



# Analysis of Green HRM, Green Value Strategic Improving CSR and Green Performance in Central Kalimantan HSL Palm Companies

## Laden Mering\*

Program Doctor of Management Science, Faculty of Economics and Business, University of Palangka Raya, Jl. Hendrik Timang Komplek University of Palangka Raya, Zip Code 73112, Central Borneo, Indonesia. \*Email: [laden.mering1@gmail.com](mailto:laden.mering1@gmail.com)

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## ABSTRACT

Research in the field of human resources that raises the topic of Green HRM to improve Green Performance. The research base also assesses the role of Strategic Green Value in encouraging corporate CSR and has an impact on increasing green performance. Research was conducted quantitatively on 100 CSR respondents from Sustainable Hutan Sawit Lestari palm oil companies in Central Kalimantan. The results of the analysis with Smart PLS show that Green HRM is significant in increasing green performance by (5%, but not significantly increasing the CSR program. The next significant result is green value strategy on green performance and the significant effect of increasing CSR by 63%. The results of the analysis of the mediating role are a combination namely the CSR program has a significant positive influence on the relationship between green value strategy and green performance and there are insignificant results regarding the mediating role of CSR on the relationship between Green HRM in improving Green Performance. Overall the research model from the Q square value shows 95%, namely the importance of green HRM, green value strategy, CSR in green performance. Implementation of these results can be applied to Sustainable Hutan Sawit Lestari companies for managing HRM and natural resources by providing skills training in maintaining the quality of life of the organization and the company environment in a CSR program to improve the company's reputation. In further research you can consider Green Technology.

**Keywords:** Green Human Resource Management, Green Value Strategy, Corporate Social Responsibility, Green Performance

**JEL Classifications:** M1, M2, M210

## 1. INTRODUCTION

As a practice of implementing green values inside the business, the focus of current studies on green HRM management has moved from the operational efficiency of individual employees to the managerial efficiency of the entire organization based on a work-life balance environment (Darvishmotevali and Altinay, 2022). Effective human resource policies that transition to green HRM must closely connect human resource systems and functions to the organization's overarching objectives and functional needs (Li et al., 2023). When compared to similar companies, organizations that lack a clearly defined human resources policy or that take into account social impact as well as human resources

when choosing their organizational strategy are likely to have less of a competitive disadvantage. "Strategic" is a phrase used in recent green HRM literature to describe the type of human resources that makes human factors an integral part of broad-based long-term planning to implement organizational goals (Ababneh, 2021).

When comparing how management with green value strategies is applied in profit and non-profit organizations, there are two points of reference that can be used: Profit organizations that are goal-oriented and profit organizations that are value-oriented (Alzgoool, 2019). The philosophy underlying profit organizations (companies and industries) is based on the ideals of free competition between comparable business organizations, achieved through the use of

all available resources to achieve strategic goals that support the organization's work-life balance and management practices (Al-Abbadī and Abu Rumman, 2023). A profit organization's objective is to sustain and grow over the long run by being able to generate competitive, long-term profits. In the meantime, the humanitarian ideals and service attitude form the foundation of non-profit organizations. The goal is to achieve shared prosperity in society (Wajdi et al., 2023).

The idea of a "green value strategy" can be used to gauge how well an organization's vision and mission align (Rachmawati, 2021). The concept of the process of creating organizational culture can serve as the basis and can originate from the top down, from individuals or groups, or from subordinate levels (Li et al., 2020). The achievement of an organization's vision and mission is contingent upon its culture, which is shaped by its historical experiences. Green value approach can be implemented through norms, attitudes, and values—like accountability and transparency—that influence how individuals behave and interact within an organization but may not be explicitly stated by businesses (Hasan et al., 2019).

The problems currently being faced by Sustainable Hutan Sawit Lestari companies in Central Kalimantan which are starting to implement green HRM and green strategic values are: (a) unprofessional employee resource support; (b) centralized work mechanisms in performance, (c) control over efforts to realize work transparency and time lines created by the organization, (d) positions in several fields are still based on required competencies.

