

Green Talent Management Practices in Banking Sector

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ABSTRACT

Organizations in a variety of sectors have been forced to incorporate green practices, including human resource management, into their operations due to the growing emphasis on environmental sustainability. Green talent management (GTM) has become a strategic way to link human resources with sustainability goals in the banking industry, where funding and investment decisions have a major yet indirect environmental impact. This study investigates the idea of "green talent management practices" in the banking sector, looking at how banks recruit, train, and retain staff followers who are capable of spearheading green projects and who care about the environment. The report emphasizes important procedures such environmentally linked reward systems, sustainability-focused training and development, green performance evaluation, and green hiring. The study determines how corporate culture, leadership, and policy frameworks support GTM through a review of recent research and case studies. According to the research, good green people management improves environmental performance while also boosting an organization's long-term competitiveness, employee engagement, and reputation. In order to promote a more sustainable and accountable financial industry, the report ends with recommendations for incorporating green HR practices into banks' basic business models.

KEYWORDS: *Green Talent acquisition, Green Talent Development, Green Talent Engagement, Green Performance Appraisal.*

INTRODUCTION

"Green HRM aims to enhance organizational sustainability by promoting employee awareness and commitment to environmental issues, reducing resource consumption, and improving the overall environmental performance of the organization" (Deshwal, 2015).

As the world continues to face environmental challenges, the implementation of Green Talent management practices has become progressively important for organizations to demonstrate their commitment to sustainability and banking industry.

This paper explores the concept of "Green TMP", which refers to the amalgamation of environmentally sustainable practices into TM policies and practices. Drawing on a assessment of relevant literature, the paper highlights the potential benefits of Green TM, including improved environmental performance,

enhanced employee engagement, and strengthened employer brand (Banking Performance). The paper also examines the key components of Green TMP, including Talented recruitment and selection, training and development, performance management and appraisal, employee engagement and Banking performance. Overall, the paper suggests that Green Talent management has the potential to contribute to both organizational sustainability and employee well-being and calls for further research on this important topic. The significance of 'green and sustainable practices' in the tourism and hospitality industry has increased substantially. Adopting these initiatives enhances employee engagement, job satisfaction, and retention by aligning with personal values and beliefs. Involving employees in green practices fosters a wisdom of ownership and responsibility, driving the

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success of these programs. Furthermore, sustainability efforts attract and retain top talent, who value environmental responsibility, (Tulsi, P.; JI, Y. A, 2020 and Alshiha, A, A et al 2024).

Literature Review

“Accordingly, this study states that due to technological advancement, the Paper use is decreased, digitization advances financial operations, and the banking industry is impacted by GHRM's participation as a sustainable organization.” (Khambra ,V and Bagga, S 2022). “Environmental issues and environmental sustainability have received significant attention in recent years in both industrialized and developing economies”. Corporate acceptance of "environmental initiatives", 'has been driven by the emergence of international environmental management standards and increased concern for the environment worldwide'. “Green banking is environmentally friendly banking. Ethical banking is another term for green banking. By encouraging paperless banking through internet banking, 'the bank can reduce the paperwork used. Green finance approaches must be encouraged to kickstart sustainable growth' and solve global warming, natural catastrophes, and calamities. A bank is a financial entity that works with the public, and banks that engage in green activities can affect their clients' attitudes about the environment” (Sahoo, 2016). “The term "green banking" refers to a broad range of banking tactics and procedures that support social, environmental, and economic sustainability. Its objective is to minimize environmental harm while increasing the efficiency and effectiveness of banking procedures, information technology, architecture, and infrastructure.” (Showkat, 2018). The success and feasibility of eco-friendly banking emphasize the urgent need for 'go green' initiatives in the banking sector. However, compliance with green banking standards imposes significant challenges on financial institutions, including technological constraints and deficiencies in technical expertise. (Pawan Kumar Agarwal and Kirti Kesarwani, 2024). Umair et al. (2023) investigated the linkage between 'environmental corporate social responsibility' (ECSR), green talent management (GTM), and sustainable performance in the banking sector of Oman. They found that both ECSR and GTM positively influence sustainable performance, with innovative work behaviour and green performance acting as mediators. This study underscores the importance of integrating green practices into talent management strategies to enhance sustainability. Green talent management promotes and facilitates green OCB, encouraging employees to go beyond their official career responsibilities to support

environmental sustainability, as confirmed by Ma et al.

