Conference Name: BuPol Kuala Lumpur 2024– International Conference on Business, Economics & Policy, 02-03 December
Conference Dates: 02-Dec- 2024 to 03-Dec- 2024
Conference Venue: Hotel Capitol, Bukit Bintang, Kuala Lumpur, Malaysia
Appears in: PEOPLE: International Journal of Social Sciences (ISSN 2454-5899)
Publication year: 2024

Lam & Chuyen, 2024
Volume 2024, pp. 490-498
DOI- https://doi.org/10.20319/icssh.2024.490498
This paper can be cited as: Lam, N.T., Chuyen, D. T, (2024) Impact Model of Green Training on Business Performance. BuPol Kuala Lumpur 2024– International Conference on Business, Economics & Policy, 02-03 December. Proceedings of Social Science and Humanities Research Association (SSHRA), 2024, 490-498

IMPACT MODEL OF GREEN TRAINING ON BUSINESS PERFORMANCE

Nguyen Thanh Lam
Faculty of Postgraduate Studies, Lac Hong University, Dong Nai, Vietnam

Doan Thi Chuyen*
Faculty of Postgraduate Studies, Lac Hong University, Dong Nai, Vietnam;
hongchuyenkttc13@gmail.com

Abstract

This research explores the effects of human resource management practices, organizational culture, organizational innovation, and intellectual capital on organizational performance, with a focus on enterprises in Vietnam. Utilizing foundational theories such as the Resource-Based View and Dynamic Capability Theory, the study integrates these elements to provide a comprehensive understanding of their combined impact. The methodology employs Structural Equation Modeling to analyze data collected from representative firms, ensuring robust insights. Findings demonstrate that human resource management practices significantly influence employee satisfaction and productivity, while an innovation-oriented organizational culture enhances adaptability and creativity. Furthermore, investment in intellectual capital drives competitive

advantage, and organizational innovation directly contributes to improved performance outcomes. These results offer critical implications for both academic research and practical applications, providing strategies for business leaders to enhance operational effectiveness and sustain competitive performance in dynamic markets.

Keywords

Human Resource Management, Organizational Culture, Innovation, Intellectual Capital, Organizational Performance.

1. Introduction

In recent years, sustainability in organizational activities, particularly in the production and business operations of enterprises, has garnered increasing attention. This trend is attributed to advancements in science and technology and the emphasis on achieving Sustainable Development Goals (SDGs) (Rafiq et al., 2021). Manufacturing sectors are undergoing rapid changes and are confronted with numerous environmental issues, necessitating solutions to address these challenges (Higgins & Coffey, 2016). Notably, Elkington (1994) introduced the three pillars of sustainability: social, environmental, and economic dimensions.

Additionally, green logistics practices have become increasingly vital for the sustainable development of enterprises. According to Karia and Asaari (2016), green logistics is an approach aimed at enhancing sustainability across ecological, economic, and social dimensions by reducing operational costs and conserving energy without harming the natural and social environment. Zowada and Niestrój (2019) identified ten commonly adopted green logistics practices, including the use of alternative fuels and recyclable packaging, fleet innovation, route optimization, multimodal transportation, eco-driving, upgrading warehouse equipment and technology to save energy, optimizing warehouse space, digitizing to reduce paper use, and employing "green" criteria to select suppliers and partners. Furthermore, Centobelli et al. (2020) argued that factors such as enterprise size, financial status, service sector, customer pressure, and organizational support significantly influence the implementation of green logistics practices. Larger enterprises with over 200 employees and higher profitability tend to adopt green logistics practices at a higher level than smaller enterprises.

Aligned with the goal of sustainable development, green logistics represents a developmental orientation in the logistics sector. Providers of logistics services are required to

evaluate and implement measures to minimize negative environmental impacts. The development of green logistics must strike a balance among three objectives: economic, social, and environmental. Consequently, assessing the impact of green logistics practices on corporate sustainability and operational efficiency in the context of globalization is of significant practical importance for the survival and growth of enterprises, particularly Vietnamese logistics firms. Moreover, human resource training plays a critical role in improving workforce quality in the sector. Therefore, the effects of green training and green intellectual capital on corporate sustainability and operational efficiency warrant serious academic investigation.