Even though there are problems, green HRM and green strategic value activities are very good at encouraging CSR in companies (Yan and Hu, 2022; Sun et al., 2023). Through the Green HRM program, companies can recruit employees who have high environmental awareness and commitment to sustainable practices (Dumont et al., 2017). In addition, the training provided can focus on increasing environmental awareness and skills to implement environmentally friendly practices in the workplace. Through a green value strategic approach, companies can ensure that environmental and sustainability values are integrated into the overall corporate culture. This can include a clear organizational commitment to environmental sustainability and social responsibility (Tirno et al., 2023).

The effectiveness of a company's CSR initiatives can only be ensured by the integration of HR management policies and practices with the company's strategic green values (Saifulina et al., 2020). More than just positioning HR at the level of organizational rhetoric, the degree of interaction and compatibility of HR strategy with HR management demonstrates the organization's seriousness and dedication in situating and appraising the function of its human resources (Deshwal, 2015). The primary challenge, though, is coming up with a novel and suitable HR strategy that takes into account the organization's social and cultural milieu as well as its prospective resource pool. Consequently, a unique approach is required to incorporate the green value strategic program, which may involve collaborations with a range of stakeholders, such as the government, local communities, and non-governmental

organizations, in order to recognize and assess the company's environmental impact and to plan sustainable efforts (Naz et al., 2023).

Based on the phenomenon and role of green HRM, green value strategic encouraging CSR and having an impact on increasing green performance, this research aims to optimize the potential of green resources in implementing Sustainable Palm Oil Company programs consistently, improving environmental performance, strengthening commitment to CSR, and building a strong reputation as a socially and environmentally responsible entity.

## 2. LITERATURE REVIEW

In order to create long-term value for all stakeholders, including internal stakeholders like employees and external stakeholders like local communities and the environment, RBT (resources base theory) plays a crucial role in integrating economic, social, and environmental aspects in company development and operations (Zhang et al., 2021). The RBT theory, which underpins sustainable development initiatives, places a strong emphasis on the management of oil palm land responsibly, the consideration of the social and environmental effects of business operations, and the improvement of the welfare of impacted local communities when it comes to palm oil companies (Hitt et al., 2016). Additionally, RBT theory pushes businesses to embrace social justice ideas, lessen their environmental impact, and implement sustainable agriculture methods (Seddon, 2014). A description is given of how the theory and other elements of earlier research align below.

### 2.1. Green Performance

Execution is the end product of labor, whether it be material or non-material, physical or non-physical (Rehman et al., 2023). Green performance depends on motivation and aptitude, therefore in order to complete assignments or job, you must possess a particular level of aptitude and willingness based on work behavior that is considerate of the workplace (Abbas and Khan, 2023). A company's or organization's "green performance" is a measurement of its output or performance in relation to environmentally friendly and sustainable activities. This word describes the assessment and quantification of the entity's beneficial effects on the environment, natural resources, and society at large (Rashid et al., 2019).

The definition of Green Performance covers various aspects, including but not limited to: Resource Efficiency, evaluation of the use of natural resources, energy and materials in the entity's operations in an efficient and economical manner (Huo et al., 2022). Emission and Waste Reduction, measurement of efforts to reduce greenhouse gas emissions, solid and liquid waste and various other types of pollution produced by operational activities. Compliance with Environmental Regulations, compliance with applicable environmental regulations and standards, as well as efforts to exceed minimum requirements to achieve more sustainable practices (Wang et al., 2022). Sustainable Innovation, measuring the level of innovation in product, process and technology development that supports responsible and environmentally friendly economic growth. Environmental Quality Improvement, evaluation of

efforts to improve environmental quality around the entity's operational area, such as natural habitat restoration, biodiversity conservation, and other efforts to preserve the environment. Community Empowerment, measuring the contribution of the entity in improving the welfare of local communities, through community development programs, environmental education, and various other initiatives (Khalil and Muneenam, 2021). Green Performance factors help entities to evaluate the overall impact of an organization's operational activities on the environment and society, as well as to identify opportunities to continuously improve organizational performance in supporting business environmental sustainability (Chen et al., 2018).

## 2.2. Green HRM improves Green Performance

Green human resource management (HRM) is an approach to human resource management that aims to promote environmentally friendly practices within organizations (Darvishmotevali and Altinay, 2022). Green HRM integrates environmental sustainability into all aspects of human resource management, from employee recruitment and selection to development, performance evaluation and termination of employment (Shah and Soomro, 2023).