Research Gap

- Significant studies were found that analysing the customer dimension of green banking practices, but very few studies were found analysing that the talent management practices of green banking.
- Very few studies were found which have comprehensively analysed the talent management practices of green banking in the Tamil Nadu in Virudhunagar region.
- The parameters such as acquisition, accessibility, training and development, technology advancement, and banking performance, environmental & social concerns are some of the prominent factors but were not considered much, hence making it a significant research gap.

Problem of the Study

'Green banking, also known as sustainable banking, refers to the practice of financial institutions offering environmentally-friendly products and services that promote sustainability and decrease negative impacts on the environment.' Khan, A., & Qureshi, M. (2019)

Ongoing empirical study and the constant modification of HR procedures to accommodate shifting legal and cultural contexts are immediately required as the banking sector develops. Banks may become leaders in responsible banking, achieve sustainable growth, and continue to have a good impact on their stakeholders and the community at large by adopting innovative HR practices across these important parameters and developing a sustainable staff. According to the following study, it is crucial for the banking sector to have the right people in the right positions. Therefore, the talent management strategies used in green banking are what determine the banking performance.

Scope of the study

The aforementioned study primarily examined how green talent management methods affected banking performance. Only public and private commercial banks should be the subject of this study; the researcher must cover this ground in order to hire the best candidates for the banking sector in an environmentally responsible manner.

Objectives of the Study

- To analyze the talent management practices in green banking Sector
- To Green talent management practices influences the Banking performance
- To offer finding and suggestions

Hypothesis Study

- Is positive impact between the green talent management practices and banking performance

Limitations of the study

This study only looks at green talent management strategies used by commercial banks in the Virudhunagar region, both public and private. Three commercial banks and three public sector banks make up the six banks the researcher selected.

Methodology

Both primary and secondary data were used in the researcher's subsequent study. A systematic questionnaire was used to collect primary data from bank personnel, while magazines, articles, journals, bank reports, and other sources were used to gather secondary data. Six Commercial banks were selected by the researcher using a basic random sampling procedure, with a sample size of 120. The researcher's primary focus was on choosing banks for the main branch. With the aid of SPSS and AMOS, SEM and percentage analysis statistical methods were used to analyze the gathered data.

Theoretical Model:

Green Talent Acquisition

A systematic approach to hiring that supports sustainability objectives, draws in environmentally conscientious personnel, and helps create a more 'sustainable future' for both organizations and the environment is known as "green talent acquisition." By using eco-friendly methods that go beyond the traditional hiring process, this strategic strategy seeks to acquire a modest edge in the dynamic and changing market in addition to creating a sustainable workforce.

Green Talent Development

The goal of green talent development is to produce a workforce that possesses the values, abilities, and knowledge required for a sustainable future. It entails career development, education, and training programs that complement green activities and environmental aims. This covers topics like waste management, green infrastructure, sustainable agriculture, and renewable energy. In the context of higher education institutions, green talent management and its impact on workers' creative work practices, as well as the moderating functions of transformational leadership and artificial intelligence.

Green Talent engagement

The process of drawing in, involving, and keeping workers who are enthusiastic about and actively support environmental sustainability within a

company is known as "green talent engagement." This entails creating a culture that supports eco-friendly projects, offering chances for training and growth, and acknowledging staff members' contributions to sustainability activities.

Green Performance appraisal

For companies looking to include sustainability into their performance management system and promote environmental and employee improvement, the Green Performance Appraisal is a useful tool. One kind of performance review that evaluates an employee's advancement toward a greener workplace and environment is a Green Performance Appraisal. It assesses how well they contribute to environmental objectives like waste minimization, energy efficiency, and prudent resource management. Organizations can ensure that sustainability is ingrained in staff behavior and culture by using green performance evaluations.