According to the Vietnam Logistics Report 2022, 51% of transport enterprises have adopted solutions to enhance freight efficiency in a sustainable manner, such as reducing the number of vehicles, using fuel more efficiently, and standardizing truck dimensions. Thus, this study aims to model the impact of green training, green intellectual capital, and green logistics practices on the operational efficiency of enterprises in general, with a particular focus on logistics enterprises, to facilitate empirical research in the context of Vietnam's current economy.

2. Theoretical framework and Research hypotheses

This study draws upon several foundational theories, including Social Exchange Theory, Ability–Motivation–Opportunity (AMO) Theory, Legitimacy Theory, Institutional Theory, and the Triple Bottom Line Theory, among others.

2.1 Relationship between Green Training and Operational Efficiency

Training is regarded as a preparatory measure for developing employees with multifaceted skills, enabling them to acquire knowledge and competencies necessary for innovation (Liebowitz, 2010). Green training (GT) is particularly essential to prevent the "attrition" of environmental attitudes, skills, and knowledge (Zoogah, 2011). Jabbour (2015) emphasizes the integration of GT with environmental management practices, which, in turn, influence organizational performance. Paille et al. (2013) highlight that GT not only aligns with environmental management but also positively affects operational efficiency. Thus, this study examines the following hypothesis:

H1: Green training positively influences the operational efficiency of enterprises.

2.2 Relationship between Green Training and Corporate Sustainability

Green training helps enterprises overcome barriers to achieving corporate sustainability (CS) (Pham et al., 2022). It supports sustainable development initiatives for employees and facilitates the implementation of various sustainability practices (Yong et al., 2020). Research demonstrates that GT has a lasting positive impact on economic, social, and environmental performance (Xie & Zhu, 2020). GT also improves corporate reputation and financial performance in the long term (Ghouri et al., 2020). This study tests the following hypothesis:

H2: Green training positively influences corporate sustainability.

2.3 Relationship between Green Training and Green Intellectual Capital

Intellectual capital (IC) represents a valuable asset for enterprises, enhancing organizational capabilities through knowledge and competencies (Kianto et al., 2017). Green intellectual capital (GIC) combines IC with environmental initiatives, encompassing intangible assets such as knowledge, expertise, and collaboration at both individual and organizational levels. Encouraging employees to adopt green initiatives and practices fosters organizational improvement and creates value through GIC. This study investigates the following hypothesis:

H3: Green training positively influences green intellectual capital.

2.4 Relationship between Green Training and Green Logistics Practices

Enterprises must design training programs that integrate environmentally friendly behaviors to reduce waste, optimize resource use, conserve energy, and address environmental degradation and pollution (Obaid & Alias, 2015). Continuous education on environmental management enhances employees' awareness and equips them to mitigate negative impacts and support sustainability efforts (Naqvi & Siddiqui, 2019). Effective training in green practices enhances individual competency and organizational performance (Chaudhary, 2018). The hypothesis tested is as follows:

H4: Green training positively influences green logistics practices.

2.5 Relationship between Green Logistics Practices and Operational Efficiency

The relationship between green logistics practices (GLP) and operational efficiency is rooted in Resource Dependence Theory, Stakeholder Theory, and the Triple Bottom Line (TBL) framework. In a competitive global market, enterprises must measure the environmental, social, and economic impacts of their activities and prioritize the link between sustainability and performance (Subramanian & Gunasekaran, 2015). Efforts such as renewable energy adoption,

energy-efficient innovations, and resource optimization drive this relationship (Lubin & Esty, 2010). This study examines the following hypothesis:

H5: Green logistics practices positively influence operational efficiency.