This definition includes a variety of strategies and policies designed to take into account the environmental impact of HRM decisions and promote sustainable behavior among employees (Meng et al., 2023). Examples of Green HRM practices include reducing energy consumption in the workplace, waste control programs, promoting sustainable transportation for employees, and environmental awareness training (Piwovar-Sulej, 2022). The main goal of Green HRM is to create a work environment that supports environmental sustainability, reduce the organization's negative impact on the environment, and increase employee involvement in sustainability initiatives. By implementing Green HRM, companies can improve their reputation as environmentally responsible companies, improve sustainability performance, and create long-term added value for all stakeholders (Hussain et al., 2020).

Green HRM's important role in Green Performance is Sustainable Employee Recruitment and Selection. Green HRM helps companies to recruit employees who have environmental awareness and commitment to sustainable practices (Piwovar-Sulej, 2022). By selecting individuals who prioritize sustainability, companies can build teams that support environmental goals. Sustainable Training and Development, through Green HRM, companies can provide training and development that focuses on environmental awareness and sustainable skills. This helps increase employees' understanding of the importance of sustainability and gives them the tools necessary to implement green practices in the workplace (Chen and Wu, 2022). Sustainable Performance Management, Green HRM allows companies to integrate environmental performance aspects into the employee performance evaluation process. By including environmental goals in performance appraisals, companies can encourage employees to actively participate in sustainability initiatives.

Green HRM and sustainable organizational culture development contribute to the creation of an environmentally conscious

organizational culture. Companies may foster an environment where sustainability is prioritized by communicating clearly about their commitment to sustainability and the sustainable measures they have put in place. Lower Operating expenses and More Efficiency: Green HRM-introduced sustainable practices (Okagbue et al., 2021), such as less energy use or better waste management, can lower operating expenses for a business without sacrificing productivity. Boosting Employee Engagement: Organizations can boost employee engagement by focusing on the sustainability of HRM practices and policies. Workers who believe their employer is dedicated to sustainability may be more driven to support environmental initiatives (Wang et al., 2023).

Green HRM has a key role in establishing a sustainable organizational culture, improving the company's environmental performance, and creating long-term added value for the company and society as a whole. Based on the previous literature review, the proposed research hypothesis is, H1. Green HRM has an effect on improving Green Performance; H2. Green HRM has an influence in encouraging CSR.

## 2.3. Green Value Strategy Improves Green Performance

Strategy in human resource management is a collection of personal management strategies in the organization (Pham et al., 2023). Effective implementation of human resource management strategies in various situations can help companies use employees effectively for the completion of organizational targets. Three other types of human resource management strategies (Li et al., 2020). As accumulation, utilization and facilitation of development strategies, motivation strategies, strengthening strategies and transfer strategies related to management (Shi et al., 2020; Alawi, 2024). Strategy is an overall approach related to the implementation of ideas, planning and implementation of an activity within a certain period of time. At first the word strategy was only known in military circles, especially war strategy (Xie et al., 2022). In a war or battle, there is a person (komado) whose job is to organize strategies to win the war. The greater the strategy used (in addition to the strength of the war troops), the greater the chances of winning. Usually, a strategy is prepared by considering the problems faced by the organization, possible competitors and analysis of the organization's environment. Therefore, a process is needed in the development journey itself. In several empirical studies, it is stated that there are five phases of the human resource development process, namely (a) Analysis; (b) Proposal; (c) Formation; (d) implementation; and; (e) Assessment. Based on the description of the process phases above, it shows that this is the main stage of the human resource development process and each phase has an important and crucial relationship for achieving results that meet expectations. One of the big problems for this process is respecting all phases (Wang and Yang, 2014). The rest of the organization's commitment to HRD depends on positive performance based on the results reported in the evaluation phase.

Green Value Strategic is a strategic approach that aims to create added value for the company through the integration of sustainable and environmentally friendly practices in all aspects of operations, business decisions and relationships with stakeholders (Du et al.,



2023). This approach not only emphasizes minimizing negative impacts on the environment, but also on creating new opportunities and improving the company's long-term performance through continuous innovation and efficiency.

