# The Impact of Stakeholder Pressure on Environmental Performance with GHRM Practice and Green Innovation as Mediation

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**ABSTRACT:** Currently, the GHRM Practice theory is widely used to assess performance in a company. However, in its theory, GHRM practice does not always have a positive effect on a company's performance, one of the causes being pressure from the stakeholders. Specifically in the hospitality industry currently, the Indonesian government has established requirements for environmental performance practices in hotel operational activities. This research explains the effect of stakeholder pressure on environmental performance through the mediation of GHRM practice by adding a green innovation indicator in the hospitality industry. The research method used was quantitative with a purposeful-sampling technique to reach 121 employees who work in hotels operating in the Jakarta-Bogor-Depok-Tangerang-Bekasi (Jabodetabek) area of Indonesia. The study found that green innovation has a positive effect on stakeholder pressure towards environmental performance. However, this research found that there was no effect between GHRM (green hiring, green training & involvement, and green compensation) on environmental performance in the hospitality industry. It is hoped that this research on green innovation can be implemented in the hospitality industry, creating better environmental performance and can be further developed in future research.

**KEYWORDS:** stakeholder pressure; environmental performance; green HRM practice (green hiring, green training and involvement; green compensation; and green innovation)

## I. INTRODUCTION

The global tourism industry has been steadily increasing every year since 1950, with the number of global tourists traveling abroad growing between 3% and 4% in 2015, and in the Asia Pacific region by 4% to 5% (UNTWO, 2015). The movement of foreign tourists is predicted to increase 4% per year for the next 10 years, resulting in a high demand for hotel rooms (Hotel Investment Outlook, 2017). Most hotels face internal and external pressures forcing them to pay attention to environmental conservation through eco-friendly hotel services that do not damage the environment and are safer for customers (Yusoff et al., 2018). According to (Yusoff et al., 2018), with the increasingly intense competition and changing environmental conditions, a hotel's ability to change direction and strategically reconfigure is crucial for its success in achieving environmental performance. In other words, we propose that hotels need to embrace green human resource management practices (green HRM). The human resource (HR) function plays a critical role in deciding which conservation practices should be applied in every aspect of the business and implemented in all stages of the organization as a continuous process (Cohen et al., 2012). According to (Sudin, 2011), it is believed that green HRM practices are the best strategy for environmental performance and green HRM practices provide the basic structure that allows organizations to better manage the environmental impact of the organization. (Sheopuri, 2015) highlights that green HRM practices consist of eco-friendly HR activities, resulting in lower costs, greater efficiency, and better retention and employee engagement, which in turn helps the organization. Therefore, it is important to identify green HRM practices that accelerate contributions to environmental performance in the hospitality industry.

The development of environmental performance in companies (also called Green HRM) provides empirical support for the idea that certain Green HRM practices are positively related to environmental performance (Renwick et al., 2013). However, there is still considerable uncertainty about the role of GHRM in responding to consumer pressures and policy makers (Jackson et al., 2011). In this case, researchers aim to address two specific knowledge gaps, namely; (i) stakeholder pressures on environmental issues that direct companies to implement Green HRM practices and (ii) the different mediating role played by specific Green HRM practices in the relationship between consumer pressures and environmental performance (Guerci et al., 2015). Thus, referring to the paper (Guerci et al., 2015) that examines and compares the relative effects of three HRM practices on environmental performance, namely, (green hiring, green training and involvement, and green performance management and

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compensation), the author also adds an HRM practice called Green Innovation. Green Innovation is considered as a significant predictor in determining environmental performance (Qiu et al., 2020). In addition, literature has emphasized that green innovation plays an important role in achieving sustainable performance (Chen, 2015). The purpose of this article is to provide empirical evidence about Green HRM practices as the main contributor to environmental performance in the hotel industry (Kraus et al., 2020).