2.6 Relationship between Green Logistics Practices and Corporate Sustainability

Modern enterprises integrate social, economic, and environmental objectives to achieve sustainability. Bajdor et al. (2021) argue that sustainability has shifted business strategies from profit-driven to socially and environmentally conscious practices. Green logistics plays a pivotal role by managing emissions, resource exploitation, and waste disposal (Centobelli et al., 2020). This hypothesis is tested:

H6: Green logistics practices positively influence corporate sustainability.

2.7 Relationship between Corporate Sustainability and Operational Efficiency

The literature on the relationship between CS and operational efficiency is limited (Zahid et al., 2019). However, studies suggest that CS enhances enterprise value, reputation, and long-term financial performance by fostering legitimacy and acceptance in society and markets (Zahid et al., 2019). Moreover, CS improves brand image, employee dedication, and productivity while offering additional benefits (Bansal & Song, 2017). This study tests:

H7: Corporate sustainability positively influences operational efficiency.

2.8 Relationship between Green Intellectual Capital and Corporate Sustainability

The relationship between GIC and CS can be explained by Institutional Theory. GIC encompasses critical dimensions such as green human capital and green structural capital, which are essential for achieving sustainability (Wang et al., 2019). Green human capital fosters the development of new knowledge in the economy (Wang & Juo, 2021). This study tests:

H8: Green intellectual capital positively influences corporate sustainability.

2.9 Relationship between Green Intellectual Capital and Green Logistics Practices

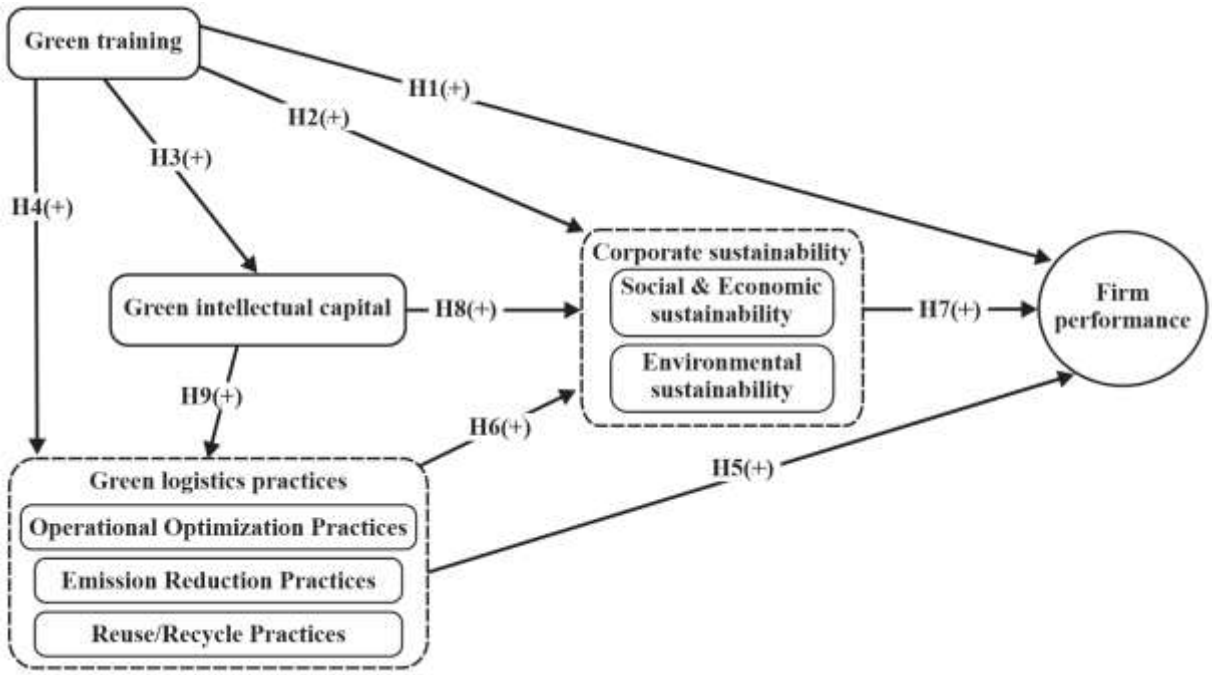
GIC is vital for managing internal and external environmental activities within an enterprise. Human factors, such as employees' knowledge and skills, are crucial for implementing effective green supply chain practices (Bag & Gupta, 2019; Song et al., 2020). This study aims to provide evidence for the following hypothesis:

H9: Green intellectual capital positively influences green logistics practices.

3. Proposed Research Model

Within the scope of the author's research, no prior studies evaluating the relationship between green intellectual capital (GIC) and green logistics practices (GLP) have been identified. Based on a review of related literature and the observations made, the author has developed a conceptual model depicting the relationships among the key factors, as illustrated in Figure 1. This model serves as a foundation for quantifying the impacts of green training, green intellectual capital, and green logistics practices on the operational efficiency of enterprises, with a particular focus on logistics enterprises.

Figure 1: *Proposed Research Model*



4. Conclusion

This study developed a research model to evaluate the impact of green training, green intellectual capital, and green logistics practices on the operational efficiency and sustainability of enterprises. The model aims to clarify the role of green training in enhancing green intellectual capital and green logistics practices, thereby fostering improved operational efficiency and corporate sustainability in the context of the current globalized economy. These findings contribute to providing both theoretical and practical foundations for the development of sustainable strategies in the logistics sector.

REFERENCES

Rafiq, M., Naz, S., Martins, J.M., Mata, M.N., Mata, P.N., Maqbool, S. (2021), A study on emerging management practices of renewable energy companies after the outbreak of covid-19: Using an interpretive structural modeling (ISM) approach, *Sustainability*, 13 6, 3420. https://doi.org/10.3390/su13063420

Higgins, C., Coffey, B. (2016), Improving how sustainability reports drive change: a critical discourse analysis, *J. Cleaner Production*, 136, 18-29. https://doi.org/10.1016/j.jclepro.2016.01.101

Zowada, K.; Niestrój, K. (2019), Cooperation of Small and Medium-Sized Enterprises With Other Supply Chain Participants In Implementing The Concept Of Green Logistics. *Res. Pap. Wrocław Univ. Econ.*, 63, 6. https://doi.org/10.15611/pn.2019.6.20

Centobelli, P., Cerchione, R., Esposito, E. (2020), Pursuing supply chain sustainable development goals through the adoption of green practices and enabling technologies: A cross-country analysis of LSPs, *Technological Forecasting and Social Change*, 153, 119920. https://doi.org/10.1016/j.techfore.2020.119920

Liebowitz J. (2010), The role of HR in achieving a sustainability culture. *J. Sustainable development*, 3, 50-57. https://doi.org/10.5539/jsd.v3n4p50

Paillé, P., Y. Chen, O. Boiral, J. Jin (2013), The Impact of Human Resource Management on Environmental Performance: An Employee-Level Study, *J. Business Ethics*, 121, 3, 451–466. https://doi.org/10.1007/s10551-013-1732-0

Zoogah, D.B. (2011), The dynamics of Green HRM behaviors: A cognitive social information processing approach, *German J. Human Resource Management*, 25(2), 117-139. https://doi.org/10.1177/239700221102500204

Pham, N. T., Jabbour, C. J. C., Usman, M., Ali, M., Phan, H.-L. (2022). How does training boost employees' intention to implement environmental activities? An empirical study in Vietnam. *International J. Manpower*, 43, 1761–1782. DOI: 10.1108/IJM-04-2021-0238 https://doi.org/10.1108/IJM-04-2021-0238

Yong, J.Y., Yusliza, M.Y., Ramayah, T., Chiappetta Jabbour, C.J., Sehnem, S., Mani, V. (2020), Pathways towards sustainability in manufacturing organizations: Empirical evidence on the role of green human resource management, *Business Strategy and the*