Sustainability and environmental values are regarded as critical components of a business's long-term competitive advantage in the context of green value strategy (Obeidat et al., 2023). This method entails integrating environmental values into business strategy, acknowledging that eco-friendly and sustainable operations are a company's commercial strategy as much as a social obligation. Sustainable innovation promotes creative thinking in goods, procedures, and company plans to promote ethical and ecologically sustainable economic expansion (Gupta and Zhang, 2020). Resource efficiency includes cutting waste and pollution as well as maximizing the use of energy and natural resources in an economical and efficient manner. Stakeholder partnerships are a means of achieving common environmental objectives by establishing enduring bonds with all relevant parties, such as suppliers, consumers, local communities, and governmental organizations. Transparency and Accountability, ensuring transparency in reporting environmental and sustainability performance, as well as accepting responsibility for the impacts produced by company operations. Increasing Value for Stakeholders, creating added value for all stakeholders, including shareholders, employees and society as a whole, through practices that support sustainability (Verdú-Vázquez et al., 2021).

Green Value Strategic, companies can turn environmental challenges into business opportunities, strengthen their markets, and build a more sustainable future for all parties involved. Based on the previous literature review, the hypothesis proposed is H3. Green Value Strategy has an influence in improving Environmentally Friendly Performance; H4. Green Value Strategy has an influence in increasing CSR.

#### 2.4. Corporate Social Responsibility

Corporate social responsibility (CSR) is a concept where companies integrate social, environmental and economic aspects in their operational activities and interactions with stakeholders (Schaefer et al., 2020; Abdurrahman et al., 2022; Sapiri and Putra, 2023). CSR involves a company's commitment to act ethically and responsibly towards the communities, environment, and economies in which they operate (Phillips et al., 2019).

The definition of CSR includes several key components, Fulfillment of Legal and Ethical Responsibilities, CSR includes a company's compliance with all applicable laws and regulations, as well as unwritten ethical obligations in their interactions with all stakeholders (Wirba, 2023). Community Empowerment, companies that implement CSR strive to empower local communities by contributing to economic, social and infrastructure development around their operational areas (Velte and Stawinoga, 2020). Sustainable Environmental Management, CSR includes company efforts to minimize negative impacts on the environment through sustainable practices, such as better waste management, energy conservation, and biodiversity conservation (Yang and Jiang, 2023). Stakeholder Engagement Companies that implement

CSR strive to build strong relationships with all stakeholders, including employees, customers, suppliers, local communities and government agencies, and listen to and respond to their needs. Increased Transparency and Accountability, companies are expected to be transparent about their CSR practices, provide clear reports on their performance in various CSR areas, and accept responsibility for the impact of their operational activities (Meftah Gerged et al., 2023).

The main goal of CSR is to create long-term added value for all stakeholders, including the company itself, by paying attention to the social and environmental impacts of their business activities. By implementing CSR, companies are expected to build a good reputation, strengthen relationships with stakeholders, and contribute positively to overall sustainable development (Fiechter et al., 2022).

The role of CSR (corporate social responsibility) programs for companies is as follows: Creating Environmental Sustainability, CSR programs enable companies to manage their negative impacts on the natural environment in a more sustainable way (Yoo and Lee, 2018). This includes better management of natural resources, reduction of pollutant emissions, and conservation of natural resources. Building a positive reputation, a strong CSR program helps companies build a good image in the eyes of society and stakeholders. By participating in activities that support environmental sustainability, community welfare, or other social initiatives, companies can gain trust and support from the community. Attracting Investment and Financing, companies with solid CSR programs tend to be more attractive to investors and financial institutions who care about the environment. They are more likely to obtain investment and financing due to their good reputation and sustainability performance (Lin et al., 2022).

Increasing Employee Involvement, CSR programs can increase employee involvement by providing opportunities to participate in beneficial social and environmental activities. This helps build an inclusive and caring company culture. Managing Risk and Compliance, by paying attention to social and environmental responsibilities, companies can identify and manage risks related to regulatory violations, law enforcement, or negative impacts on the environment (Shayan et al., 2022). This helps minimize legal and reputational risks. Supporting Sustainable Development, CSR programs enable companies to contribute to sustainable development in local communities and around the world. This could be through investments in education, health, infrastructure, or economic development initiatives.

