizational trends in Nepal.

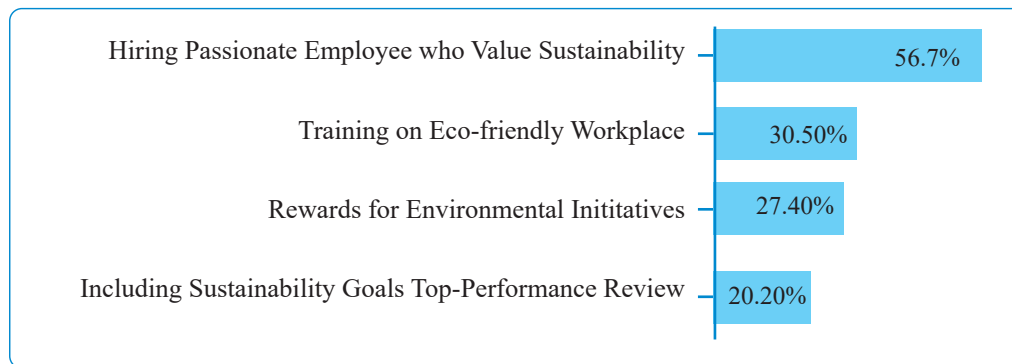
In summary, the demographic profile represents an educated, early career, service-oriented sample and is a good representation of providing useful insight into the organizational realities of Nepal's business sector. Demographically, heterogeneity in the respondents provides a holistic overview and supports the generalizability of results in organizational studies.

General Understanding Green Human Resource Management

The findings indicate that the majority of respondents (62.0%) reported familiarity with the term Green Human Resource Management (GHRM), whereas 38.0% reported not being familiar with it. This indicates a moderate conceptual diffusion of GHRM among the working populace, which shows that awareness is on the rise, but it is not as yet a widely recognized concept in the organizational environment of Nepal.

Figure 2

Personal Financial Management Strategies



The study reveals that 56.7% of the respondents specifically identified GHRM with the hiring of employees who value sustainability, which indicates that greening a job is perceived as the backbone of environmentally-friendly HR practice. This was succeeded by 30.5% who correlated GHRM with training staff on green workplace practices, including energy-saving and efficient use of resources. 27.4% also correlated it with rewarding employees for green efforts, including minimization of waste and reduction of paper usage. Lastly, 20.2% was of the view that GHRM entails incorporating sustainability goals into performance appraisals, indicating a new concept of accountability instruments in green HRM systems. These results shows that the term GHRM continues to be formalized in organizational discourse, its fundamental building blocks are becoming progressively acknowledged, above all those that align individual action with greater external goals through systemic HR interventions.

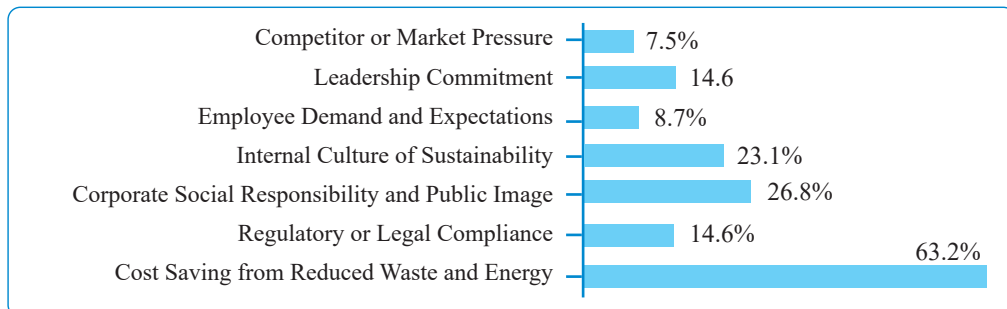
The perceived value of GHRM as an organizational and environmental goal alignment device that is high. The majority of respondents (56.0%) perceived GHRM as “very important” to their companies, with 40.0% perceiving it as “somewhat important.” This reflects increased awareness of the strategic significance of GHRM in modern organizations. As a reaction to its impact on organizational effectiveness, respondents cited a wide range of outcomes varying from making innovation in the direction of environmental sustainability (16.0%), causing

