

# Green Human Resource Management Practices and Employee Engagement in an Information Technology-Enabled Service Companies in Makati City

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**Abstract:** This research examined how employees in Business Process Outsourcing (BPO) companies in Makati City adopted Green Human Resource Management (GHRM) practices to support environmental sustainability and enhance employee engagement. While Makati City has unique organizational and environmental dynamics, limited literature explored the connection between GHRM initiatives and employee engagement, particularly in the Information Technology-Enabled Services (ITES) sector. This study aimed to address that gap. The findings provide practical insights for organizations striving to improve their sustainability programs while maintaining an engaged workforce. As more BPO firms in Makati prioritize green initiatives, understanding the impact of GHRM practices on employee behavior and motivation becomes increasingly important. The study specifically investigated how practices such as green recruitment, environmental training, and sustainability-focused performance evaluations influence employees' commitment and participation in green efforts. Results indicated a positive relationship between GHRM strategies and employee engagement, suggesting that when companies invest in environmentally responsible policies, employees respond with increased involvement and loyalty. In addition to examining internal practices, the research also highlighted the role of renewable energy sources—like solar panels, wind turbines, and geothermal systems—as sustainable alternatives to traditional electricity. The promotion of these technologies aligns with the goal of reducing dependence on the power grid and lowering carbon emissions. Overall, this study contributes to a deeper understanding of how environmentally conscious HR practices can drive both organizational and environmental benefits. It encourages BPO firms, especially those in ITES sectors, to adopt GHRM strategies not only for ecological impact but also to cultivate a more engaged and purpose-driven workforce.

**Key Words:** green human resource management (GHRM); technology-enabled services; sustainability initiatives; environmental sustainability; engagement

## 1. INTRODUCTION

Globally, the increasing concern for environmental sustainability has driven companies to adopt Green Human Resource Management (GHRM) practices. Studies worldwide (Jaramillo, Sossa, & Mendoza, 2018; Siebenhüner & Arnold, 2007; Wolf, 2013; Wong, Wong, & Boon-itt, 2018) emphasize the need for businesses to integrate eco-friendly HRM strategies, not only to enhance organizational performance but also to address environmental issues like climate change and resource depletion.

Nationally, various countries have recognized GHRM's importance in mitigating environmental degradation while promoting economic growth, leading to national policies and regulations encouraging sustainable HRM practices.

However, implementation varies across industries and regions. Locally, cities like Makati City, a hub for ITES companies, have seen a growing emphasis on GHRM practices, making it an ideal research location to examine GHRM adoption and effectiveness within a specific industry context. Despite this growing recognition, a significant gap remains in understanding GHRM's specific impact on employee engagement within Makati City's ITES companies. While studies like those by Rani & Mishra (2014) and Cheema et al. (2017) highlight broader GHRM benefits, limited research focuses on the relationship between these practices and employee engagement, especially within this specific context. This research gap presented an opportunity to explore the unique challenges and opportunities ITES companies face in implementing GHRM and its effects on employee engagement.

By addressing this gap, the study aimed to provide valuable insights into how GHRM practices can be tailored to enhance employee engagement within Makati City's ITES sector. This study delved into the relationship between GHRM practices and employee engagement within Makati City's ITES companies. Specifically, it explored how GHRM initiatives influenced employee engagement aspects, including job satisfaction, organizational commitment, and environmental consciousness. Focusing on this context allowed for examination of the unique challenges and opportunities ITES companies face when integrating environmentally sustainable practices into their HRM strategies.

Furthermore, this study intended to contribute to existing knowledge by addressing the research gap regarding GHRM's impact on employee engagement within the ITES sector, particularly in Makati City.

By filling this gap, the research aimed to provide valuable insights for both academic discourse and practical decision-making, offering actionable recommendations for ITES companies seeking to enhance employee engagement while advancing environmental sustainability goals.

## 2. METHODOLOGY

This study employed a quantitative correlational research design, using a structured survey questionnaire as the primary data collection tool to examine the relationship between Green Human Resource Management (GHRM) practices and employee engagement in IT-enabled service (ITES) companies within Makati City. The design was chosen to measure and analyze the strength and direction of the association between these two variables. This approach aligned with Birion et al. (2005), emphasizing the assessment of current organizational conditions through quantitative measures. Target population comprised BPO employees in Makati, with convenience sampling used to select 385–400 participants. A total of 271 valid responses were gathered. The respondents were mainly young adults aged 21–25 (53.1%), female (62.4%), single (76.4%), and college-educated (88.6%). Most had 2–5 years of tenure (33.6%). The research instrument was a structured questionnaire divided into two parts: demographic information and GHRM-related experiences.

