

## MODERN STUDY OF GREEN HRM PRACTICES IN CONTEXT OF PRIVATE AND PUBLIC SECTOR BANKS A COMPARATIVE STUDY

*A. Sivasankaran*

*Assistant Professor In Commerce, Thiruvalluvar Arts and Science College, Arunachala City, Ponnur Hills, Vandavasi,  
Thiruvannamalai District, Tamil Nadu – 604 505*

### ABSTRACT

*The chapter forms a comparison of the difference in the Green Human Resource Management (Green HRM) between the privately owned and state-owned banks that are new, and addressed the gap in the literature with the absence of evidence on comparison of the sectors in the sustainability-based approach. The objective of the research is to objectively adopt, implement and discover the effect of green practices of the HRM that comprises green recruitment, training, performance management and reward in both industries. On the basis of empirical facts and case learning, the chapter illuminates key similarities and differences in the manners and mergers of how both types of banks, i.e. the private and the public one, execute the environmental goals to integrate them into the HRM of the banking institution. The findings suggest that, despite the fact that the banks in the private sector have more room to be more nimble and creative in the adoption of the Green HRM, the banks in the public sector can utilize their wider range and regulatory position to greenify their operations institutionally. The limitations of the two sectors are also dealt with in the chapter and the limitations concern lack of resources, cultural hitch and problems in measurements. This work can contribute to the shift towards sustainable HRM in the banking industry because it implies a list of recommendations to carry out with and it is a starting point of further studies*

**KEYWORDS:** *Green HRM, Private Sector Banks, Public Sector Banks, Sustainability, Human Resource Management, Environmental Practices, Comparative Study, Banking Industry, Organisational Effectiveness, Sectoral Analysis*

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## INTRODUCTION

### Rationale and Background

The need to make the environment sustainable has in the recent years determined the scope of operations of the banking industry. With banks being important financial intermediaries and economic activity makers and shapers, an increasing amount of pressure is being put on them to be the frontrunners in sustainable practice. In recent years, Green Human Resource Management (Green HRM) has become a strategic direction to integrate the environmental awareness into organisational culture, policies and employee behaviour. Private and the public sector banks have been making an active case study of the Green HRM, and yet the approaches, motives and the hassles tend to take different turns with differences in ownership structure, regulatory framework and the organisational objective. The knowledge of these sectoral differences plays a very important role because effective, context-related approaches of Green HRM may make a significant

contribution to the desired improvements in the issues of environmental performance and competitiveness of organisations.

### Objectives of the Study

The aim of the chapter is to provide a comparison of Green HRM practices of the two sectors private and the public sector banks).

- To determine whether there is an implementation of level and nature of the Green HRM in the private and government banks.
- To develop any significant similarities and differences in Green HRM practice in the two sectors.
- To review the obstacles and opportunities that each sector faced against the implementation of Green HRM.
- To make some suggestions on how the Green HRM in the banking industry may be improved.

### Scope and Significance

The study would be conducted in big individual and state banks and the research will provide focus on the core HRM activities which are recruitment, training, performance management and rewards. This methodical comparison between sectors is meant to highlight the best practices, sector-specific obstacles, and methods which may be adopted in order to facilitate the promotion of Green HRM. The findings shall be employed to educate bank managers, human resource practitioners not forgetting the policymakers concerning the relevance of Green HRM in ensuring the sustainability of development of the banking industry. Table 1 gives the Key Differences of private to the government sector banks on the Green HRM Context. This is a recap of the most important distinctions of organisational characteristics of Green HRM practice between the private and the public sector banks.