new environmentally motivated innovations (12.3%), enhancing employee motivation and engagement (3.0%), and spurring long-term cost savings (8.6%). The most comprehensive perceived benefit cited by 10.1% of respondents represents a collection of cost savings, increased productivity, and motivation through innovation-based sustainability. These findings underscore the multi-dimensional value of GHRM in fostering operational and cultural sustainability.

The study of current organizational practices also supports this trend. While 24.0% reported to use digital tools in order to minimize waste and resource consumption, other practices such as green training, eco-friendly appraisals, and the recruitment of environmentally conscious candidates were also present alongside each other. However, a noteworthy 12.6% said that there were no specific GHRM practices, suggesting an informal eco-responsible action deficit in relation to formalized HR systems. Interestingly, up to 94.1% of the respondents personally practiced environmentally responsible action in the workplace downloading documents in PDF rather than printing them, shutting off unnecessary machines, and using reusable items suggesting widespread grassroots involvement. This discrepancy between formally developed policy and individual effort indicates that while systematically constructed GHRM policies are lacking in some organizations, sustainability culture is actually being driven bottom-up by individual effort.

Figure 3

Motivation for Organization to Adopt GHRM



The participants were also asked to respond with what they felt were their reasons for why their organization should implement GHRM. The single most common reason provided was cost savings by means of reduced waste and energy usage (63.2%), showing the economic imperative as the primary driver. Corporate social responsibility and reputation followed at 26.8%, and having an internal sustainability culture (23.1%) followed in third position. Leadership commitment (14.6%), complying with laws (14.6%), and employee request (8.7%) were lower as motivators as reported, despite the least being competitor or market pressure at just 7.5%. These findings suggest that organizations in the study context are primarily motivated by cost savings and reputation, with intrinsic values and external pressures being secondary yet complementary sources of motivation for the implementation of green HRM practices.

The overall understanding of GHRM among the respondents identifies with a rising cognitive and behavioural transformation towards sustainability in human resource endeavours. While conceptual awareness is not universal, experiential engagement and perception of its importance are

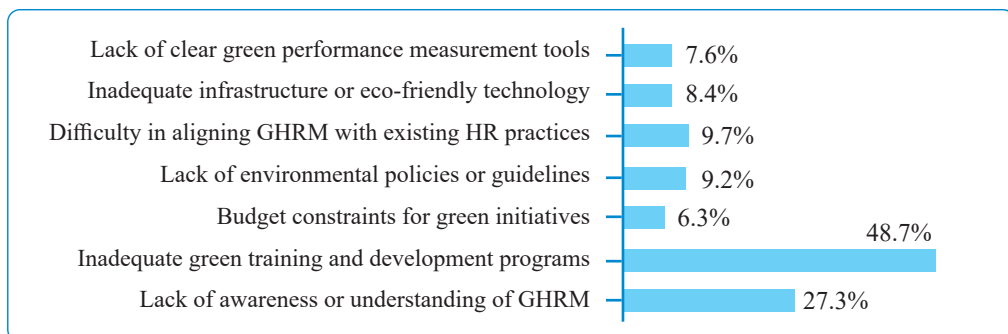
high. The facts show that GHRM is not yet fully established in policy in most organizations, but more prevalent in organizational strategy and in practice among employees. This initial insight is the foundation for an even further exploration of the challenges faced in instituting GHRM, as discussed further in the subsequent section.

