Article: Transformational Leadership: Mediating Role of Green HRM and Moderating Role of Islamic Work Ethics

Author(s): Muhammad Salman, Ishfaq Ahmed

Affiliation: Hailey College of Commerce, University of Punjab, Lahore, Pakistan

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Transformational Leadership: Mediating Role of Green HRM and Moderating Role of Islamic Work Ethics

Muhammad Salman* and Ishfaq Ahmed

Hailey College of Commerce, University of the Punjab, Pakistan

Abstract

The current study investigated the impact of green transformational leadership on employee commitment towards the environment, keeping in view the mediating effect of Green Human Resource Management (GHRM) practices and the moderating effect of Islamic work ethics. For this purpose, data collected through a survey questionnaire from 524 hotel employees working in Lahore was analyzed. The analysis was carried out through Structural Equation Modelling (SEM) technique. It highlighted a significant impact of green transformational leadership on employee commitment towards the environment, while GHRM practices were found to partially mediate this relationship. Furthermore, it was also identified that the Islamic work ethics moderate the relationship between GHRM practices and employees’ commitment towards the environment. This study adds value to the literature by considering the mediation mechanism of GHRM practices and the moderating role of Islamic work ethics in the relationship between green transformational leadership and employees’ commitment towards the environment.

Keywords: employee commitment towards environment, Green Human Resource Management (GHRM), green transformational leadership, Islamic work ethics

Introduction

The rapid degradation of the environment is an important point of concern and business organizations are considered as the most important cause of environmental deterioration (Wantao et al., 2020). Hence, these organizations have started focusing on the environment, proactively. They have identified the role of various internal stakeholders that may help to achieve environmental goals (Luu, 2019) and employees are the most vital

*Corresponding Author: salmanmuhammad721@gmail.com
of them all. Employees stimulate organizational culture to achieve green goals by participating in eco-friendly activities at workplace (Lulfs & Hahn, 2013). One way to ensure their participation is to enhance their commitment towards the environment. It is defined as employees’ psychological and emotional attachment and identification with organizational values as well as the acceptance of its goals as their own (Paille & Boiral, 2013). The question remains that how an organization can win the hearts and souls of its employees to ensure their commitment for environmentally friendly practices (Pham et al., 2019). One way of ensuring employee’s commitment is institutional involvement, that is, through leadership and eco-friendly policies. As psychologically and emotionally engaged employees require a proactive and focused strategy (Abdoramadan & Karatepe, 2021; Srivastava & Shree, 2018), one of the most promising leadership styles could be the Green Transformational Leadership (GTL) style. GTL is defined as the type of leadership that focuses on organizational green vision and encourages the followers to adopt and practice the values that help the organization to achieve its vision (Wang et al., 2018). Past studies found that GTL positively influences employees’ attitude and behavior towards the environment (Cop et al., 2021). However, the mechanism explaining the relationship between GTL and employee outcomes have been called for investigation (Pham et al., 2019).

Transformational leaders create an environment where green vision is shared, values are inculcated and a system is structured based on the shared vision and values (Zhou, et al., 2018). Such a system wide intervention could be the introduction of Green Human Resource Management (GHRM) practices at work that cover the system, practices and policies that are green and environmentally friendly. Ultimately, it ensures the availability of environmentally friendly employees that are motivated to work for achieving green goals (Opatha & Arulrajah, 2014). GHRM encourages and inspire employees to participate in environmentally friendly activities that ultimately develop organizational green abilities (Renwick et al., 2013) and improve organizational performance (Siyambalapitiya et al., 2018; Zahid et al., 2018). Moreover, together GHRM and employees’ commitment foster an environment that may help a firm to achieve its green goals (Pinzone et al., 2016). Literature signifies that it is one of the emerging areas of research and has numerous organizational and employee level outcomes (Dumont et
al., 2017; Fawehinimi et al., 2020; Roscoe et al., 2019; Saeed et al., 2019). How it may bridge the relationship between GTL and employees’ commitment towards the environment is an area that has gained limited attention of the researchers. According to Pham et al. (2019), “future studies should examine the moderated mediation model to clarify these effects and for better generalization of the study, the same model should apply in other countries” (p. 397). This study responds to this call by integrating a new perspective to the mechanism explaining the relationship between GTL and employees’ commitment towards the environment through the mediation of GHRM. The scant literature produced in the Pakistani context also requires such an investigation (Mahmood et al., 2016; Saeed et al., 2019, Cheema et al., 2015; Gilal et al., 2019), especially with reference to the hotel industry.