**Table 1: Key Differences between Private and Public Sector Banks in the Context of Green HRM**

Aspect	Private Sector Banks	Public Sector Banks
Organisational Structure	More flexible, innovation-driven	Hierarchical, process-oriented
Regulatory Pressure	Market-driven, voluntary initiatives	Stronger government mandates
Resource Availability	Higher investment in green initiatives	Budget constraints, gradual implementation
Employee Engagement	Incentive-based, performance-linked	Policy-driven, compliance-focused
Green HRM Adoption	Faster, proactive	Slower, often reactive

### LITERATURE REVIEW

Green Human Resource Management (Green HRM) is the practice, which integrates human resource practises with environmental management in the quest to promote sustainability within organisations [1]. The banking sector is where green HRM is gaining its roots and this contributes immensely to the development of economy and the perceptions held about SMEs in the society. Both the government and the private banks are being compelled to contribute to the realization of environmental sustainability, through carrying out environmentally friendly operations and practices [2]. Green HRM as a strategy offers an opportunity to combine HR practices and corporate social responsibility (CSR) goals in an aim of gaining competitive advantage and reputational gains by the financial institutions [3]. The practices that tend to become common in green HRM include: green recruitment process, green training, green performance management and green employee participation coupled with green employee rewards [4]. On the side of the banks, it is green recruitment in which the banks recruit the candidates who have taken an interest in sustainability [5]. The idea of green training in banks will be to train the bank personnel on saving energy, paperless banking and rules and regulations of the environment [6].The

performance evaluation is turning in the direction of environmental KPIs, eco-initiatives by employees are being rewarded through a rewards system [7]. The practices are more intensive and structurally basic in both the private and the government banks and are most often formed by the policy need, availability of resources, and the cultural orientation [8]. The nature of banks in the public sector is more compliance-related, because they are facilitated by the governmental directives and sustainability policies [9]. Top-down implementation of policies implies the fact that these kinds of banks are more stable when it comes to the usage of Green HRM across the branches [10]. On the other hand, Green HRM is largely considered as a competitive activity by the privately owned banks where it is practised in branding, customer contact as well as investor confidence [11]. The institutions in the private sector may also be flexible and innovative in carrying out the green initiatives such as; use of digital HR services, green working spaces and the carbon setting practices [12]. However, the extent and the level of impact of the public banks may be greater since they are more visible in the rural and semi-urban areas [13]. According to Green HRM studies, it increases employee morale, organisational commitment and their overall performance [14]. Both industries have Green HRM that enhances their reputability and reduces resources consumption and makes their activities environmentally sustainable and supported. These practices may however fail due to internal HR policies, leadership commitment and employee participation [15]. Comparative studies show that whereas, privately owned banks are more implement ally dynamic, publicly owned banks exhibit a sense of conformity in observance and social responsibility.

### **Areas of Requirement and Future Recommendations**

The situation which Green HRM practices in the banking have been brought to life in the literature though little comparison between the banks in the public and the privations sector is provided. The existing literature is rather conceptual or founded upon or limited to certain region with no empirical character in other institutions. They must also be conducted longitudinally so as to have a feel of long-term sustainability of Green HRM. The outcome of digital transformation, stakeholder participation and green leadership in defining outcomes of HRM in the two sectors need also to be examined in the future.

## **RESEARCH METHODOLOGY**

### **Design of Research**

The study would trace descriptive research design and comparative research design to investigate the practices of Green HRM among the banks within the private and the public sector systemically. It is the strategy that will enable to make a critical analysis of similarities, differences, and peculiarities of the implementation of Green HRM in the two industries.

### **Data Collection and Sampling**

The research covers major, both the private and the public sector banks operating in India. The representation of each sector is done and the purposive sampling technique is used whereby banks are chosen based on their interest on Green HRM initiatives. Information: That information is collected through primary and secondary sources:

- Primary Data: Structured questionnaires will be issued to the HR managers and the employees working in the sampled banks.

### Analysis Tools and Techniques

Qualitative and quantitative analysis is used to explore the data obtained. The practise is a combination of adoption and implementation of the Green HRM which is described through the use of descriptive statistics. In case the responses are qualitative, thematic analysis is applied, but in search of the difference in sectors, comparative analysis is employed. The Table 2 contains the Summary of the methodological approach adopted in the comparative study.