Environment, 29 1, 212-228, DOI: https://doi.org/10.1002/bse.2359

Xie, X.; Zhu, Q. Exploring an Innovative Pivot: How Green Training Can Spur Corporate Sustainability Performance. *Bus. Strategy Environ*. 2020, 29, 2432–2449. https://doi.org/10.1002/bse.2512

Yusoff, Y.M., Omar, M.K., Kamarul Zaman, M.D., Samad, S. (2019). Do all elements of green intellectual capital contribute toward business sustainability? Evidence from the Malaysian context using the Partial Least Squares method. *J. Cleaner Production*, 234, 626–637. https://doi.org/10.1016/j.jclepro.2019.06.153

Ghouri, A.M., Mani, V., Khan, M.R., Khan, N.R., Srivastava, A.P. (2020), Enhancing business performance through green human resource management practices: An empirical evidence from Malaysian manufacturing industry, *International J. Productivity and Performance* Management, 69(8). https://doi.org/10.1108/IJPPM-11-2019-0520

Kianto, A., Saenz, J., Aramburu, N. (2017). Knowledge-based human resource management practices, intellectual capital and innovation. *J. Bus. Res*. 81, 11–20. https://doi.org/10.1016/j.jbusres.2017.07.018

Obaid, T.F., Alias, R.B. (2015). The impact of green recruitment, green training and green learning on the firm performance: Conceptual paper. *Int. J. Appl. Res.* 1, 951–953.

Naqvi, S., Siddiqui, D.A. (2019). Effect of GHRM practices on work performance: the mediatory role of the green lifestyle. https://doi.org/10.2139/ssrn.3486132

Chaudhary, R. 2018. Can green human resource management attract young talent? An empirical analysis. Evidence-based HRM, 6(3), 305-319. https://doi.org/10.1108/EBHRM-11-2017-0058

Subramanian, N., Gunasekaran, A. (2015). Cleaner Supply-Chain Management Practices for Twenty-First-Century Organizational Competitiveness: Practice-Performance Framework and Research Propositions. *International J. Production Economics*, 164, 660-679. https://doi.org/10.1016/j.ijpe.2014.12.002

Lubin, D.A., Esty, D.C. (2010). The sustainability imperative: Lessons for leaders from previous game-changing megatrends. *Harvard business review*, 88(5), 42-50.

Bajdor, P.; Pawełoszek, I.; Fidlerova, H. (2021), Analysis and Assessment of Sustainable Entrepreneurship Practices in Polish Small and Medium Enterprises. *Sustainability*, 13, 3595. https://doi.org/10.3390/su13073595

Zahid, M., Rahman, H.U., Muneer, S., Butt, B.Z., Isah-Chikaji, A., Memon, M.A. (2019). Nexus

between government initiatives, integrated strategies, internal factors, - and corporate sustainability practices in Malaysia. *J. Cleaner Production*, 241(2019), 118329. https://doi.org/10.1016/j.jclepro.2019.118329

Bansal, P., Song, H.C. (2017). Similar but not the same: Differentiating corporate sustainability from corporate responsibility. *Academy of Management Annals*, 11(1), 105-149. https://doi.org/10.5465/annals.2015.0095

Wang, C.H., Juo, Wei-Jr. (2021), An environmental policy of green intellectual capital: green innovation strategy for performance sustainability, *Business Strategy and Environment*;1–14, https://doi.org/10.1002/bse.2800

Bag, S., Gupta, S. (2019), Examining the effect of green human capital availability in adoption of reverse logistics and remanufacturing operations performance, *International J. Manpower*, 41 7, 1097-1117. https://doi.org/10.1108/IJM-07-2019-0349

Song, W., Yu, H., Xu, H. (2020), Effects of green human resource management and managerial environmental concern on green innovation, *European J. Innovation Management*, https://doi.org/10.1108/EJIM-11-2019-0315