The Influence of Green Human Resource Management on Competitive Advantage: The Role of Green Innovation

Agustina Irawati[1]
Gia Rizky[2]

ABSTRACT

This study aimed to analyze the influence of green human resources management on competitive advantage with green innovation as an intervening variable in the textile industry in Kabupaten Sragen. The sampling technique in this study was simple random sampling, with 115 textile industry employees as respondents. Primary data in this research were collected by questionnaire method through Google form that had been tested for validity and reliability. Data analysis in this study were descriptive statistics analysis, and classical assumption tests including normality, linearity, and heteroscedasticity tests using IBM SPSS statistic version 26. The result of the study showed that green human resource management had a positive and significant effect on competitive advantage, green human resource management had a positive and significant effect on green innovation, green innovation had a positive and significant effect on competitive advantage, and green innovation partially mediated the effect between green human resources management on competitive advantage.

ABSTRAK

Penelitian ini bertujuan untuk menganalisis pengaruh *green human resources management* terhadap *Competitive Advantage* melalui *Green Innovation* pada perusahaan tekstil di Kabupaten Sragen. Teknik pengambilan sampel dalam penelitian ini menggunakan teknik *simple random sampling* dengan jumlah responden sebanyak karyawan. Data primer dalam penelitian ini dikumpulkan menggunakan metode kuesioner melalui *google form* yang telah diuji validitas dan reliabilitasnya. Analisis data dalam penelitian ini menggunakan uji analisis deskriptif, uji instrumen yang meliput uji validitas dan reliabilitas, uji asumsi klasik yang meliputi uji normalitas, linearitas, heterokedastisitas, dan uji hipotesis yang meliputi uji t, koefisien determinasi, dan analisis jalur dengan bantuan program *IBM SPSS Statistic* versi 26. Hasil penelitian menunjukkan bahwa *green human resources management* berpengaruh positif dan signifikan terhadap *competitive advantage*, *green human resources management* berpengaruh positif dan signifikan terhadap *green innovation, green innovation* berpengaruh positif dan signifikan terhadap *competitive advantage,* dan *green innovation* berpengaruh secara parsial memediasi hubungan antara *green human resources management* terhadap *Competitive Advantage*.

Introduction

Environmental issues, which drive the implementation of green management practices, is one of key focus in human resource management these days (Rizky et al., 2024). This has become a serious concern with the ongoing development of the textile industry. Companies must pay more attention to the creation of environmentally friendly industries to face numerous challenges in the future (Rakesa & Werastuti, 2022).

One of the challenges faced by companies is the limitation in selecting energy sources for the textile industry to address existing environmental problems. This can be a focal point for companies to pay more attention to the energy sources used, so as not to cause environmental pollution due to waste produced (Purnomo, 2021).

[1] First Author : Student in Universitas Teknologi Yogyakarta, Email: irawatiagustina29@gmail.com
[2] Corresponden Author, Second Author : Lecturer at Universitas Teknologi Yogyakarta, Email : gia.rizky@staff.uty.ac.id

The increasing industrial waste indicates a lack of environmental awareness among employees. Companies need to become more aware of environmental issues in order to reduce the impact of pollution caused by production waste (Antika & Suryani, 2024). The textile and garment sub-sector in Indonesia has become one of the largest manufacturing industries in the country, significantly contributes to economic growth, not only by creating a large number of jobs but also by encouraging both domestic and foreign investments (Purnomo, 2021). Kabupaten Sragen, home to many textile industries, with 93 active businesses and companies, of which 37 are engaged in the textile sector (BPS Provinsi Jawa Tengah, 2023). In Sragen, most people work as farmers and factory laborers, which has led to the growth of manufacturing industries and the establishment of new companies to boost economic growth (Badan Pusat Statistik Kabupaten Sragen, 2024).