**Table 2: Overview of Methodological Approach**

Aspect	Description
Research Design	Descriptive and Comparative
Sampling Technique	Purposive Sampling
Data Collection Methods	Structured Questionnaire, Secondary Document Analysis
Respondents	HR Managers, Employees
Analysis Techniques	Descriptive Statistics, Comparative Analysis, Thematic Coding

### Limitations of the Study

R• Using the assistance of qualitative and quantitative analysis, the collected information is explored. The trend in the Green HRM adoption and implementation is described with the help of descriptive statistics. Thematic analysis is applied in the event that there are qualitative responses and comparative analysis is applied to ascertain differences in sectors. The Table 2 offers the Summary of the methodology used in the comparative study.

## PROFILE OF THE BANKING SECTOR

### Overview of Private Sector Banks

The Indian privately owned banks are now an active player in the financial market because it is daring in the customer centric services, technology savvy and competitive. These banks are owned and operated individually and the banks are operated with an objective of making profits and expansion in the market. The big banks of the private sector, HDFC Bank, ICICI Bank, Axis Bank, and Kotak Mahindra Bank have already positioned themselves as the leaders of the new civilization in terms of digitalizing and sustainability. The benefits of a privately-held bank usually are the more free character of its organization that enables to make more rapid decisions and trace the tendencies on the market. Their corporate governance models are based on value argument by the shareholders and conduct in line with rules. In the recent past, it has been noted that the banks in the corporate sector are starting to find a Strategic interest in sustainability like the Green HRM as a method of aligning themselves in the market and also appeal to the interest of the stakeholders who are sensitive to the environment.

### Overview of Public Sector Banks

Indian banking sector is dependent on the public sector banks (PSBs) which are owned by the government since this is the majority shareholder. These banks include State Bank of India, Punjab National Bank, Bank of Baroda, Canara Bank among others whose mandate rather than profitability is financial inclusion, priority sector lending and implementation of government schemes. It might be a surprise that the hierarchies and standardisation of process common to PSBs is inconsistent with their increased size and geographic scope of functioning. Their courtesy of management comprises a significant governmental control and guidelines of the policies. The historical orientation of the public sector banks to the sustainability initiatives is compliance-oriented, but gradually in the recent years the trend has been towards increasing strategic orientations, e.g. use of Green HRM practices.

### Regulatory Environment and Green Initiatives

Both the private sector and the public sector banks have been given a regulatory framework that is established by the Reserve Bank of India (RBI) and other regulators of the financial sector. The regulatory directions have in the more recent years been strengthened towards sustainable banking practices that incorporates:

- The following RBI Structured views on Environmental, Social, and Governance (ESG) risk management

**Table 3** provides the Comparison of key green banking initiatives in both the private and public sector banks. These regulatory processes, along with the expanding demands by the stakeholders, have provided the scenario, in which Green HRM is being adopted in banking sector. Nonetheless, there is a wide variance in the strategies or approaches and their implementation and this would be analyzed in the next sections when it comes to the banking concerns of the private and the public sector.

**Table 3: Comparison of Green Banking Initiatives in Private and Public Sector Banks**

Green Initiative Category	Private Sector Banks	Public Sector Banks
Paperless Banking	Advanced digital platforms, mobile-first approach	Gradual digitization, branch-based support
Energy Efficiency	LEED-certified buildings, renewable energy investments	Energy audits, phased implementation of efficiency measures
Green Financing	Specialized green loan products, sustainability-linked bonds	Priority sector lending to renewable energy, government scheme implementation
Carbon Footprint Reduction	Comprehensive carbon accounting, offset programs	Targeted emission reduction goals, tree plantation drives
Green HRM Integration	Strategic alignment with business goals	Policy-driven implementation

## GREEN HRM PRACTICES IN PRIVATE SECTOR BANKS

### Green Recruitment and Selection

The private sector banks have been stepping up the same with incorporation of the environmental awareness in the recruitment and selection of candidates. The advertisements will speak much about how this bank is into sustainability and during interview the candidates would be questioned put under the scrutiny of their awareness and beliefs towards green ideals. Some banks use psychometric tests or interview related questions to gauge the attitude of the applicants towards environmental responsibility.