To ensure instrument reliability, a Cronbach's Alpha analysis was conducted. The results demonstrated satisfactory internal consistency across the measured indicators. Specifically, indicators 2.1 (Integration of Energy Conservation into Daily Work) and 2.2 (Eco-Friendly Policies and Commuting Options) achieved a Cronbach's Alpha of 0.79, considered acceptable. Indicator 2.3 (Facilities Management) scored 0.95, classified as excellent. Indicators 3.1 (Cultural Alignment) and 3.2 (Work Ethic) also demonstrated strong reliability, with Cronbach's Alpha values of 0.96 and 0.89, respectively. These results confirmed the reliability and consistency of the survey instrument in

measuring GHRM practices and their association with employee engagement within IT-enabled service companies.

Descriptive statistics such as frequency, percentage, mean, and standard deviation were employed to summarize the data collected from respondents. The detailed descriptive results are presented and interpreted in the results and discussion section of the paper.

Findings were validated, analyzed, and compiled into a formal research report for academic dissemination. Statistical methods included frequency and percentage distributions, ranking, and weighted mean calculations to interpret the responses effectively. These tools allowed the researchers to assess the relevance and impact of GHRM practices on engagement levels, helping fulfill the study's objectives while maintaining rigorous ethical standards throughout the research process.

#### 1. *Frequency and Percentage Distribution*

Method. This method was used to analyze respondents' account details and represent them as proportions relative to the total sample.

The percentage calculation followed the formula:

$$\text{Percentage (\%)} = (f/N) \times 100$$

Where:

% = Percentage

f = No. of responses in a particular category

N = Total number of respondents

#### 2. *Ranking:*

Ranking was employed to indicate the relative importance of different aspects.

#### 3. *Weighted Mean:*

To account for the differing significance of various responses, the weighted mean was calculated using this formula:

$$X_w = f(W) N$$

Where:

$X_w$  = Weighted Mean

f = Frequency

w = Weight of response

$$N = \text{Total number of responses}$$

#### 4. *Pearson and Correlation.*

To examine the relationship between Green Human Resource Management (GHRM) practices and employee engagement, the study utilized Pearson correlation analysis. This statistical method is appropriate for measuring the strength and direction of the linear relationship between two continuous variables.

The analysis was conducted using the collected survey data from BPO employees in IT-enabled service companies in Makati City. The results showed a moderately strong positive correlation between GHRM practices and employee engagement, with a Pearson correlation coefficient of  $r = 0.65$  and a p-value of  $< 0.01$ . This indicates that as GHRM practices increase, employee engagement tends to increase as well, and the relationship is statistically significant at the 0.01 level.

These findings support the study's hypothesis that GHRM practices are positively associated with higher employee engagement.

### 3. RESULTS AND DISCUSSION

The data gathered from BPO employees in Makati City was analyzed using descriptive statistics to address the study's research questions.

#### 3.1 *Demographic Profile of Respondents*

The demographic profile of BPO employees in Makati City reveals a predominantly young, female, and single workforce. The majority of respondents (53.1%) were aged 21 to 25, indicating a youthful demographic in the sector, while females made up 62.4% of the total population. A significant portion (76.4%) of the respondents were single, suggesting that younger individuals, possibly with fewer family responsibilities, are more attracted to or suited for roles in the BPO industry. Educationally, the workforce is well-qualified, with 88.6% attaining

college-level education. These findings are consistent with previous research highlighting the relevance of age, gender, and education in shaping workplace roles, engagement, and adaptability in fast-paced IT-enabled environments.

In terms of employment tenure, the most common length of service among respondents was between two to five years (33.6%), followed by one to two years (28.8%). This suggests a moderate level of employee retention, with many workers remaining long enough to develop skills and engage with company culture. Shorter tenures (less than a year) accounted for 27.3%, reflecting typical industry turnover rates. These figures point to the importance of engagement strategies targeted at employees in the two-to-five-year tenure range—those who are seasoned but still relatively new.

As Montalbo and Agong (2017) emphasized, sustaining employee engagement within this two-to-five-year tenure range is crucial. Employees at this stage have likely settled into their roles, gained experience, and become more engaged. Maintaining high engagement during this period leads to greater productivity, loyalty, and well-being, which ultimately benefits both the employee and the organization.