Table 1 Medium and Big Size Textile Manufacture in Sragen

No	Name	Address
1	2 Sisi Garmindo, CV	Karangjati RT.12
2	Delapan Jaya Perkas Garment, PT	Jl. Jaka Tingkir, Bendungan
3	Altra Multi Sandang, PT	Jl. Raya Padaplang-Tangen Km 5.5
4	Glory Industrial Semarang, PT	Jl. Raya Timus Km 06 Ds Benersari, Kel. Bener
5	Eksonindo Multi Product Industry	Gambiran, Dk. Wonowoso Rt 01/08
6	PAN Brothers, Tbk, PT	Dukuh Dawangan Rt 01, Jl Raya Solo-Sragen Km 22
7	Abadi Jaya Garment, CV	Mijahan Rt 5/1
8	Cahaya Fajar (AS)	Dk. Karangasm RT 01A/1
9	Konveksi Khodim	Dk. Jatisari Rt 17/3
10	Batik Rumini5	Dukuh Wonokerto
11	Konveksi Dian Collection	Dk. Wonokerto
12	Konveksi Triyono	Dk. Wonokerto
13	Konveksi Yatno	Dk. Tanon
14	Batik Dewi	Dk. Kebaksari
15	Batik Lestari	Taprukan Rt 11A
16	Batik Widya Kusuma	Dk. Kebaksari, Pungsari Rt 05
17	Indonesia Live, CV	Jl. Stasiun Masaran Km 2, Dk. Ngasinan
18	Kusuma Terate Konveksi	Karangnongko
19	Konveksi Nugroho	Dk. Bibis Rt 12/3
20	Batik Brotoseno, CV	Dukuh Kuyang Rt 04/01
21	Batik Dewi Arum	Jl. Kliwonan
22	Batik Windasari	Dk. Kuyang Kliwonan
23	Konveksi Darwanto	Dk. Beku Rt 19
24	Batik Dewi Ratih	Dusun Jantran
25	Batik Harjono	Dk. Plang kidul t 20
26	Batik Tulis Busana asli	Jl, plang
27	Putri Lestari	Dk. Wirorajan
28	Delta Merling Sandang Textile, PT	Prandegan
29	Bintang Makmur Sentosa Tekstil Indonesia, PT	Jl. Raya Timur Km. 8 Karanganyar
30	Delta Merling Sandang Textile, PT	Paingan
31	Bintang Asahi Textile Industry, PT	Jl. Raya Solo Sragen Km 24
32	Delta Merlin Sandang Textil II, PT	Jl. Raya Solo Sragen Km 22

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No	Name	Address
33	Kemilau Warna Ceria, PT	Jl. Raya Solo Sragen Km 21,7
34	Konveksi Asri	Dk. Paingan
35	Permata Darma Sentosa, CV	Jl. Raya Gemolong Karanggede Km 2,5
36	Tas Daimesstar	Geneng Sari, Dk. Wahyu
37	Media Solusi, CV	Ngeblak Rt 09, Ngrombo, Tangen

Source : BPS Provinsi Jawa Tengah, (2023)

However, on the other hand, the textile manufacturing industry in Sragen has negative environmental impacts. There are ongoing issues with improper waste management, where companies dispose of waste into the soil and drainage systems, leading to contamination of community-owned irrigation channels (Rahayu, 2020). In response to these environmental damages, many companies have adopted environmentally friendly work practices (go green) (Siburian & Sugiarto, 2022).

Organizations need to find ways and strategies to address economic challenges, particularly by implementing corporate environmental programs. These programs involve various organizational components, including human resources, marketing, information technology, finance, and more. All of these areas must collaborate to emphasize the most crucial element for the company— human resources. As environmental concerns become more critical, companies must develop effective solutions to address the environmental risks posed by their activities. Many businesses today increasingly concerned with environmental issues and supporting green activities (Saeed et al., 2019).

Green Human Resources Management (GHRM) focuses on promoting environmental awareness and practices among employees. GHRM is also directly responsible for creating environmentally conscious workforce—employees who understand, value, and practice eco-friendly activities throughout their recruitment, training, compensation, development, and improvement processes (Imron & Taswiyah, 2022). Implementing GHRM can raise employee environmental awareness, thus encouraging them to protect and preserve the environment (Al-Shammari et al., 2022).

To achieve a competitive advantage, companies need to create value that surpasses competitors and ensure the preservation of natural resources for future use (Alam & Islam, 2021). Therefore, companies need to involve human resources applying GHRM systems and green innovations at the employee level to achieve sustainable competitive advantage and enhance corporate performance (Elsayed & Abouelenien, 2024). A strong market competition drives companies to prioritize environmental innovations (green innovation) to address environmental issues arising from organizational capacities, production strategies, and efficiency (Kuo, 2022).