Additionally, this study entails the investigation of Islamic Work Ethics (IWE) as a boundary condition in the aforementioned relationship. Ethics are defined as principles that help in distinguishing right from wrong (Beekun & Badawi, 2005). Such principles help an individual to determine their behavior at work (Murtaza et al., 2016; Tufail et al., 2017). IWE are individual dispositions that help determine one’s actions and foster the influence of various organizational level factors (Islam et al., 2020). How it may influence the relationship between GHRM (an organizational factor) and individual level outcomes (employees’ commitment to the environment) is an area that remains neglected by the researchers. Although, the researchers have highlighted the role of individual dispositional factors, for instance, individual green values (Hameed et al., 2020) and have also called for investigating other individual level factors.

The current study contributes to the literature of GHRM in several ways. Firstly, it investigates the relationship between GTL and employees’ commitment towards the environment as mediated by GHRM. Secondly, it also investigates the moderating role of IWE in the relationship between GHRM and employees’ commitment towards the environment. Thirdly, our study extends the literature by testing the validity of the hypothesized relationship in the hotel industry of Pakistan, which was overlooked in previous researches (Hameed et al., 2020). Fourthly, it adds to the body of knowledge by explaining the study model with the help of Social Identity
Theoretical Background

The current study is based on three distinctive theories, that is, Social Identity Theory (Tajfel, 1979), Ability-Motivation-Opportunity (AMO) model (Applebaum et al., 2000), and Person-environment fit (Edward, 1996). SIT posits that individuals develop a decisive self-concept by first categorizing themselves into groups and later identifying themselves as members of these groups (Tajfel, 1979). The association further helps in developing their self-concept (Ashforth & Mael, 1989). Group members are well aware of the similarities in actions and enhances the recognition with groups (Stets & Burke, 2000). Therefore, organizational studies often employ SIT to define employee identity in organizational settings (Kim et al., 2019). Employees, being members of a firm, support organizational principles and values, feel proud to be a part of organizational activities, and are committed towards the organization (Ashforth & Mael, 1989). Consequently, organizational identity stimulates employees’ commitment towards organizational objectives, particularly if the organization significantly influences their behavior (O’Reilly & Chatman, 1986).

The Ability-Motivation-Opportunity (AMO) model proposes that employee outcome depends upon the abilities and motivation of employees, as well as the availability of opportunities (Appelbaum et al., 2000). Ability refers to cognitive and physiological capabilities, such as the ability, skill and intelligence that facilitate task performance. Motivation is defined as the willingness to complete a task and opportunity refers to the settings that constrain or enable task performance (Hong & Gajendran, 2018). This theoretical model is intended to examine the relationship between HRM practices and organizational performance (Appelbaum et al., 2000; Bello-Pintado, 2015; Boxall & Purcell, 2003; Delery & Shaw, 2001; Gardner et al., 2011; Gerhart, 2007; Nishii et al., 2008).

The Person-environment fit (P-E fit) theory states that attitude, behavior and other individual level outcomes do not result independently from either the environment or the person, but from a fit between the two (Edwards,
Two forms of P-E fit have been identified in the literature including Demand-ability fit (D-A fit) and Supplies-values fit (S-V fit). D-A fit was explained as “the match between environmental demands and a person’s abilities. Abilities include the skills, knowledge, time, and energy the person can draw upon to meet environmental demands” (Edwards, 1996). According to Edwards (1996), “Demands refer to quantitative and qualitative requirements placed on the person and can be objective (assembly-line speed, length of the workday) or socially constructed (group norms, role expectations).” The second form is S-V fit which was described as the incentives and rewards provided by the environment which match the preferences and needs of the individuals.