Result and discussion

An international environmental concern is "green human resource management." As environmental standards rise, businesses are compelled to adopt formal environmental planning that motivates, involves, and informs staff members about environmental issues. (Praharaj and Kar, 2020). "Green banking" refers to banking that is friendly to the environment. Green banking is also known as the ethical banking. The bank can cut down of paperwork by promoting the online bank and paperless banking. In order to address global warming, natural disasters, and calamities, green financing strategies must be promoted. A bank is the financial organization that interacts with the general public and private banks that take part in green initiatives have the ability to influence their customers' environmental sentiments. (Sahoo, 2016). The figure that follows Green talent management has a direct impact on banking performance in terms of hiring the right people in the right places at the right times to support green banking ideas online (e.g. Skype, Zoom, Google Meet, Every Company software etc.). The right person should be chosen for talent development, and the person who is already employed will be trained in advanced software and how to handle bank customers' questions about online training. Engagement will then be based on employee expectations and opinions, and performance reviews will be used to appraise both individual and overall employee performance, which will aid in bank developments. the entire idea to advance and enhance banking operations.

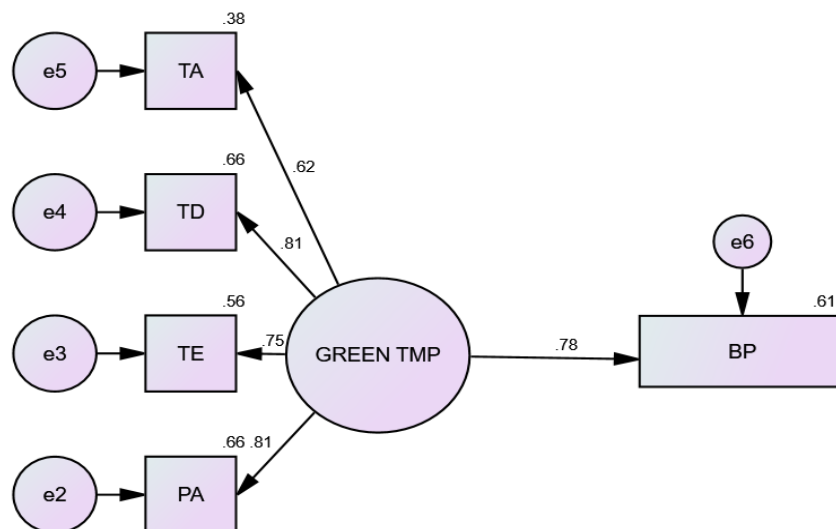


Figure -1 Model of Green TMP influence the Banking Performance

Table- 1 Green TMP influence the Banking Performance in Fit indices

Absolute Fit		Incremental Fit				Parsimonious Fit	Result
GFI	RMSEA	AGFI	CFI	NFI	TLI	CMIN	
0.973	0.000	0.920	0.999	0.972	0.991	0.770	Reached

Computed Source with help of AMOS

The values in the current table are all fit for absolute fit. The RMSEA is less than 0.08 and the GFI is more than 0.9. Consequently, the parsimonious fit is less than 3.0/5.0 and the incremental fit for AGFI, CFI, NFI, and TLI values is greater than 0.9. If this number is accepted, the Green TMP figure above, which has a value of 0.78, directly affects banking performance.

Conclusion

'Green talent management plays a vital role in developing organizational green capabilities and cultivating a resilient green culture. By recruiting, nurturing, and retaining employees dedicated to sustainability, it ensures alignment with organizational values and objectives.' (Al-Romeedy, B. 2024). "Encouraging green organizational citizenship behavior by providing opportunities for voluntary eco-friendly actions and recognizing employee contributions fosters a shared sense of responsibility. Moreover, improving green performance through regular environmental audits, adopting energy-efficient technologies, and obtaining green certifications can significantly reduce environmental impact and boost operational efficiency." Since Green TMP is a crucial component of all banks, this study suggested that it has a direct impact on banking performance when the correct person is chosen, internal banking activities enhance it, and external activities are observed and advanced to support green talent management. Thus, this study derived to the inference that Green TMP has a major impact on banking performance.

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