Previous studies have shown that GHRM has a positive and significant relationship with competitive advantage (Mustafa et al., 2023). Green innovation can help companies gain a competitive advantage by minimizing environmental harm caused by production waste. Companies that adopt green innovation can benefit from higher stock prices, better performance and profitability, and

increased company value (Cahyaningtyas et al., 2022). To create a competitive advantage, companies need develop innovative, environmentally friendly initiatives. This can be achieved through creative efforts that focus on sustainability, waste reduction, responsibility, and competitiveness, all of which support the company's overall objectives and strategy (Alam & Islam, 2021).

Literature Review
Green Human Resource Management

Green Human Resource Management (GHRM) is widely recognized as a strategic approach that aligns human resource practices with the goals of environmental sustainability and organizational economic viability. Fernández and del Rio (2019) assert that GHRM involves managing the workforce's abilities, motivations, and opportunities in ways that support sustainable practices. Darvishmotevali and Altinay (2022) highlight its role in creating a competitive advantage for firms. Ababneh (2021) explains that GHRM seeks to minimize environmental harm by utilizing renewable resources. In essence, GHRM serves as a corporate strategy aimed at fostering sustainable excellence through the implementation of environmentally responsible human resource practices.

Competitive Advantage

Competitive advantage refers to an organization's ability to deliver greater value than its rivals (Chen and Chang, 2013). Kotler, et al (2022) explain that it ia a company's ability to perform in one or more ways that competitors cannot or will not match. Competitive advantage arises from the creative application of systems that generate unique benefits (Tampubolon, 2014). Having competitive advantage lead to adapt with market changes faster, give more value added to customers, and keep the innovation within company's products and services. Therefore, competitive advantage is the capacity of an organization to fulfill its objectives by executing well-crafted strategies, enabling it to outperform competitors.

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Green Innovation

Green innovation refers to innovations aimed at minimizing the environmental impact of production processes. Sari and Handayani (2020) describe it as an effort to reduce environmental damage through innovation. Smith (2015) defines green innovation as the application of enhanced products or services through new marketing or organizational approaches. Martinez-Conesa et al. (2017) expand on this by indicating that it includes new processes, techniques, systems, and modifications to existing products to mitigate environmental harm. Thus, green innovation can be viewed as an innovation strategy focused on

environmentally friendly processes and products designed to conserve energy and minimize environmental degradation.

Hypotheses Development

Asfahani (2023) indicates that green human resource management (GHRM) has a positive and significant relationship with competitive advantage. This is demonstrated by the greater influence of GHRM on competitive advantage compared to environmental performance variables. A'yuni and Muafi (2020) also find that GHRM has a positive and significant impact on competitive advantage. This is because GHRM can provide companies with a competitive edge. Similarly, Gharbi et al. (2022) reveals that GHRM has a direct positive effect on competitive advantage. This finding highlights the potential of GHRM to enable companies to achieve a competitive advantage.

H1: Green human resource management (GHRM) has a positive and significant effect on competitive advantage

Green human resource management (GHRM) has a positive effect on green innovation (Song, et al., 2020). This finding in line with Al-Shammari et al. (2022) that shows GHRM positively influences green innovation. This suggests that companies can enhance environmental sustainability in innovation by implementing environmentally friendly human resource practices. Fang et al. (2022) demonstrates that GHRM has a positive and significant impact on green innovation, emphasizing that GHRM greatly enhances environmentally friendly innovation. Consequently, the following is the hypothesis.

H2: Green human resource management (GHRM) has a positive and significant effect on green innovation.

The better a company's green innovation, the stronger its competitive advantage will be. This finding demonstrates that green innovation significantly influences competitive advantage (Sugiharto & Alhazami, 2023). Elsayed and Abouelenien (2024) indicates that green innovation has a positive effect on competitive advantage as well. This implies that higher levels of environmental innovation contribute to greater competitive advantage. Consequently, the following is the hypothesis.

H3: Green innovation has a positive and significant effect on competitive advantage.

Mustafa et al. (2023) find that green human resource management (GHRM) influences competitive advantage, with partial mediation by environmental knowledge and green innovation. This finding is in line with Al-Shammari et al. (2022), that green innovation partially mediates the relationship

between GHRM and sustainability performance, thereby enabling the creation of competitive advantage for companies.