Challenges in Applying Green Human Resource Management

The finding reveals that the challenges in implementation of Green Human Resource Management (GHRM) is foremost in determining its feasibility and institutional effectiveness. Out of the 405 respondents surveyed, 59.8% stated they had experienced challenges in the process of implementing GHRM in their organization, while 40.2% stated that they had not. This shows that although a significant portion of the workforce is engaged in or familiar with green HR practices, the majority still perceive significant obstacles in the implementation of GHRM principles. In the discussion to come, the specific challenges identified by respondents are outlined, giving perspective on real-world issues that interfere with successful institutionalization of GHRM at the organizational level.

Figure 4

Challenges Faced in GHRM Within your Organization



Despite growing awareness on Green Human Resource Management (GHRM) and its attendant strategic benefits, organizational adoption of GHRM is thwarted by a number of practical

issues. The most frequently mentioned issue, cited by 48.7% of respondents, is the absence of green training and development initiatives, reflecting a key gap in employee capacity-building

mechanisms that are essential to instal sustainable workplace practice. This disorganized training may discourage translating environmental ambitions into day-to-day HR behaviour and activity. Additionally, 27.3% of the respondents pinpointed the unfamiliarity with or understanding of GHRM as such, reflecting that conceptual ambiguity still lingers and could limit successful rollout, in particular by HR practitioners or organizational management.

Other challenges of implementation include the inability to align GHRM with existing HR regulations (9.7%), absence of a policy or directive on the environment (9.2%), and insufficient infrastructure or presence of cleaner technology (8.4%). These indicate that policy and structure-level barriers continue to be major hindrances. A smaller proportion of respondents (7.6%) reported challenges arising from the fact that there cannot be transparent green performance instruments, which could restrict accountability and complicate the integration of sustainability metrics into performance evaluations. Interestingly, the lowest reported challenge was related to budget in the form of 6.3%, which can lead one to infer those financial resources, though relevant, are not perceived as the primary challenge in the majority of organizational settings.

Recommendation in Applying Green Human Resource Management

The respondents were asked to identify practical strategies that could support the successful

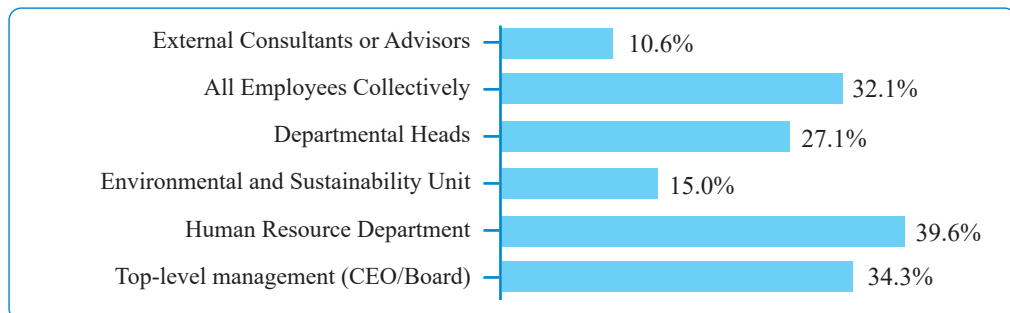
management of GHRM-related challenges. The most widely suggested method was integrating GHRM practice into company policy and vision, with 37.4% of the sample seeing this as an important measure. This indicates that unless officially integrated into strategic documents and core values, initiatives risk being piecemeal or tokenistic. Secondly, frequent GHRM training to employees at all levels was recommended by 29.6% of the respondents, emphasizing the importance of awareness and capacity building in promoting a green culture at all organizational levels.

Encouraging green culture by top-down leadership role modelling was also recognized by 27.7% of the participants, that leadership behaviour determines environmental priorities and staff attitude. Although 23% of the participants checked assigning a dedicated budget for GHRM implementation and offering incentives and recognition for green behaviour, it shows the requirement of tangible resources and motivational systems to support green activities.

Other notable strategies included reinforcing internal communication for sustainability goals (21.7%), establishing a green HRM officer or team specifically appointed (18.2%), and using monitoring tools to track green HR initiatives (16%). These recommendations reflect a need for more structural mechanisms and accountability to support continued progress in GHRM implementation.