**Hypotheses Development**

**Green Transformational Leadership and Employees’ Commitment towards the Environment**

Transformational leaders are change centered and have a clear vision and mission to foster innovation. These leaders are promoters of change, since a transformational leader elicits performance beyond expectations by earning personal respect, instilling pride and providing inspiration to others, as well as by facilitating creative thinking (Coetsier, 1997). Past studies highlighted that GTL has a positive impact on the employees’ perceptions and business policies resulting in enhanced green performance (Zhou et al., 2018). Such a leadership style has a significant positive impact on the attitude of employees towards the organization, which stimulates green employees’ performance and creativity. While examining the causes of such an outcome, it was observed that transformational leaders foster an eco-friendly working environment which encourages employees to adopt such behaviors that help the organization to achieve its green goals (Wesselink et al., 2017). Moreover, employees depict enthusiasm and energy towards green goals (Robertson & Barling, 2013), which is the basic premise of commitment. The said relationship can also be drawn using the AMO model (Appelbaum et al., 2000). Here, GTL can be considered as an opportunity which the leaders encourage through the creation of a green value-based system which fosters employees’ green actions (Jia et al., 2018). Thus, it is expected that employees’ commitment would increase in the presence of GTL. This expectation is hypothesized as follows:
H1: Green Transformational Leadership (GTL) is positively associated with employees’ commitment towards the environment.

Mediating Role of Green Human Resource Management (GHRM)

GHRM covers the organizations’ HR practices that aim to hire and retain human resource that focuses on the environment (Renwick et al., 2013). It is expected that it would enhance employee outcome towards the environment. Milliman (2017) highlighted that through GHRM an organization can display top-level vision, provide training to help employees protect the environment, evaluate their performance against green goals, and ultimately reward them for their green actions. Thus, GHRM works as a system wide approach that increases employee knowledge, fosters green value and nourishes the skills needed to achieve green goals (Pless et al., 2012; Renwick et al., 2013). However, a system wide practice (such as GHRM) requires the will and involvement of top-level management. Indeed, the leadership of an organization determines the system wide changes that ultimately influence employee actions and behaviors (Jabbour, 2011; Provasnek et al., 2017; Saeed et al., 2019; Tang et al., 2018). Environmental leadership should develop a system where green values are shared, adopted at all levels, and nourished at the individual level, in order to achieve their green vision. Ultimately, it influences employee outcomes (Cherian & Jacob, 2012; Gilal et al., 2019). The development of GHRM is a system wide adoption, where employees are hired and retained for their green work. These green practices create a culture where employees may practice green values (Robertson & Barling, 2013), contribute to the green culture Muster and Schrader (2011), fortify their pro-environmental behaviors Gilal et al. (2019), and enhance their ecological performance (Saeed, et al., 2019). Empirical literature on GHRM also highlights that it affects both extra and in-role workplace green behavior (Dumont et al., 2017; Zibarras & Coan 2015). Thus, it is expected that the leadership with a green focus would create a green environment and system (such as GHRM), which would foster employees’ green outcomes (commitment towards environment). The relationship could be explained using SIT (Tajfel, 1979), which proposes that the use of GTL and GHRM is an organizational effort. Moreover, employees identify with such an organization and its leaders and also express esteem and pride for such an
Transformational Leadership: Mediating Role…

identity. Consequently, employees respond with a positive environmental attitude and behavior. Research shows that in the presence of green leadership and practices, employees are more committed towards organizational goals and they encourage and participate enthusiastically in environmental protection activities (Ashforth & Mael, 1989; Peterson, 2004; Rogers & Ashforth, 2017). On the basis of the above discussion, the following hypothesis was formulated:

H2: Green HRM mediates the relationship between Green Transformational Leadership (GTL) and employees’ commitment towards the environment.