### Green Training and Development

The training programs usually conducted by the private sector banks have environment awareness, energy conservation and sustainable banking operations sessions. These banks incur expenditure in conducting regular workshops, other trainings they can pass online, and seminars to instil the culture of sustainability among the employees. In order to make green training efficient and interesting, progressive techniques are used: gamification, e-learning systems, etc.

### 5.3 Green Performance Management

Banks working in the field of the private sector are also introducing green KPIs (Key Performance Indicators) into the performance appraisal system. The staff are not evaluated on their performance on the objectives of the business alone, the staff are evaluated on their environmental performance such as the number of operations being paperless, energy conserving practice and taking part in the green campaigns.

### Green Rewards and Recognition

In an attempt to motivate the employees, the respective private banks reward both financial and non-monetary rewards to any outstanding contribution towards sustainability. This may include extra salaries, certificates, social applause and career opportunities in relation to green performances.

### Employee Engagement in Green Initiatives

The private sector banks are highly active as regards to their employees who have joined the green teams, have gone in to volunteer with the environmental programs as well as going hand in hand with the sustainability movements. In order to establish some participation and group dynamics most banks determine internal competitions, awareness days and so-called green days. Table 4 , Examples of Green HRM practices in exemplar of banks (private sector).

**Table 4: Examples of Green HRM Practices in Leading Private Sector Banks**

Bank Name	Green Recruitment	Green Training	Green Performance Management	Green Rewards & Recognition	Employee Engagement Initiatives
HDFC Bank	Sustainability focus in job ads	E-learning on green banking	Green KPIs in appraisals	Green Champion Awards	Tree plantation, eco-friendly campaigns
ICICI Bank	Eco-consciousness as selection criteria	Workshops on energy saving	Paperless targets in reviews	Monetary incentives for green ideas	Green Week, employee volunteering
Axis Bank	Green values in interviews	Online sustainability courses	Environmental metrics added	Certificates, recognition	Green clubs, awareness drives

The active and creative nature in which Green HRM is being handled in the private sector banks depicts their ability to respond fast as well as their interest in differentiating their competition. Such practices are not only sustainable to any organisational good but also motivate the employees and enhance brand reputation.

## GREEN HRM PRACTICES IN PUBLIC SECTOR BANKS

### Green Recruitment and Selection

In the recruitment policy of banks in the public sector, the environmental considerations are creeping in normally at the instance of the government. Even though no necessary mention of sustainability is required in the job market, there is progressively a greater importance attached to knowledge base of the environmental norms on the part of the candidates, as also their willingness to participate in green programs.

### Green Training and Development

Training programs in the public sector banks are usually policy oriented and are directed toward an awareness training about the environmental standards and policies and orientation towards the regulatory compliance. Such banks also hold quarterly or half yearly workshops, seminars and awareness programmes which in many occasions forms a bigger sustainability campaign either by the RBI itself or the government.

6.3 Green Performance Management  
The performance management of the public sector banks is more of compliance-based performance management. The environmental goals are included in the appraisal mechanisms and staff members are appraised based on elements such as compliance with green procedures, involvement in green campaigns and generally promoting sustainability.

### Green Rewards and Recognition

The rewards are more non-financial in form such as certificate of recognition or appreciation before a gathering during official functions as far as the public sector banks are concerned. Such incentives are supposed to tempt the workers to participate in programs related to the environment, and abide by rules of sustainability.

### Green Initiatives Performed by Employees

The government-owned banks have organizational level propagation of the environment that comprises promotions like tree plantation, energy conservation promotion and awareness week. Employee participation is usually sought by internal communication and requirement of policies. Table 6, exemplary cases of Green HRM practices in Selected branches of the public sector banks.