Figure 5

Responsible Unit for Managing GHRM-Related Challenges in You Organization



Participants were also asked to indicate who organizes GHRM issues in their organizations. As shown in the aforementioned figure, Human Resource Department was graded by most of the participants (39.6%) as being most responsible. This is followed by top management (34.3%) and all employees in total (32.1%), which implies that while formal HR structures are at the helm of affairs, leadership and organizational culture also have a role to play in GHRM success.

Furthermore, departmental heads (27.1%) and the Environmental and Sustainability Unit (15%) were also identified as suitable actors, but to a lesser extent. Only 10.6% of the respondents identified external consultants or advisors as being accountable, which suggests internal capacity and dedication are viewed as more significant than external arrangement of sustainability roles.

In conclusion, the findings point to the fact that even with greater awareness and appreciation of Green Human Resource Management (GHRM) and its strategic significance, actual implementation remains obstructed by various organizational as well as structural issues. The most prevalent among them are the lack of green training workshops, conceptual unfamiliarity, and minimal

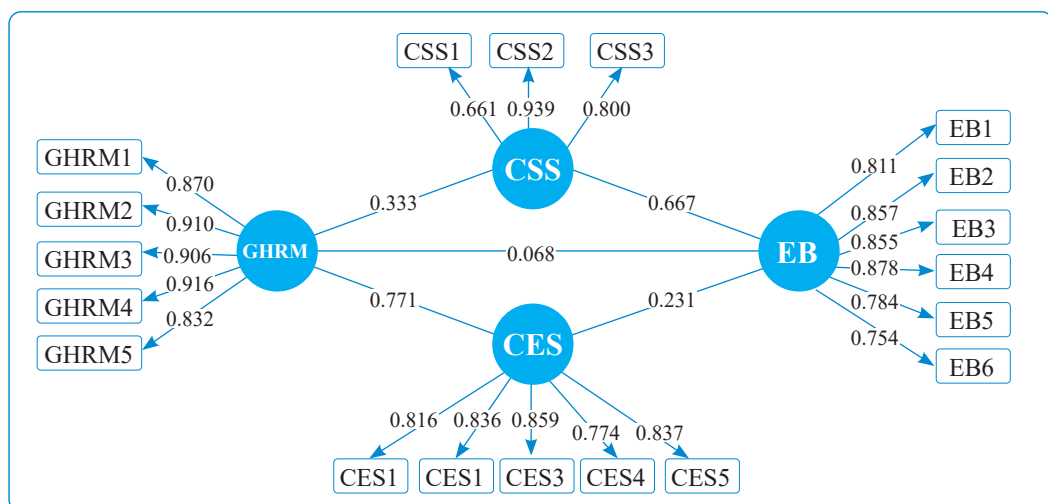
policy integration. Although financial constraints were cited less frequently, internal capacity-related concerns as well as compatibility with existing systems proved to be significant impediments. However, the evidence also identifies a clear line of action embedding GHRM in organizational vision, spending on employee development, and developing leader-led cultural transformation. The three-way accountability among HR units, senior leaders, and workers makes it imperative to develop a whole-of-organization effort to drive these solutions and embed GHRM for long run sustainability.

Structural Model Assessment

The structural model identifies and quantifies the relationships between the latent variables of the study, which are examined through hypothesis testing with the help of Smart PLS 4. There are 7 hypotheses in the study with 5 direct and 2 indirect (mediating) paths. The path coefficients (β), t-values, and p-values were used to determine the significance and size of each relationship. The path analysis is illustrated in the structural model diagram, which graphically reveals the observed and latent variables, their interrelatedness, and the strength of their interrelatedness.