Moderating Role of Islamic Work Ethics (IWE)

The term "ethics" refers to the societal norms of decency, morality, virtue, and social justice. Knowing and doing what is right and wrong in the workplace is what business ethics all about. The Islamic system of ethics is based on three fundamental teachings: Aqidah - strong belief in the oneness of Allah, Ibadah - one’s submission and obedience to Allah, and Akhlaq – positive actions and gestures towards others Beekun and Badawi (2005). Islamic Work Ethics (IWE) is a part of Akhlaq. IWE is a set of moral principles which distinguish between right and wrong Beekun & Badawi 2005) based on Al-Qur’an and Sunnah. It is closely associated with belief in Islamic values and practices (Arslan, 2001). Individuals who want to live a pious life should practice Islamic ethics in their attitudes, behaviors, actions, and qualities (Aldulamimi, 2016). In Islamic value system, justice, charity, and honesty are always recognized as positive attributes, while pressure, ambition, and waste are never considered useful for the society (Kamaluddin & Manan, 2010). Ethics serve as a link between what is demanded and what should be the response Sariisik (2006) and ethical norms must be established and followed, when the relationship between employee and client is established. The findings revealed that GHRM promotes an environment where employee engagement in eco-friendly activities is nourished (Kim et al., 2019; Nishii et al., 2018).

Furthermore, it has been observed that the relationship between GHRM and employee outcome is not the same for all employees and various personal level dispositional variables influence this relationship (Pham et al., 2018; Saeed et al., 2019). Thus, it is imperative to study the individual
level conditional variables, as employee participation in environmental activities reinforces environmental policies and aims, resulting in increased responsibility and commitment towards environmental issues (Jabbour et al., 2008; Mittal & Dhar, 2016; Ren et al., 2018). Since IWE is based on personal dispositional factors and directs one’s actions and reactions (Islam et al., 2020; Murtaza et al., 2016; Tufail et al., 2017), it is expected that it would work as a boundary condition in the relationship between GHRM and employees’ commitment towards the environment. The study findings cemented that GTL has a positive influence on organizational identity and resource commitment moderates the link between green creativity and green organizational identity (Mittal & Dhar, 2016). Past studies also found that individual factors (such as green values) could enhance the results of GHRM via employees’ green behaviors (Hameed et al., 2020). Here, we propose that IWE (being the dispositional factor) may foster the relationship between GHRM and employees’ commitment towards the environment. The said association is based on the Person-environment fit (P-E fit) theory which states that the fit between individuals and environment determines their actions (Edwards, 1996). Literature identifies two forms of P-E fit, that is, Demand-ability fit (D-A fit) and Supplies-values fit (S-V fit). The presence of GTL and GHRM assures a system that is green in nature and requires employees to act in the same way. Similarly, the presence of both of these organizational factors may also become a source of value for those who are green in nature. Here, the individuals with high IWE would value the environment more and would feel more fit due to the presence of GHRM. Therefore, it is expected that the relationship between GHRM and employees’ commitment towards the environment would be strengthened in the presence of IWE and vice versa. The said relationship is assumed via the following hypothesis:

H3: Islamic Work Ethics (IWE) moderates the positive association between GHRM and employees’ commitment towards the environment, such that the relationship is strong when IWE is also strong.

Figure 1 presents the conceptual model of this study. It consists of Green Transformational Leadership (GTL) and employees’ commitment towards the environment through GHRM. Moreover, the moderating role of IWE is
added to the in-depth analysis of hotel employees in Lahore, Punjab, Pakistan.

**Figure 1**

*Conceptual Model*

![Conceptual Model Diagram]

**Methodology**

**Sampling Frame and Data Collection Process**

Data was collected from employees having at least a one-year work experience in three- and four-star hotels located in the province of Punjab. The researcher approached the top-level management of the hotels via personal visits and phone calls to share the details of the study and to distribute questionnaires. Hotel management were convinced to distribute the questionnaires among the employees and confidentiality was ensured in the distribution process. Six hundred questionnaires were distributed and five hundred and twenty-four useful responses were received. The response rate was 87.33%. The first reason for the high response rate was the nature of survey questions which were not lengthy and were easy to understand. The second reason was that a number of reminders were sent to the participants to ensure their timely response.