Building on these findings, research by Asfahani (2023) indicates that GHRM has a positive and significant effect on competitive advantage, while Wenhao et al. (2020) show that GHRM positively affects green innovation, and Sugiharto and Alhazami (2023) highlight the significant impact of green innovation on competitive advantage. Motivated by these prior studies, the researcher aims to further explore and integrate these findings to examine the influence of GHRM on competitive advantage, with green innovation as an intervening variable.

H4: Green innovation mediates relationship between green human resource management (GHRM) on competitive advantage.

Based on the discussion outlined above, this study seeks to examine the factors that can help a company to achieve competitive advantage. The proposed research framework is structured as follows:
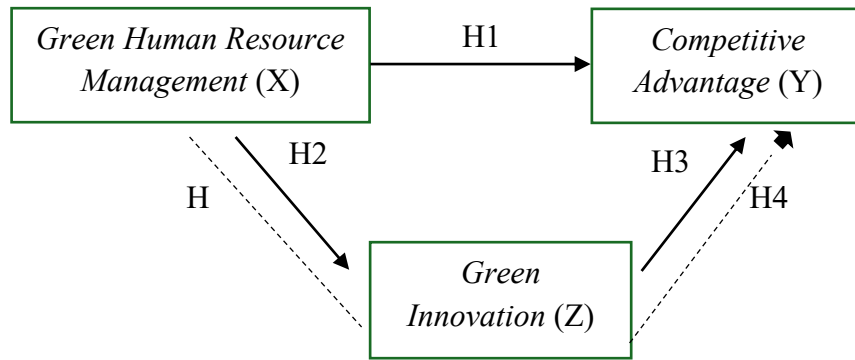

Figure 1. Research Framework

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Research Methode

This research uses quantitative method. The sampling technique in this study was simple random sampling, with 115 textile industry employees as respondents. Primary data in this research were collected by questionnaire method through Google form. The statements in questionnaire used 5-point likert scale from 1 (strongly disagree) to 5 (strongly agree) based on employee perception about GHRM, competitive advantage, and green innovation (Sugiyono, 2021).

In this research, the independent variable (X) is green human resource management (GHRM). Nine items assessed GHRM adapted from Faisal (2023), translated from English to Bahasa Indonesia. Items measured green recruitment and selection, green training and development, green performance management, and green reward and pay. The dependent variable (Y) is competitive advantage. Six items assessed competitive advantage adapted from Singh et al. (2019), translated from English to Bahasa Indonesia. Items measured product, research and development, managerial capabilities, and profit comparison with

competitors. The intervening variable (Z) is green innovation. Six items assessed green innovation adapted from Singh et al., (2019), translated from English to Bahasa Indonesia. Items measured green product innovation and green process innovation. All items in questionnaire had been tested validity and reliability. Based on Pearson test, r-value of each item is more than r-table (0.181) and Sig less than 0.05.

Table 2 Validity Test Results

Variable	Item	r-value	Sig.	Conclusion
	X1	0.474	0.000	VALID
	X2	0.680	0.000	VALID
	X3	0.539	0.000	VALID
	X4	0.490	0.000	VALID
Green Human Resource Management	X5	0.612	0.000	VALID
	X6	0.680	0.000	VALID
	X7	0.617	0.000	VALID
	X8	0.501	0.000	VALID
	X9	0.606	0.000	VALID
	Y1	0.802	0.000	VALID
	Y2	0.762	0.000	VALID
Competitive Advantage	Y3	0.775	0.000	VALID
	Y4	0.760	0.000	VALID
	Y5	0.751	0.000	VALID
	Y6	0.741	0.000	VALID
	Z1	0.734	0.000	VALID
	Z2	0.750	0.000	VALID
Green Innovation	Z3	0.737	0.000	VALID
	Z4	0.626	0.000	VALID
	Z5	0.589	0.000	VALID
	Z6	0.675	0.000	VALID

Source: SPPS data processing result, 2024

Thus, all items are valid. Reliabity test based on Cronbach's Alpha. All variables are reliable since the value is more than 0.7.

Table 3 Reliability Test Analysis

Variable	Cronbach's Alpha	Conclusion
Green Human Resources Management (X)	0.748	Reliable
Competitive Advantage (Y)	0.858	Reliable
Green Innovation (Z)	0.772	Reliable

Source: SPPS data processing result, 2024

Data analyzed using SPSS 26. Respondent profile analyzed by statistics descriptive methods consists of gender, age, education, tenure, and job position. Afterwards, classical assumption tests are conducted to assees normality data, linearity relationship, and heteroscedasticity. Regression analysis estimates the relationship between dependent and independent variables.