## 1.1 Stakeholder Pressure

According to (Freeman et al., 2020) stakeholder theory has been closely related to the idea of strategy from the beginning. In research (Freeman et al., 2010) it is said that the idea of stakeholder theory was developed at the Stanford Research Institute and by Eric Rhenman in Sweden as a way of organizing information that is increasingly important in strategic planning. (Freeman et al., 2020) states that every stakeholder becomes a taker from the system, which certainly weakens and reduces the system's ability to achieve the goals stated to maximize profits. Considering all stakeholders reflects a higher awareness of the business leaders, where they can see the interdependence and interdependence that cannot be seen by those who operate with a lower level of awareness (Freeman et al., 2020). Stakeholder pressure refers to general external pressure given by environmental regulations and green customer needs (Dangelico, 2015). According to (Liao and Tsai, 2018) stakeholder pressure consists of two main sources: environmental regulations, which refer to regulations imposed by the government to protect or improve the environment, and green customer needs, which describe market demand for green products and services. According to (Ramanathan et al., 2014) from an empirical perspective, a series of recent papers support that companies are able to respond positively to stakeholder pressures (i.e., the specific claim that stakeholders advance based on their specific interests and needs and are more likely to have superior performance). (Ramanathan et al., 2014) shows that stakeholder pressures on environmental issues have a significant and positive impact on a company's environmental performance. According to (Yu et al., 2015) theoretically, similar to the case of financial performance, the relationship between stakeholder pressures on and environmental performance has been supported with arguments stating that companies that effectively respond to stakeholders are more likely to develop deeper and broader environmental-related processes (understood as internal resources) and to improve access to external networks with which to share expertise and information about environmental issues (understood as internal resources). The fact is, the relationship between environmental performance and other performance dimensions has been suggested by previous literature (Golicic et al., 2013).

**H1: Stakeholder pressure has a positive effect on environmental performance.**

## 1.2 GHRM Practice (Green Hiring, Green Training & Involvement and Green Compensation)

The opinion of (Mateus et al., 2019) is an explanation of (Mandip, 2012) which refers to the condition called green hiring. An organization that effectively wants its employees to understand that it values environmental sustainability needs to establish green hiring practices according to environmental criteria (Wu et al., 2018). According to researcher (Ahmad, 2015), efforts in green HRM should begin with hiring 'green' candidates and talents. According to researcher (Ahmad, 2015), green recruitment and selection is the new name for green hiring, but researchers use these words interchangeably. These are the most useful criteria for attracting candidates (Ahmad, 2015). In addition, (Ahmad, 2015) also states that through green hiring, it is easy for companies to attract more talented employees who know about the environment and sustainability (Zaid et al., 2018).

According to research (Ruangkanjanases et al., 2021) green training provided to employees increases their skills, abilities, knowledge, commitment, and attitudes towards environmental management. According to the Chartered Institute of Personnel and Development [CIPD], 2013, green training has also proven to be the most adopted practice among green HRM practices. Thanks to green training, employees are able to identify environmental issues and make decisions and take appropriate actions to improve environmental performance (Salazar et al., 2012).

According to (Pranira, 2022), compensation is a company's obligation to its employees and is a crucial factor in managing human resources that determines the company's ability to achieve its goals. (Pranira, 2022) then states that compensation is a form of appreciation for the contributions made by employees to the company, with the hope that employees will continue to contribute to the company through stable performance, even with increased performance. Therefore, it can be concluded according to (Harvey et al., 2013), green compensation guides employees to align their behaviors with the goals of the environmental organization. In addition to green hiring, the company implements a series of green training and involvement practices aimed at current employees. Specifically, both researchers and practitioners have focused most of their attention on green training (such as awareness campaigns, training and induction) and involvement (such as two-way communication flow) (Jabbour, 2013).

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According to (Ahmad et al., 2015) emphasized that incentives and rewards can maximize employee attention at work and motivate them to exert maximum effort on their part to achieve organizational goals. Experts also contribute to responding to stakeholder pressure or to pursue ethical and social values (Endrikat et al., 2014). According to (Kazancoglu et al., 2020) the scale for measuring the level of stakeholder pressure depends on the job.

According to (Guerci, 2015) companies that feel stakeholder pressure for environmental sustainability are more likely to implement green HRM practices, and that these practices positively affect environmental performance. From the research (Guerci, 2015) considers three specific HRM practices (namely green hiring, green training and involvement and green performance management and compensation).