**Research Instrumentation**

A quantitative approach was used to collect data through a questionnaire (composed in English). The questionnaire was based on an ordinal rating scale (Likert’s scale) and comprised two sections: one aimed at recording the demographic information of the participants and the other for questions about the variables. It was adapted from previous studies. The
six-item scale of (Dumont et al., 2017) was used to measure GHRM. A sample item is “My organization sets green goals for its employees”. The value of Cronbach’s alpha (α) was calculated as 0.92. The six questions for GTF were adopted from (Chen & Chang, 2013). A sample item is “My supervisor inspires subordinates with environmental plan”. The Cronbach’s alpha (α) value was calculated as 0.83. The four-item short scale developed by (Ali, 1992) was used to measure IWR. A sample item is “Dedication to work is a virtue”. The Cronbach’s alpha (α) value was calculated as 0.85. The researcher used a seven-item scale developed by (Raineri & Paille, 2016) to measure the employee commitment towards the environment. A sample item is “The environmental concerns of hotel mean a lot to me”. The Cronbach’s alpha (α) value was calculated as 0.93.

**Analysis and Results**

**Profile of Respondents**

For the current study, the sample comprised six hundred participants out of which five hundred and twenty-four responded to the questionnaire, of whom 66% (349=N) were male and 34% (175=N) were female. As far as the age of the respondents is concerned, 146 respondents were 20-26 years old, 234 respondents were 27-30 years old, 110 respondents were 31-35 years old, and the remaining were above 35 years of age. The percentage of married respondents was 61.45%, while 38.55% respondents were single. A majority of the respondents had three-year work experience. The percentage of respondents with a bachelor’s degree was 61%, while the remaining 39% had a masters or a higher degree. The number of employees working at a managerial post was (116=N) and the number of those working at a non-managerial post was (408=N).

**Measurement Model**

Model competency was measured on the basis of discriminant validity and convergent validity. Convergent validity was assessed through factor loadings, Average Variance Extracted (AVE), Cronbach’s alpha and composite reliability, as shown in Table 1. The acceptable value of item factor loading is 0.5 (Hair et al., 2017a, 2017b), whereas composite reliability should be between 0.70 and 0.95, and the acceptable value of AVE value is 0.50 or more. The table highlights that all the values are in the acceptable range, thus the requirements of convergent validity are met.
The results for discriminant validity were estimated through the Heterotrait-Monotrait Ratio (HTMT), as suggested by Hair et al. (2017a,b). The values given in Table 2 support the benchmark and establish discriminant validity between the constructs.

Table 1

Measurement of Model Results

<table>
<thead>
<tr>
<th>Items</th>
<th>Loading</th>
<th>Cronbach’s alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTL1</td>
<td>0.820</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GTL2</td>
<td>0.764</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GTL3</td>
<td>0.734</td>
<td>0.865</td>
<td>0.843</td>
<td>0.578</td>
</tr>
<tr>
<td>GLT4</td>
<td>0.812</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GLT5</td>
<td>0.712</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GLT6</td>
<td>0.876</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM1</td>
<td>0.702</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM2</td>
<td>0.872</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM3</td>
<td>0.865</td>
<td>0.820</td>
<td>0.871</td>
<td>0.612</td>
</tr>
<tr>
<td>GHRM4</td>
<td>0.732</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM5</td>
<td>0.791</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM6</td>
<td>0.726</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE1</td>
<td>0.748</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE2</td>
<td>0.813</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE3</td>
<td>0.877</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE4</td>
<td>0.786</td>
<td>0.756</td>
<td>0.845</td>
<td>0.534</td>
</tr>
<tr>
<td>ECE5</td>
<td>0.765</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE6</td>
<td>0.809</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE</td>
<td>0.715</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IWE1</td>
<td>0.892</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IWE2</td>
<td>0.706</td>
<td>0.921</td>
<td>0.734</td>
<td>0.798</td>
</tr>
<tr>
<td>IWE3</td>
<td>0.890</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IWE4</td>
<td>0.618</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes. GTL= Green Transformational Leadership; GHRM= Green Human Resource Management; ECE= Employees‘ Commitment towards the Environment; IWE= Islamic Work Ethics; AVE= Average Variance Extracted
Table 2