There are three model regression in this research: X $\rightarrow$ Z, Z $\rightarrow$ Y, and X $\rightarrow$ Y thus the regression equations are as follows, as *a* for constant, *b* for coefficient, and *e* for standard error. Meanwhile X is for independent variable i.e.

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green human resource management, Y is for dependent variable i.e. competitive advantage, and Z is for intervening variable, i.e. green innovation

$$Y = a + bX + e \qquad\qquad (1)$$
$$Z = a + bX + e \qquad\qquad (2)$$
$$Y = a + bZ + e \qquad\qquad (3)$$

t-test examines partial effect of independent variable on dependent variable. Path analysis examines the effect of intervening variable, whether partially or fully mediated relationship between independent and dependent variable. Determination coefficient (R^2) measures how far the independent variables explain the variation in the dependent variable. The closer the values to 1, the stronger independent variables explain the effect to dependent variable Ghozali (2018).

The evaluate the mediation effect in regression model, this research uses Sobel test. The test relies on the product of the coefficients for the paths between the independent variable (GHRM) and the mediator (green innovation), and between the mediator (green innovation) and the dependent variable (competitive advantage), while accounting for their standard errors. Path analysis is a statistical test used to examine the influence of mediator (intervening) variables. This method is an extension of multiple linear regression analysis. However, it cannot be used to establish causal relationships or serve as a substitute for researchers in determining causality between variables (Ghozali, 2018). Path analysis will be used to determine whether green innovation is partially or fully mediated relationship between GHRM on competitive advantage.

Results and Discussion
Descriptive Analysis Results

Respondents of this research were 115 employees that mostly female, >20 years old – 25 years, having tenure for >2 years – 4 years, and work as operational employees. The detail shows in the table below.

Table 4 Respondent Profile

Characteristic	Classification	Frequecy
Gender	Male	46
	Female	69
Age	≤ 20 years	11
	>20 years – 25 years	78
	>25 years – 30 years	17
	>30 years– 35 years	4
	>35 years	5
Tenure	≤ 2 years	45
	>2 years – 4 years	52
	>4 years – 6 years	5
	>6 years	13
Position	Top manager	-
	Middle manager	6
	Lower manager/ supervisor	6
	Operational employee	103

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Results of the Classic Assumption Test
Normality Test

The normality test aims to determine whether the variables in the regression model, including the disturbance terms or residuals, follow a normal distribution. A regression model can be considered normally distributed if the Assymp. Sig is more than 0.05 by Kolmogorov-Smirnov test. Based on Table 5, data in all model in this research are normally distributed due to assymp. sig value more than 0.05.

Table 5. Normality Test Results

Model	Assymp. Sig	Conclusion
X to Y	0.200 > 0.05	Normal
X to Z	0.200 > 0.05	Normal
Z to Y	0.058 > 0.05	Normal

Source: SPPS data processing result, 2024

Linearity Test

The linearity test evaluates whether the specified model is correctly formulated. It examines whether the functional relationship in an empirical study should be linear, quadratic, or cubic. Linearity testing can be performed using F test and check Deviation from Linearity. A variable is considered linear if the significance value for deviation from linearity is more than 0.05 (Ghozali, 2018). Based on Table 6, the value of sig deviation from linearity in all models are more than 0.05 and the F value is less than F table (3.921). Thus, all model have a significant linear relationship.

Table 6. Linearity Test Results

Model	Deviation from linearity	F value	Conclusion
X to Y	0.642 > 0.05	0.846 < 3.921	Significantly linear
X to Z	0.990 > 0.05	0.374 < 3.921	Significantly linear
Z to Y	0.301 > 0.05	1.194 < 3.921	Significantly linear

Source: SPPS data processing result, 2024

Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there is inequality in the variance of residuals across observations in a regression model (Ghozali, 2018). If the variance of the residuals remains constant across observations, it is referred to as homoscedasticity; if it varies, heteroscedasticity happens. A good regression model exhibits homoscedasticity or the absence of heteroscedasticity. To perform this test, the Park test is commonly employed. According to Ghozali (2018), the criteria for the Park test is if the probability value is > 5% (0.05), there is no indication of heteroscedasticity. Based on Table 7, the significant values more than 0.05 in all models. Thus, there are no heteroscedasticity in the regression model.