**H2: Stakeholder pressure has a positive effect on green hiring.**

**H3: Green Hirring has a positive effect on environmental performance.**

**H4: Stakeholder pressure has a positive effect on green training & involvement.**

**H5: Green Training & Involvement has a positive effect on environmental performance.**

**H6: Stakeholder pressure has a positive effect on green compensation.**

**H7: Green Compensation has a positive effect on environmental performance.**

**1.3 Green Innovation**

Many previous studies have shown that green innovation-based companies are more successful than their competitors (Song, et al., 2020), because they benefit from Green HRM and their ability to respond to customer demands quickly and accurately (Singh et al., 2020. While (Renwick et al., 2013) believes that green innovation is a directly related environmental management component, green performance management is a great method to increase staff commitment to environmental management and, as a result, their readiness to participate in environmentally friendly innovation. According to research (Wong et al., 2012) green innovation consists of green product innovation and green process innovation. According to research by (Berrone et al., 2013) a literature review on how stakeholder pressure affects green innovation is crucial and empirical literature on the relationship between stakeholder pressure and green innovation shows mixed results (Berrone et al., 2013). Research by (Hsu et al., 2013) results provide strong empirical support for the idea that pressure from competitors, government, and employee behavior drives green innovation practices.

The results of research (Weng et al., 2015) show that green innovation practices have a positive and significant effect on environmental performance, showing that companies that engage in green innovation will observe better environmental performance. The results of research (Weng et al., 2015) also show that green innovation has a positive effect on the performance of the company, both financially and non-financially. Through these practices, companies can not only generate better financial performance (e.g., increase their market share, increase sales revenue); they can also improve their company image to attract additional customers (Weng et al., 2015).

**H8**: **Stakeholder pressure has a positive effect on green innovation.**

**H9: Green innovation has a positive effect on environmental performance.**

**1.4 Research Hypoteses**

Overall, this research proposes a research model to investigate factors that affect environmental performance in companies. First, we hypothesize that stakeholder pressure has a positive effect on environmental performance. Second, we hypothesize that stakeholder pressure has a positive effect on GHRM Practices (green hiring, green training & involvement & green compensation) (Guerci, 2015). Third, we hypothesize that GHRM Practice has a positive effect on environmental performance. Finally, we investigate the moderation role of green innovation in affecting the relationship between stakeholder pressure and environmental performance.

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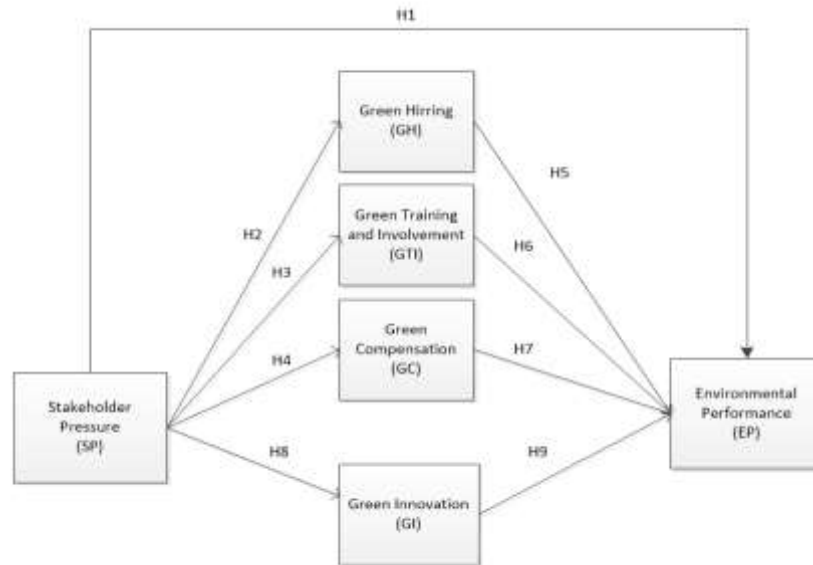


## II. METHOD

### 2.1 Sampling & Data Collection

To test the research model we propose, we conducted a survey in the hotel industry specifically in the Jabodetabek region. The sample was distributed to hotel guests with a total of 121 respondents who frequently stay with some hotel ratings. The researcher sent the survey online to hotel guests with a response level to the level of ratings considered satisfactory for each guest's rating. The sample distributed to hotel guests with parameters including (namely age, highest education, employment status, working time, and intensity / rating chosen).

### 2.2 Measurement

In this research, we used the purposive sampling method of sample determination with certain considerations and using online survey questionnaire instruments.