Heterotrait-Monotrait Ratio (HTMT)

<table>
<thead>
<tr>
<th>Construct</th>
<th>GTL</th>
<th>GHRM</th>
<th>ECE</th>
<th>IWE</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTL</td>
<td>0.081</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM</td>
<td></td>
<td>0.265</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE</td>
<td>0.065</td>
<td></td>
<td>0.508</td>
<td>0.489</td>
</tr>
<tr>
<td>IWE</td>
<td>0.053</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes. GTL= Green Transformational Leadership; GHRM= Green Human Resource Management; ECE= Employees’ Commitment towards the Environment; IWE= Islamic Work Ethics

Table 3 presents descriptive statistics and depicts the correlation between the variables. The mean and standard deviation are both measures of dispersion. The mean values of all the variables are near to agree (green transformational leadership= 3.54, green human resource management=3.56 and Islamic work ethics = 3.62), whereas the value of employees’ commitment towards the environment is near to neutral (3.41). For the current study, it was found that data is normally distributed and all variables are positively associated. The reported correlations are: GTL with Green HRM (r=.492, p<.01), IWE (r=.173, p<.01), and ECE (r=.352, p<.05). Further, Green HRM and IWE (r=.074, p<.01) and employee commitment towards environment (r=.231, p<.05), Islamic work ethics and employees’ commitment towards environment (r=.427, p<.05).

Table 3

Descriptive Statistics and Correlation Analysis

<table>
<thead>
<tr>
<th>Variables</th>
<th>Mean</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTL</td>
<td>3.54</td>
<td>0.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GHRM</td>
<td>3.56</td>
<td>0.91</td>
<td>.492**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>IWE</td>
<td>3.62</td>
<td>0.84</td>
<td>.173**</td>
<td>.074**</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ECE</td>
<td>3.41</td>
<td>0.92</td>
<td>.352*</td>
<td>.231*</td>
<td>.427*</td>
<td></td>
</tr>
</tbody>
</table>

“Note GTL= Green Transformational Leadership, GHRM= Green Human Resource Management, IWE= Islamic Work Ethics, EM towards E= Employees’ Commitment towards the Environment “ *p < .05. **p < .01”
Hypotheses Testing

In the current study, two stages of Structural Equation Modeling (SEM) technique were applied, following the instructions of (Anderson & Gerbing, 1988). At the first stage, Confirmatory Factor Analysis (CFA) was applied, while at the second stage measurement model for path coefficients was used. CFA was performed because the scales used in this study were adapted from the past studies, which were acknowledged on theoretical grounds (Anderson & Gerbing, 1988). The model fit indices criteria was followed by Williams et al. (2009) regarding the model fit indices ($x^2/df \leq 3.0$, $CFI \geq 0.90$, $GFI \geq 0.90$, $SRMR \leq 0.08$, and $RMSEA \leq 0.08$). Moreover, we followed the criteria of Hair et al. (2010) regarding the values of loading ($\geq 0.50$). The values are acceptable as compared to fit indices and the model was found fit, such as the values $x^2/df=2.86$, $CFI=0.92$, $GFI=0.88$, $SRMR=0.076$ and $RMSEA=0.061$. The study found that the factor loading of each item is within the limit (see Table 1). At the second stage, the measurement model for path coefficients found the fit indices as $x^2/df=2.94$, $CFI=0.92$, $GFI=0.89$, $SRMR=0.070$ and $RMSEA=0.055$. The estimated path coefficients given in Table 4 indicate that GTL positively influences employees’ commitment towards the environment ($\beta=0.17$, $p=0.17$, $CR=2.998$) which supports H1.

The mediating role of Green HRM between GTL and employees’ commitment towards the environment was tested using direct and indirect paths. The direct and indirect paths between GTL, Green HRM and employees’ commitment towards the environment were noted as significant (see Table 4). Therefore, the results support the suggested hypothesis H2 and it was found that Green HRM partially mediates the relationship between GTL and employees’ commitment towards the environment.