Table 7. Park Test Result

Model	Sig value	Conclusion
X to Y	0.842	No heteroscedasticity
X to Z	0.242	No heteroscedasticity
Z to Y	0.471	No heteroscedasticity

Source: SPPS data processing result, 2024

Hypothesis Test Results
Partial Test Results (t-Test)

Partial relationship had been tested by t-test. All partial hypotheses are accepted due to t-value is more than t-table and level of 0.000 less than 0.05 as on the table below.

Table 8. t-Test Result

Model	t-value	Sig	Conclusion
X to Y	3.714	0.000	Significantly positive
X to Z	2.679	0.000	Significantly positive
Z to Y	5.963	0.000	Significantly positive

Source: SPPS data processing result, 2024

Table 8 confirming the first, second, and third hypothesis. Supporting H1, the t-value of the effect of GHRM on competitive advantage is significantly positive (t-value=3.714, Sig<0.05). H2 predicted that higher level of GHRM lead to higher level of green innovation, and it was accepted (t-value=2.679, Sig<0.05). Confirming H3, the effect of green innovation on competitive advantage is significantly positive as well (t-value=5.963, Sig<0.05).
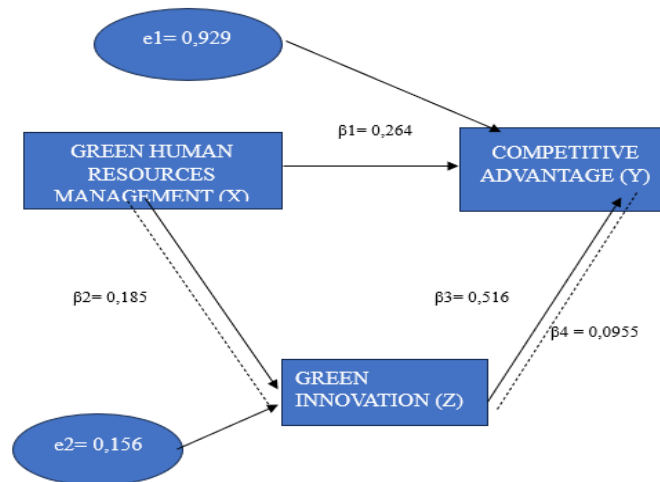
Path Analysis Results

Figure 2. Path Analysis

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Regarding mediation hypothesis from the fourth one, the indirect effect of GHRM on competitive advantage via green innovation indicating mediation. Based on Sobel test calculation based on figure below, Z-score was 2.443 > 1.96 and p-value < 0.05.
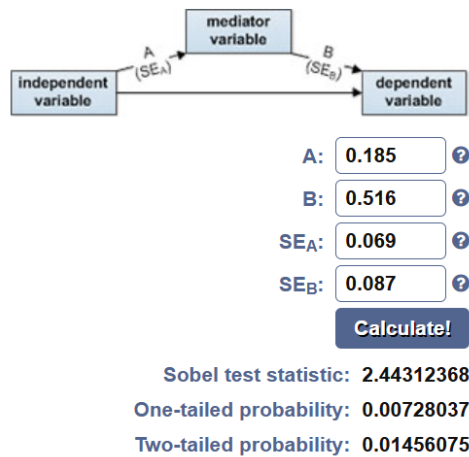
Figure 3. Sobel Calculation Result

From Figure 2, it can be interpreted that the direct influence of green human resources management on competitive advantage is 0.264, while the indirect influence of green human resources management on competitive advantage through green innovation is $0.185 \times 0.516 = 0.0955$. Therefore, direct effect of green human resources management on competitive advantage is more than indirect effect through green innovation. Thus, green innovation partially mediated the relationship between GHRM on competitive advantage.

Discussion

The results show that GHRM can act as antecedent to achieve competitive advantage. It has key contribution, as green innovation has been examined the links between GHRM and competitive advantage, especially in textile industries in Kabupaten Sragen.

The Effect of Green Human Resources Management on Competitive Advantage

Hypotheses 1 concerns the effect of GHRM contributes positively on competitive advantage supported. Recruitment and selection, training and development, performance management, and reward and pay with green approach implemented effectively will increase company competitive for textile industry in Sragen.