CSR programs have a very important role in promoting corporate social and environmental responsibility as well as in creating long-term added value for the company and society as a whole. Based on the previous literature review, the hypothesis proposed is, H5. The role of CSR is influential in improving Green Performance. H6. The role of CSR in the relationship between Green HRM and Green Performance. H7. The role of CSR in the relationship between green value strategy and green performance.

### 2.5. Conceptual Framework

Green performance as a concept can be a means of measuring the suitability of an organization’s vision and mission (Kristinae et al., 2020a). Performance can be an idea of the process of forming habits in managing and being environmentally conscious in organizations, which can come from individuals or groups, from lower levels or the top of the organization. Green HRM is the key to achieving the vision and mission of an organization which reflects what has been done in the past to be developed into performance measures or results produced by an entity, such as a company or organization, in the context of sustainable and environmentally friendly practices. This term refers to the evaluation and measurement of the positive impact produced by the entity on the environment, natural resources and society as a whole. Strategic green value can be realized in the form of norms, behaviors and values that may not have been articulated to shape the way people act and interact in an organization. Meanwhile, Green HRM plays a key role in strengthening and encouraging the company’s CSR program by ensuring that sustainability and social responsibility are implemented holistically and integrated in all aspects of the company’s operations and culture. So the research conceptual framework proposed is presented in Figure 1.

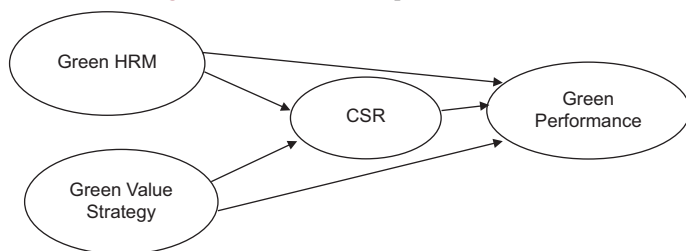
### 3. RESEARCH METHODS

This research is quantitative research, using a survey method by distributing questionnaires (Kristinae et al., 2023). The approach used in this research is explanatory research, data was collected at one time, so this research also included a cross section survey, data was obtained from 100 respondents who were representatives of CSR program recipients of Sustainable Hutan Sawit Lestari companies in Central Kalimantan Province. Using calculations using statistical methods, namely to analyze the causal relationship between the variables Green HRM (X1), Green Value Strategy (X2), Corporate Social Responsibility (Z), and Green Performance (Y), the design in this research uses structural equation modeling (SEM), while qualitative data was obtained through interviews from CSR recipients and several employees who work at the Sustainable Hutan Sawit Lestari Company in Central Kalimantan Province.

### 4. RESULTS AND DISCUSSION

This stage in the SEM PLS quantitative research is carried out by testing the convergent validity of all variables with reflective indicators which will be evaluated from the loading factor value of each construct indicator item (Christa et al., 2020). Table 1 presents

Figure 1: Research conceptual framework



Source: Compilation of previous research by the Author, 2024

the outer loading values from the processing results in SmartPLS for indicators that are reflective of indicator items whose values are below the required values.

The test shows that the outer loading value on the indicator items has a value of >0.60 (convergent validity test requirements for exploratory research, reflective constructs are >0.60, which means all construct indicators are valid (Kristinae et al., 2020b). Convergent validity testing can also be done by looking at the AVE value of the research variables AVE values are presented in Table 2 and from this table it can be seen that the AVE values for all variables with reflective indicators show values >0.50, which means convergent validity.

Next, discriminant validity is tested by comparing the square root of AVE with the correlation between constructs in the following model.

Table 3 shows that the square root value of AVE (in bold) for each construct is greater than the correlation value, so that

Table 1: Outer loading of each item of the indicator

Variable	Indicator (item)	Outer loading
Green HRM	Work life balance (X1.1)	0.873
	Training program (X1.2)	0.870
	Reward system (X1.3)	0.932
	Green behavior (X1.4)	0.806
	Environment quality (X1.5)	0.774
Green value strategic	Transparency and accountability (X2.1)	0.758
	Process management (X2.2)	0.901
	Information and analysis (X2.3)	0.853
Green performance	Green resource management (Y.1)	0.717
	Green process (Y.2)	0.941
	Green production (Y.3)	0.904
	Green impact (Y.4)	0.903
Corporate social responsibility	Society (Z.1)	0.786
	Company reputation (Z.2)	0.858
	Protecting environment and conservation (Z.3)	0.813