Finally, the moderating effects of IWE were tested using the hierarchical regression method. In the first step, IWE and Green HRM (independent and moderating variable) were added and regressed with employees’ commitment towards the environment to note its significant impact ($\beta=0.21$, $p=0.01$) (see Table 5). In the second step, an interactional term $GHMRM \times IWE$ was computed to see its impact on employees’ commitment towards the environment and a significant impact was noted ($\beta=0.17$, $p=0.01$) with 20% of variance. The results depict that IWE
strengthens the association between Green HRM and employee’s commitment towards the environment as stipulated in H3.

**Table 4**

*Structural Equation Modeling Results*

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>B</th>
<th>P</th>
<th>CR</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>GTL → ECE</td>
<td>0.16</td>
<td>0.17</td>
<td>2.998</td>
<td>H1 is supported</td>
</tr>
<tr>
<td>GHRM → ECE</td>
<td>0.20</td>
<td>0.19</td>
<td>3.947</td>
<td></td>
</tr>
<tr>
<td>GTL → GHRM</td>
<td>0.17</td>
<td>0.153</td>
<td>2.099</td>
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</tr>
<tr>
<td>IWE → ECE</td>
<td>0.09</td>
<td>0.25</td>
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</tr>
</tbody>
</table>

Mediating effects of GHRM

<table>
<thead>
<tr>
<th>GTL → GHRM → ECE</th>
<th>B</th>
<th>P</th>
<th>H2 is supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct path</td>
<td>0.16</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>Indirect path</td>
<td>0.10</td>
<td>0.02</td>
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</table>

“Note GTL= Green Transformational Leadership, GHRM= Green Human Resource Management, IWE= Islamic Work Ethics, EM towards E= Employees’ Commitment towards the Environment”

**Table 5**

*Hierarchical Regression*

<table>
<thead>
<tr>
<th>Variables</th>
<th>Islamic Work Ethics</th>
<th>M1(β)</th>
<th>M1(β)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Step 1</td>
<td></td>
<td></td>
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<tr>
<td>GHRM</td>
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<tr>
<td>IWE</td>
<td>0.03</td>
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<tr>
<td>R²</td>
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<tr>
<td>Step 2</td>
<td></td>
<td></td>
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<tr>
<td>GHRM×IWE</td>
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<td>0.17**</td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0.31</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0.20</td>
<td></td>
<td></td>
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</tbody>
</table>

“Note GHRM= Green Human Resource Management, IWE= Islamic Work Ethics **p<0.01*p<0.05”
Discussion

In this study, three hypotheses were generated based on the conceptualized relationships. The results showed a positive and significant relationship between Green Transformational Leadership (GTL) and employees’ commitment towards the environment, as shown in Table 4 ($\beta=0.16$, p value = 2.998, CR value = 0.381). These results are consistent with the past studies (Chen, 2014; Jia et al., 2018) and showed that the employees of the hotel industry are committed to environmental activities. The results also revealed that the management of the organization, such as the supervisor (transformational leadership), is very much concerned about the environment.

The second path showed the mediating effect of Green Human Resource Management (HRM) practices in the relationship between GTL and employees’ commitment towards the environment, as depicted in Table 4 ($\beta=0.20$, p value = 3.947, CR = 0.98). Some previous researches also showed similar results (Jia et al., 2018; Kura, 2016; Zafar, 2017). So the organizations should invest more on the environmental practices to encourage the employees.

The third hypothesis predicted the moderating effect of Islamic Work Ethics (IWE) on Green HRM and employees’ commitment towards the environment. It was found that IWE moderates the positive association between Green HRM and employees’ commitment towards the environment, such that the relationship is strong when IWE is strong.