This finding is supported by previous studies by Asfahani (2023), A'yuni1 & Muafi (2020), and Gharbi et al. (2022), which also find out that GHRM has a positive and significant impact on competitive advantage. Companies can apply GHRM practices such as prioritizing the recruitment of environmentally conscious employees, conducting continuous employee training on the use of eco-friendly raw materials, and other initiatives to gain a competitive advantage over their competitors.

The Effect of Green Human Resources Management on Green Innovation

Hypothesis 2 is supported that GHRM contributes on green innovation. Therefore, the implementation of GHRM by companies in Sragen towards their employees can influence the company's green innovation efforts. When a company effectively implement GHRM, it is more likely to engage in green innovations within the organization.

This finding is supported by previous studies by Song et al. (2020), Fang et al. (2022), and Al-Shammari et al. (2022), that GHRM positively and significantly impacts green innovation. GHRM, with a focus on environmental sustainability, can drive green innovation within the organization. When GHRM practices are well implemented, they create a work environment that promotes environmentally friendly, innovative ideas, such as the development of green products, sustainable production processes, and waste reduction.

The Effect of Green Innovation on Competitive Advantage

Hypotheses 3 is supported that green innovation has a positive and significant impact on competitive advantage. Through green innovation, companies can attract consumers who care about the environment, thereby enhancing competitive advantage and strengthening the company's image as a sustainable leader, which improves long-term competitiveness.

Previous studies by Sugiharto and Alhazami (2023), Elsayed & Abouelenien (2024), and Jessica and Murwaningsari (2023), supported that the more green innovation implemented, the more competitive advantage can be gained. By developing eco-friendly products and processes, companies can create added value that is recognized by the market and consumers who are increasingly concerned about the environment. Green innovation can be beneficial to the environment and can serve as a critical strategy to strengthen a company's competitive advantage.

The Effect of Green Human Resources Management on Competitive Advantage through Green Innovation as an Intervening Variable

Direct effect of GHRM on competitive advantage value 0.264. The mediation role of green innovation was assessed the relationship between GHRM and competitive advantage. The calculation value for indirect effect was 0.0955. The calculation suggests that the direct effect of GHRM on competitive advantage is more than the indirect effect through green innovation. Simply put, green innovation is partially mediated relationship between GHRM to competitive advantage. Thus, even without green innovation, GHRM can create a competitive advantage by developing environmentally friendly human resources and enhancing employee efficiency and motivation to stay environmentally conscious.

This finding is supported by previous studies conducted by Mustafa et al. (2023) and Al-Shammari et al. (2022), which state that green innovation partially mediates the relationship between GHRM and competitive advantage.

Conclusion

This research proposed to examine the influence of GHRM on competitive advantage through green innovation in textile industry in Sragen. The results of the research show the employee perception about GHRM has positive and

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significant effect on competitive advantage. While green innovation has mediating effect to achive competitive advantage from implementing GHRM, the effect is just partial. Implementing green approach in recruitment and selection, training and development, performance management, and reward and pay are enough for a company to achieve competitive advantage, even without green innovation. The result gives new insight that to achieve competitive advantage is not always from marketing or production.

Limitation

This first limitation of this research relates to the sample. Due to only 115 employees participated in, only in textile and garment industry in Kabupaten Sragen, the result has limitation in generalization. Other limitations relate to measurement and data collection. The questionnaire was written in Indonesia, although the original version was in English, make it possible there was some miss-translation. All variables are collected simoultaneously via a single, self-reported online questionnaire from individual respondents, which may be biased. Nicholson (1984) stated that what is operationally important is a person's subjective perceptions of reality, following the reasoning that what is perceived as real is real in its consequences. Still, in order to generate more reliable answers, reliability test had been conducted before analyzed the data further.

Sugestions

This research focus on GHRM to achieve competitive advantage via green innovation. The sujects were employees in textile industry in Sragen. Further research may expand to other industrial sectors such as food and electronics, as well as consider additional variables such as green human capital, green behavior, green awareness, or else.

Implication

The results show that GHRM should be implemented into account in reaching competitive advantage, start from recruitment to compensation. Therefore, it is recommended that companies pay more attention to environmentally friendly human resource management to be able to create a competitive advantage. The existence of good green human resources management will provide competitive advantage value to the company. Green innovation can also benefit from the research to get better on GHRM on competitive advantage. Even, if a company is not able to do so yet, competitive advantage still can be achieved as long as GHRM is implemented well.

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