Source: Author, 2024. HRM: Human resource management

Table 2: Average variance extracted (AVE) value

Variable	AVE
CSR	0.672
Green HRM	0.727
Green performance	0.758
Green value performance	0.705

Source: Author, 2024. HRM: Human resource management, CSR: Corporate social responsibility

Table 3: Correlation value between constructs with the square root value of AVE

Variable	CSR	Green HRM	Green performance	Green value strategy
CSR	0.820			
Green HRM	0.427	0.853		
Green performance	0.440	0.954	0.871	
Green value strategic	0.696	0.442	0.391	0.840

Source: Author, 2024. AVE: Average variance extracted, HRM: Human resource management, CSR: Corporate social responsibility

the constructs in this research model can be said to have good discriminant validity values. Reliability tests are carried out to prove the accuracy, consistency and precision of the instrument in measuring the construct. To measure the reliability of a construct with reflective indicators, it can be seen from the Cronbach's alpha and composite reliability values (Table 4). Composite reliability tests the reliability value between the indicators of the constructs that form it.

The next result is the value of the coefficient of determination (R<sup>2</sup>) of the two endogenous variables presented in Table 5.

Based on the value of the coefficient of determination (R<sup>2</sup>), Q<sup>2</sup> can be determined using the following calculation:

$$\begin{aligned}
 Q^2 &= 1 - (1-R1^2) (1-R2^2) \\
 &= 1 - \{(1-0.502) (1-0.916)\} \\
 &= 1 - \{(0.498) (0.084)\} \\
 &= 1-0.042 \\
 &= 0.958 \\
 &= 95.8\%
 \end{aligned}$$

The predictive relevance value obtained was Q<sup>2</sup> = 0.958 or 95.8%. This can be interpreted that the model can explain the phenomenon of green performance in Sustainable Hutan Sawit Lestari companies in Central Kalimantan Province which is associated with the Green HRM, Green Value Strategy, CSR and Green Performance variables of 95.8%, the remaining 4.2% is explained by errors and variables others that are not yet included in the model.

From the test results it was found that there were two relationships that were not significant (Figure 2). In accordance with the rule of thumb for structural model testing, the relationship between variables that are considered to have a significant influence is with a t-statistic value >1.96 at α = 0.05. These results will be used to test the proposed research hypothesis.

In detail, the Table 6 shows the results of testing the relationship between variables and the hypotheses related to this relationship.

The results of testing the effect of Green HRM on increasing green performance can be proven by looking at the estimated path

**Table 4: Results of instrument reliability testing**

Variable	Cronbach's alpha	Composite reliability
CSR	0.764	0.860
Green HRM	0.906	0.930
Green performance	0.891	0.925
Green value strategy	0.790	0.877

Source: Author, 2024. HRM: Human resource management, CSR: Corporate social responsibility

**Table 5: Goodness of fit test results**

Structural model	Endogen variable	R-square
1	CSR (Z)	0.502
2	Green performance (Y)	0.916