Theoretical and Practical Implications

The current study has manifold theoretical implications. Firstly, it provides deeper insights into GTL and employees’ commitment towards the environment (Pham et al., 2018; Pham et al., 2019). Secondly, it contributes to the scope and application of Ability-Motivation-Opportunity (AMO) model (Applebaum et al., 2000), Social Identity Theory (SIT) Tajfel, 1979 and Person-environment fit (P-E fit) Edward (1996) by investigating hybrid models in a green context. Thirdly, our study responds to the call of Pham et al. (2019) to investigate the mediated and moderated model in order to gain deeper insights. As literature on Green HRM is still not readily available (Dumont et al., 2017; Islam et al., 2020), our study found that GTL
is the key antecedent of employees’ commitment towards the environment. Fourthly, the current study is distinctive because it investigates IWE as a boundary condition in measuring the effect of Green HRM and employees’ commitment towards the environment. Green HRM practices increase ecofriendly behavior and encourage employees’ commitment towards environment related activities. Therefore, it is recommended to make Green HRM practices a top priority. Indeed, HR managers should strive to formulate the core values of the organization as per the Green HRM policies with the aim to preserve the environment. The green transformative leader builds strong relationships with the employees and achieves the ecological objectives of the organization in order to gain a better position in a sustainable environment. The organization should initiate granting monetary and non-monetary incentives for those employees who engage in green initiatives. It is recommended that HR managers should incorporate environment-related requirements in the recruitment process.

Limitations and Future Directions

Although this study has several theoretical and methodological implications, it is not free of certain limitations. Firstly, data was collected only from the hotel industry. Hence, the findings may not be generalizable to other industries or organizational settings. Therefore, future endeavors may focus on other industries, such as manufacturing and education. Secondly, we investigated IWE as a moderator of Green HRM and employees’ commitment towards the environment. Future endeavors may investigate green climate and harmonious passion Khan et al. (2019) as a boundary condition.

Conclusion

The current research was designed to investigate the impact of GTL on employees’ commitment towards the environment in the hotel industry through the mediating role of Green HRM and the moderating role of IWE. GTL was found to have a positive significant impact on employees’ commitment towards the environment in the hotel industry. Moreover, it was found that their mutual relationship is partially mediated by Green HRM practices. Furthermore, IWE moderates the interaction between
Green HRM and employees’ commitment towards the environment in the hotel industry.

References


Transformational Leadership: Mediating Role…


Kamaluddin, N. & Manan, SKA (2010). The conceptual framework of Islamic work ethic (IWE. *Malaysian Accounting Review, Special Issue*, 9(2), 57-70. [http://dx.doi.org/10.24191/mar.v9i2.241](http://dx.doi.org/10.24191/mar.v9i2.241)


Appendix (Section A)

Demographical Information

Age in years (please tick)                      Service Sector

☐20-26                                             ☐Hotels
☐27-30                                             Marital Status
☐31-35
☐36-40☐above 40

Your Gender (Please tick)                          Hotel

☐Male ☐Female

Qualification (Please tick)

☐Bachelors
☐Masters
☐MS/MPhil

Experience in years (please tick)                  Working position (please tick)

☐1-3                                               ☐Manager
☐4-7                                               ☐Non-Manager
☐8-12
☐13 and above

Section (B)

Items

“Green Human Resource Management (GHRM)

My company sets green goals for its employees
My company provides employees with green training to promote green values
My company provides employees with green training to develop employees’ knowledge and skills required for green management
My company considers employees’ workplace green behavior in performance appraisals
My company relates employees’ workplace green behavior to rewards and compensation
My company considers employees’ workplace green behaviors in promotion

**Organizational Citizenship Behavior towards Environment (OCBE)**
I suggest new practices that could improve the environmental performance of my organization
I encourage my colleagues to adopt more environmentally conscious behavior
I stay informed of my organization’s environmental initiatives
I make suggestions about ways to protect the environment more effectively
I volunteer for projects or activities that address environmental issues in my organization
I spontaneously give my time to help my colleagues take the environment into account
I undertake environmental actions that contribute positively to the image of my organization

**Green Transformational Leadership (GTL)**

**My Supervisor……**
inspires subordinates with environmental plan
provides subordinates a clear environmental vision
encourage subordinates to work on environmental plan
encourage employees to attain environmental goals
consider about environmental beliefs of my subordinates
stimulates the subordinates to thinks and share their green ideas

**Islamic Work Ethics (IWE)**
Human relations in organization should be emphasized and encouraged
Dedication to work is a virtue
Work is a source of happiness and accomplishment
Justice and generosity in the workplace are necessary conditions for society”