**Table 6: Examples of Green HRM Practices in Leading Public Sector Banks**

Bank Name	Green Recruitment	Green Training & Development	Green Performance Management	Green Rewards & Recognition	Employee Engagement Initiatives
State Bank of India	Policy-driven, compliance focus	Workshops on environmental laws	Green targets in appraisals	Certificates, public recognition	Tree plantation, green week
Bank of Baroda	Environmental awareness as a criterion	Periodic seminars	Compliance with green mandates	Appreciation letters	Cleanliness drives, awareness days
Punjab National Bank	Focus on regulatory compliance	Training on sustainability policies	Green compliance in reviews	Recognition in staff meetings	Energy conservation campaigns

## COMPARATIVE ANALYSIS

### Best Practices in Green HRM Comparison and Contrast

It is possible that the Green HRM practices in the two bank organisations, private and that of the government may be very different due to the manner in which it is implemented. The banks of the private sector are more pro-active and innovative and have included green practice as one of their core HR functions and have also linked it with business strategy. However, the position is different in case of public sector banks because they are likely to be more compliance based and driven and the green projects are usually implemented at government level in terms of policy push.

### Influences to Green HRM Adoption

Organisational culture, the pressure of regulations, availability of resources, commitment of leadership, and the expectations of the stakeholders are the chief determinants to adoption. The market forces and brand image affects the private banks and the policy instructions and regulatory conditions affect the public banks to a major extent.

### Issues Afflicted by the Private and the Public Sector Banks

The problems existing in the two areas are inadequacy of resources, ignorance of employees and failure to measure the impacts of Green HRM. There is a problem that can occur when implementing green initiative to business objective in private banks, whereas in the case of the public banks, the issue is bureaucracy, and the process of change takes longer.



### Best Practices and Lesson Learned

The best sustainability practices encompass using sustainability as a criterion of recruitment process, continuous green training, linking employee performance with environmental performance, and lending rewards to the efforts of the employees. The inter-sectorial cooperation and the receiving of good practices stand to help the two of the sectors to get over the challenges and make Green HRM more effective. The comparative features between encompassing Green HRM practices in the private sector banks and the public sector banks, have been given in Table 7.

**Table 7: Comparative Summary of Green HRM in Private vs. Public Sector Banks**

Aspect	Private Sector Banks	Public Sector Banks
Approach	Proactive, strategic	Compliance-driven, policy-based
Innovation	High	Moderate
Employee Motivation	Incentive-based	Recognition-based
Resource Allocation	Flexible, higher investment	Budget-constrained
Change Implementation	Rapid	Gradual

## EMPIRICAL EVIDENCE AND DISCUSSION

### Summary of Key Findings

A review of the field evidence and empirical research surveys shows that the players with the lead in inculcating Green HRM in the business strategy and employee engagement within the financial sector are the banks in the private sector, leading to more innovation and quick response. The public sector banks are also slow in innovating but they achieve wide spread based compliance and mass scale participation by the acts of policy.

### Interpretation of Results

The comparative report shows that the sectoral context determines the character and prosperity of Green HRM. Privately owned banks have the advantages of flexibility and market orientation whereas publicly owned banks use their scale and regulatory support. The two sectors help in the general greening of the banking sector albeit via different channels.

### Implications for Policy and Practice

The policymakers are also expected to invoke cross-sectoral learning and provide incentives on innovation, in Green HRM. The expected pattern of the Green HRM practices designed by the banks will be based on their organisational environment specificities in such a manner that the practices are consistent with the business strategy and regulatory framework.

## CONCLUSION AND RECOMMENDATIONS

### Summary of the Study

In the chapter, a comparative analysis of Green HRM practices has been presented in the two sectors (the private sector and the public sector) of banks and Sectoral similarities, differences, challenges and best practices. The findings emphasize the question of the situational nature of the effective initiatives of Green HRM.



### Recommendations for Banks

- Integrate green objectives into all HRM functions.
- Foster continuous employee engagement through training and recognition.
- Develop clear metrics for evaluating Green HRM impact.
- Encourage leadership commitment and cross-sector collaboration.

### Future Research Recommendations

The future investigation should be related to the sustainable influence of Green HRM on the organisational performance, the specification of the issues on a sectoral basis, and the prospects of digital technologies in case of enhancing the implementation of Green HRM in the banking sector.

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