Table 2. Demographic Profile of Respondents

Variable	Category	Count	Percentage
Age	21–25	144	53.1%
	26–30	88	32.5%
	31–35	30	11.1%
	36–40	7	2.6%
	41 and up	2	0.7%
Gender	Female	169	62.4%
	Male	102	37.6%
Civil Status	Single	207	76.4%
	Married	58	21.4%
	Separated	5	1.8%

Variable	Category	Count	Percentage
Educational Attainment	Widowed	1	0.4%
	College Level	240	88.6%
	High School Level	31	11.4%
Years in Company	Less than 1 year	74	27.3%
	1–2 years	78	28.8%
	2–5 years	91	33.6%
	5–10 years	22	8.1%
	More than 10 years	6	2.2%

*3.2 Pearson Correlation: Relationship Between the Respondents' Evaluation of GHRM Practices and Employee Engagement (Cultural Alignment)*

Indicators	Rho-Value	Interpretation	P-value	Remarks
Energy Conservation into Daily Work	0.458	Strong	.000	Significant
Eco-friendly Commuting Options	0.470	Strong	.000	Significant
Facilities Management	0.545	Strong	.000	Significant

Table 3 presents a strong positive correlation between Green Human Resource Management (GHRM) practices and employee engagement in terms of cultural alignment, with Rho-values ranging from 0.458 to 0.545 and all p-values at .000, indicating statistically significant results. These findings reveal that higher evaluations of GHRM practices—such as energy conservation, eco-friendly commuting options, and facilities management—are associated with stronger cultural alignment among employees. This suggests that when organizations integrate



sustainability into their daily operations, employees are more likely to feel aligned with company values, enhancing their engagement.

This aligns with Kumar and Mubeen (2023), who found that effective GHRM implementation in the IT sector leads to increased environmental awareness and positive employee behaviors, emphasizing the potential of GHRM to foster a sustainable and engaged workforce.

*3.3 Pearson Correlation: Relationship Between the Respondents’ Evaluation of GHRM Practices and Employee Engagement (Work Ethic and Dedication)*

Indicators	Rho-Value	Interpretation	P-value	Remarks
Energy Conservation into Daily Work	0.429	Strong	.000	Significant
Eco-friendly Commuting Options	0.376	Moderate	.000	Significant
Facilities Management	0.498	Strong	.000	Significant

Table 4 shows the relationship between Green Human Resource Management (GHRM) practices and employee engagement in terms of work ethic and dedication, with Rho-values ranging from 0.376 to 0.498 and p-values at .000, indicating statistical significance. Facilities management (0.498) and energy conservation (0.429) had strong positive correlations, while eco-friendly commuting options (0.376) showed a moderate correlation.

These results suggest that employees who perceive higher implementation of GHRM practices—especially in managing facilities and conserving energy—tend to exhibit stronger work ethic and dedication. This supports the idea that sustainability efforts in HR practices can lead to greater employee

commitment and performance. As Ren et al. (2018) emphasized, aligning HR strategies with environmental policies enhances employee engagement, while Masri and Jaaron (2017), Pham et al. (2019), and Renwick et al. (2013) noted that such green initiatives promote pro-environmental behavior and preserve organizational knowledge and well-being.

**4. CONCLUSIONS**

Based on the findings, the following generalizations were generated:

1. The predominantly young, female, and single workforce with college-level education suggests that organizations are engaging a generation with potentially distinct expectations and values regarding work culture and HR practices. Employers should tailor employee engagement and retention strategies to these preferences, offering development opportunities and aligning HR practices with the values of younger employees, particularly in areas like work-life balance, career progression, and sustainability.
2. The strong agreement with energy conservation and positive responses to eco-friendly commuting and facilities management indicate high awareness and commitment to sustainability. The strong ratings for cultural alignment, work ethic, and dedication, especially concerning green HRM practices, reinforce this point. Companies should further integrate sustainability into their HR practices to encourage environmentally responsible behaviors and enhance employee engagement and commitment. Green HRM practices should be leveraged as a strategic tool for cultivating a motivated and environmentally conscious workforce.
3. While respondents consistently agreed on the importance of energy conservation and sustainable facilities management, responses regarding eco-friendly commuting options varied. Organizations should focus on improving specific aspects of their green initiatives, such as eco-friendly commuting, to ensure broader acceptance. This could involve providing better infrastructure or

incentives for sustainable commuting, further aligning employee values with organizational sustainability goals and enhancing overall work ethic and dedication.

4. The positive correlation between respondents' evaluations of green HRM practices and employee engagement (cultural alignment, work ethic, and dedication) emphasizes that effective GHRM implementation enhances employee engagement, fostering stronger alignment with organizational values and deeper commitment to organizational goals.

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