Figure 6

Path Analysis



As illustrated in Figure 9, the model consists of key latent variables: Green Human Resource Management (GHRM), Corporate Environmental Sustainability (CES), Corporate Social Sustainability (CSS), and Employer Branding (EB). The β -coefficient of GHRM and CES is 0.771, and accordingly, one-unit increase in GHRM practices contributes to a 0.771 unit enhancement in CES ($t = 31.416$, $p < 0.001$). Similarly, the path GHRM and CSS yields a β of 0.333 ($t = 7.118$, $p < 0.001$), indicating a moderate but significant influence.

The route CES and EB is also significant with a β of 0.231 ($t = 3.437$, $p = 0.001$), indicating that more environmental sustainability practices are positively associated with employer branding. Likewise, CSS and EB exerts the most significant direct impact on EB ($\beta = 0.667$, $t = 21.785$, $p < 0.001$), which implies that HR practices that are

socially responsible have a profound impact on employer branding.

However, the path from GHRM and EB was not statistically significant ($\beta = -0.068$, $t = 1.321$, $p = 0.187$), indicating that the effect of GHRM on EB is predominantly indirect, and it is probable to be mediated through CES and CSS. This validates the conceptual model wherein sustainability dimensions are mediators between GHRM and employer branding.

Hypothesis Testing

The study examined seven hypotheses in total, direct and indirect (mediated) relationships, in order to evaluate the structural relationships between Green Human Resource Management (GHRM), Corporate Environmental Sustainability (CES), Corporate Social Sustainability (CSS), and Employer Branding (EB).

Table 2

Hypothesis Testing

Hypothesis		Beta	Sample Mean (M)	SD	t- value	P- Values	CI		Decision
							2.5%	97.5%	
							0.719	0.817	Supported
H2	GHRM → CSS	0.333	0.334	0.047	7.118	0.000	0.240	0.424	Supported
H3	CES → EB	0.231	0.230	0.067	3.437	0.001	0.092	0.358	Supported
H4	CSS → EB	0.667	0.669	0.031	21.785	0.000	0.606	0.726	Supported
H5	GHRM → EB	-0.068	-0.067	0.051	1.321	0.187	-0.163	0.037	Not Supported

Test results of the hypotheses are presented in Table 11. Path coefficients (β), t-statistics, and p-values yielded from SmartPLS 4 were used to determine the significance of hypothesized relationships between the latent constructs. Using the common decision rule, a t-value higher than 1.96 and p-value less than 0.05 was considered statistically significant at the 95% confidence level.

Among the direct relationships, four out of five hypotheses were confirmed. H1 confirmed that Green Human Resource Management (GHRM) has a significant impact on Corporate Environmental Sustainability (CES) ($\beta = 0.771$, $t = 31.416$, $p <$

0.001), and H2 confirmed a significant moderate impact on Corporate Social Sustainability (CSS) ($\beta = 0.333$, $t = 7.118$, $p < 0.001$). Furthermore, CES and CSS also had a big impact on Employer Branding (EB), as evidenced by H3 ($\beta = 0.231$, $t = 3.437$, $p = 0.001$) and H4 ($\beta = 0.667$, $t = 21.785$, $p < 0.001$), respectively. The direct effect of GHRM on EB (H5) was statistically not significant ($\beta = -0.068$, $t = 1.321$, $p = 0.187$), suggesting that employer branding is not a direct result of GHRM.

These results show that although GHRM may not have a direct impact on EB, indirectly,

it impacts EB through both environmental and social sustainability mechanisms that increase their mediating effect in the conceptual framework.

Mediation Analysis

In order to analyse the mediating role of Corporate Social Sustainability (CSS) and Corporate Environmental Sustainability (CES)

between Green Human Resource Management (GHRM) and Employer Branding (EB), a bootstrapping analysis was conducted using Smart PLS 4. Mediation is concluded as significant when the indirect effect is significant statistically ($p < 0.05$) and the confidence interval does not include zero (Preacher & Hayes, 2008).