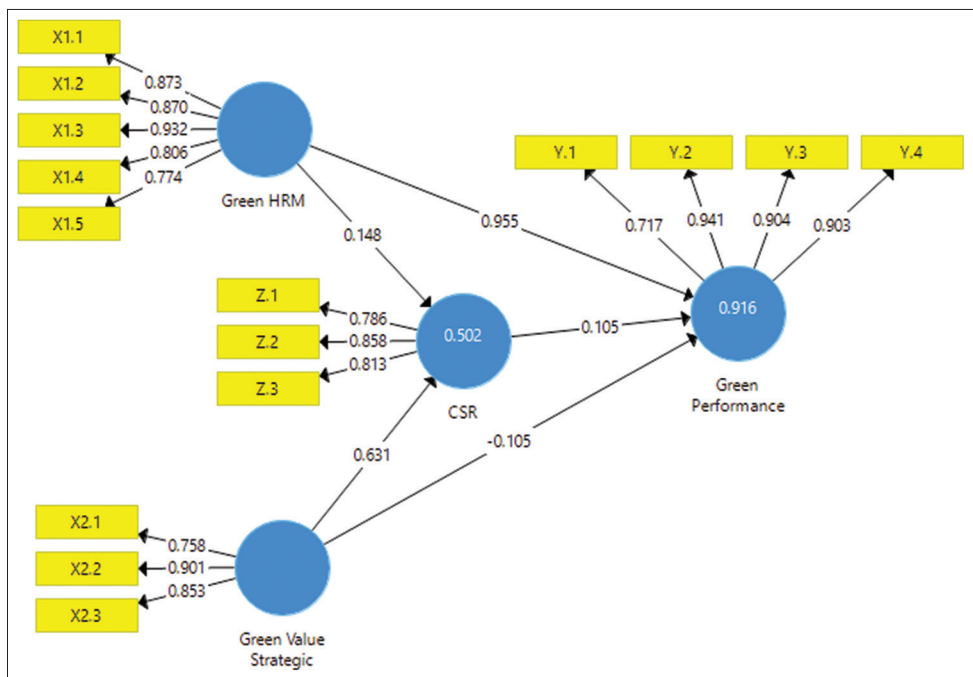
Source: Author, 2024. CSR: Corporate social responsibility

coefficient value of 0.955 with a critical point value (t-statistic) of 45,962 (>1.96) or a P = 0.00 which is smaller than α = 0.05, which means significant. The results of testing the influence of Green HRM on CSR can be proven by looking at the estimated path coefficient value of 0.148 with a critical point value (t-statistic) of 1.599 (<1.96) and a P = 0.05, the same as α = 0.05, which means it is not significant. The test results show that there is sufficient empirical evidence for hypothesis 2 not to be accepted. The path coefficient value of the relationship between the Green Value Strategy variable and Green Performance is -0.105 with a t-statistic value of 2.023 (>1.96) and a P = 0.02 which is smaller than α = 0.05 which means it is significant. The path coefficient value of the relationship between the Green Value Strategy variable and CSR is 0.631 with a t-statistic value of 9.516 (>1.96) and a P = 0.00, smaller than α = 0.05, which means it is significant. The path coefficient value of the relationship between CSR variables and Green Performance is 0.105 with a t-statistic value of 2.207 (>1.96) and a P = 0.01, smaller than α = 0.05, which means it is significant.

Testing the mediation influence path coefficient aims to see the position or position of the mediating variable in the model. The mediation effect is the relationship between exogenous and endogenous constructs through connecting or intermediate variables. The influence of exogenous variables on endogenous variables can be direct but can also be through connecting or mediating variables. From the test results and data processing as shown in Table 7, it can be seen that the calculated t-value is 1.111 which is <1.96 and the P = 0.26 which is >0.05 so it can be proven that there is a mediating effect of CSR on the relationship between Green HRM and Green Performance is not significant. Meanwhile, the role of mediation in hypothesis 7 shows the relationship between Green Value Strategy and Green Performance with CSR mediation, from the path coefficient value of 0.066 and the calculated t = 1.986 which is >1.96 and the P = 0.04 which is smaller than 0.05 which is it means significant.

The research results show that the role of Green HRM in encouraging programs with CSR indicators: Society, Company Reputation, Protecting Environment and Conservation in Hutan Sawit Lestari companies is very important and diverse. Here are some of his key contributions, Continuous Recruitment and Selection. In Green HRM which has indicators: Work life balance, training program, reward system, green behavior, Environment Quality (Wang et al., 2023). Can ensure that employee recruitment and selection is carried out with due regard for commitment to sustainable practices. They can look for candidates who have environmental awareness and work ethics that are in line with the company's CSR values. Sustainable Training and Development, Green HRM can develop training and development programs to increase employee awareness and understanding of environmental and social issues relevant to the palm oil industry. This can include training on sustainable farming practices, compliance with environmental regulations, and how to interact positively with local communities. Employee Commitment, Green HRM can help ensure that employees are actively involved in the company's CSR programs. They can develop strategies to communicate the company's CSR