Table 3

Mediation Analysis

	Hypothesis	Beta	Sample Mean (M)	SD	t-value	P-Values	CI		Decision
							2.5%	97.5%	
							0.719	0.817	Supported
H6	GHRM → CSS → EB	0.222	0.223	0.031	7.229	0.000	0.162	0.282	Supported
H7	GHRM → CES → EB	0.178	0.177	0.050	3.536	0.000	0.072	0.271	Supported

As shown in Table 12, the results indicate that both mediating paths are significant statistically. The path GHRM and CSS and EB (H6) is a $\beta = 0.222$ indirect effect with $t = 7.229$ and $p = 0.000$, while its confidence interval (0.162 to 0.282) does not have zero. As is also the case for path GHRM and CES and EB (H7), a significant indirect effect ($\beta = 0.178$, $t = 3.536$, $p = 0.000$) is shown with a confidence interval of 0.072 to 0.271.

These findings support the mediating function of both CES and CSS in diffusing the impact of GHRM on EB. This indicates that companies will not gain a direct employer brand effect from the practice of GHRM unless such practices also create generic environmental and social sustainability results. Thus, CES and CSS are key mechanisms through which GHRM is able to generate value in outside organizational reputation and appeal.

This study was conducted with the objective of examining the direct and indirect impacts of GHRM practices on organization and its effect on employer branding within organizations in Kathmandu Valley. The study determines the effectiveness of GHRM practices and how they help in external organizational image formation. The study determines structural and institutional

barriers against the implementation of GHRM and provides practical suggestions for improved implementation.

It is also clear from the structural model that GHRM significantly and positively affects both CES and CSS. The highest path coefficient was found between GHRM and CES ($\beta = 0.771$), which explains that green HR policies, training, and incentives considerably help in a firm's environmental activities. A significant though humble way was also identified from GHRM to CSS ($\beta = 0.333$), which signifies that social sustainability is also affected by HRM practices, though less actively than in the context of environmental sustainability. These results lend support to existing research that positions HRM as a central driver of organizational sustainability (Renwick et al., 2013; Jabbour & Santos, 2008).

Furthermore, the study also reveals that CES and CSS also have powerful effects on Employer Branding, where CSS has a stronger influence ($\beta = 0.667$) than CES ($\beta = 0.231$). This suggests that social sustainability, e.g., employee well-being, diversity, and civic activities, has a stronger impact to shape external employer image than environmental issues.

Of particular interest is that the direct relationship of GHRM and EB was not substantial, indicating that GHRM practices never directly affect branding except in terms of their translation into whole organizational outcomes. However, mediation analysis confirmed that both CES and CSS possess potent mediating roles within the GHRM-EB relationship. These findings are consistent with the Competitive Advantage Theory that states that firms achieve reputational and strategic advantages when in-practice activities align with sustainability results (Barney, 1991).

Conclusion

This study finds the meaningful role of Green Human Resource Management (GHRM) in supporting corporate sustainability and shaping employer branding in organizations in the Kathmandu Valley. The findings reveal that GHRM does not directly impact employer branding, but it highly impacts employer branding indirectly through its significant influence on Corporate Environmental Sustainability (CES) and Corporate Social Sustainability (CSS). Among these mediators, the most relevant to employer branding was CSS, which demonstrated that social activities i.e., employees' well-being, inclusivity, and ethics matter when it comes to shaping public perception of employers.

The measurement model confirmed each of the constructs' reliability and validity, and the structural model supported the majority of the hypothesized relationships, providing empirical evidence for the conceptual framework. The results provide support for the view that GHRM contributes to competitive advantage, but when coupled with broader sustainability initiatives.

Therefore, firms intending to build their employer brand have to look beyond responding to green HR practices in a symbolic way. They need to incorporate the practices into their social and environmental policies to build a credible and real employer reputation. By doing so, they are able to attract green talent, foster loyalty, and build their market position overall.

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