Figure 2: Path coefficient diagram and hypothesis testing



Source: Author, 2024

Table 6: Results of path coefficients

Hypothesis	Variable			Original sample	t-statistic	P-value	Results
H1	Green HRM	→	Green performance	0.955	45.962	0.00	Accepted
H2	Green HRM	→	CSR	0.148	1.599	0.05	Not accepted
H3	Green value strategy	→	Green performance	-0.105	2.023	0.02	Accepted
H4	Green value strategy	→	CSR	0.631	9.516	0.00	Accepted
H5	CSR	→	Green performance	0.105	2.207	0.01	Accepted

\*significant of  $\alpha = 0.05$ . Source: Author, 2024. HRM: Human resource management, CSR: Corporate social responsibility

Table 7: Results of indirect effect hypothesis testing

Hypothesis	Variable				Original sample	t-statistic	P-value	Results	
H6	Green HRM	→	CSR	→	Green performance	0.015	1.111	0.26	Not accepted
H7	Green value strategy	→	CSR	→	Green performance	0.066	1.986	0.04	Accepted

\*significant of  $\alpha = 0.05$ . Source: Author, 2024. HRM: Human resource management, CSR: Corporate social responsibility

values to employees and encourage their participation in volunteer activities that support CSR initiatives, such as tree planting programs, social activities in local communities, or environmental cleanup campaigns (Fatima and Elbanna, 2023). Sustainable Performance Measurement, Green HRM can develop Green Performance metrics and indicators that reflect the company’s commitment to CSR programs. Collaborate with other departments to measure the impact of CSR programs on the environment, society and economy, and use this data to improve and optimize future CSR initiatives (Wirba, 2023). Green HRM can help create a corporate culture that promotes social responsibility as an integral part of the organization’s Green Performance strategy. This could involve developing incentives and rewards for employees who contribute positively to CSR initiatives, as well as integrating CSR principles into business decision-making processes. Thus, Green HRM not only functions to manage human resources effectively, but also to ensure that environmental and social values are embedded in the culture and work practices of Hutan Sawit Lestari companies,

thereby strengthening the company’s commitment to sustainable development and social responsibility.

## 5. CONCLUSION

The application of Green HRM and Green Value Strategy in the context of palm oil companies has special implications and can help strengthen CSR programs in the corporate sector. The following are some of the roles of green value strategy in encouraging CSR programs in palm oil companies: Sustainable Palm Oil Land Management, Green value strategy with indicators of Transparency and Accountability, Process Management, Information and Analysis, can help palm oil companies adopt more sustainable land management practices, such as the use of environmentally friendly technology, monitoring and mitigating deforestation, maintaining biodiversity, and sustainable land care practices. This will help reduce the negative impact of the palm oil industry on forests and the environment. Use of Renewable



Energy and Energy Efficiency, by implementing a green value strategy, palm oil companies can switch to renewable energy sources and adopt more energy efficient technology in their production processes. This will not only help reduce greenhouse gas emissions, but also reduce the company's dependence on fossil energy sources that damage the environment.

Green value strategies can help palm oil companies develop more effective waste management systems, including reduction, recycling and processing of liquid waste. This will help reduce environmental pollution and protect local water sources from contamination, which is a major concern in the palm oil industry. Increasing the Welfare of Local Communities, through a green value strategy, palm oil companies can develop programs aimed at improving the welfare of local communities living around oil palm plantations. This could include local economic development programs, education, health, and other social infrastructure. In this way, companies can strengthen positive relationships with local communities and gain greater support for CSR programs. Development of Sustainable Certification, Green value strategy can also help palm oil companies in obtaining sustainability certification such as RSPO (roundtable on sustainable palm oil). By complying with standards set by certification organizations, companies can demonstrate their commitment to environmentally and socially responsible agricultural practices, which is an important part of their CSR programs.

Thus, implementing a green value strategy can play a key role in encouraging palm oil companies to adopt more sustainable and responsible practices, which in turn will strengthen their CSR programs and support sustainable development in the palm oil industry and this has a positive impact in improving Green Performance from indicators Green Performance: Green Resource Management, Green Process, Green Production, Green Impact. Through an integrated and sustainable CSR approach, palm oil companies in Central Kalimantan can achieve better Green Performance, which protects the environment, supports local community development, and ensures long-term business sustainability.

The research and data collection in this study is cross section, where data is only taken at one specific time. This can influence the findings in the causal relationship of the variables in this research. For future research development, longitudinal studies can be used to observe the causality of other research variables such as Green Technology.

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