**Table 1. Respondent's Demography**

| No. | Demography Characteristics | Total | Percentage |
|-----|---------------------------|-------|------------|
| 1. | Gender | | |
| | Man | 71 | 58.7 |
| | Woman | 50 | 41.3 |
| 2. | Marriage Status | | |
| | Single Parents with Child | 2 | 1.7 |
| | Single Parents Without Child | 1 | 0.8 |
| | Married | 79 | 665.3 |
| | Single | 39 | 32.2 |
| 3. | Age | | |
| | <22 years old | 2 | 1.7 |
| | >22 – 35 years old | 70 | 57.9 |
| | >35 – 45 years old | 32 | 26.4 |
| | >45 – 50 years old | 6 | 5 |
| | > 50 years old | 11 | 9.1 |
| 4. | Education | | |
| | < Highschool / equivalent | 10 | 83.3 |
| | Diploma | 18 | 14.9 |
| | Bachelor | 17 | 14.0 |
| | Master | 76 | 62.8 |
| 5. | Employment Status | | |

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| No. | Demography Characteristics | Total | Percentage |
|-----|---------------------------|-------|------------|
|     | Working | 94 | 77.7 |
|     | Not Working | 5 | 4.1 |
| 6.  | Work Status |  |  |
|     | Not Working | 3 | 2.5 |
|     | 1 – 5 Years | 36 | 29.8 |
|     | >5 – 10 Years | 36 | 29.8 |
|     | >10 – 15 Years | 21 | 17.4 |
|     | >15 - >20 Years | 25 | 20.7 |
| 7.  | Hotel Preference |  |  |
|     | 1-2 Star | 2 | 1.7 |
|     | 3 Star | 23 | 19 |
|     | 4 Star | 52 | 43 |
|     | 5 Star | 44 | 36.4 |

This research uses the multivariate technique of Structural Equation Model (SEM), based on the consideration that SEM has the ability to combine measurement and structural models simultaneously compared to other multivariate techniques. It has the ability to test direct and indirect effects (direct and indirect). Where the words of several items have been modified to ensure that all items are clear and reflect their nature.

## III. RESULT

**Table 2. Desriptive Overal Variable Stastistic**

| Variable | N | Minimum | Maximum | Mean | Std Deviation |
|----------|---|---------|---------|------|---------------|
| Stakeholder Pressure | 121 | 2.00 | 5.00 | 4.2645 | 0.68107 |
| Green Hirring | 121 | 2.50 | 5.00 | 4.0289 | 0.78607 |
| Green Training & Involvement | 121 | 2.0 | 5.00 | 4.1550 | 0.6864 |
| Green Compensation | 121 | 2.20 | 5.00 | 4.1273 | 0.68751 |
| Green Innovation | 121 | 2.88 | 5.00 | 4.1291 | 0.71842 |
| Environmental Performance | 121 | 2.60 | 5.00 | 4.1240 | 0.70864 |

*N = Total Sample*
**Source:** *output SPSS*

The table above shows the number of samples, minimum value, maximum value, mean value, and standard deviation. The mean value shows the average assessment of the respondents to the statements proposed, while the standard deviation illustrates the size of the deviation from the average of the statements proposed in the research questionnaire.

In the variable Stakeholder Pressure, a mean value of 4.26 was obtained with a minimum value of 2.00 and a maximum value of 5, which means that the respondents or hotel guests are oriented towards the priorities of clean and comfortable hotel environmental conditions; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.68.

In the variable Green Hiring, a mean value of 4.02 was obtained with a minimum value of 2.50 and a maximum value of 5, meaning that the respondents feel that one of the requirements for hiring workers is having an environmental certification and the interest of employees in applying to the company through the company's commitment to the environment; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.78.

In the variable Green Training & Involvement, a mean value of 4.15 was obtained with a minimum value of 2 and a maximum value of 5, which means that the respondents are oriented that generally the company provides environmental training for employees to the manager level; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.68.

In the variable Green Compensation, a mean value of 4.12 was obtained with a minimum value of 2.20 and a maximum value of 5, which means that the respondents are oriented that one of the main performance indicators or performance at the manager level and above is seen from the concern for the environment and it becomes a benchmark in the provision of end-of-year compensation and/or in the form of awarding in the achievement of hotel performance improvement, compensation also

becomes a trigger for employees to increase awareness of environmental concern for the hotel, and obtaining bonuses for workers who have K3 skills certification; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.68.

In the variable Green Innovation, a mean value of 4.12 was obtained with a minimum value of 2.88 and a maximum value of 5, which means that the respondents or hotel parties choose products/materials that produce the lowest pollution, the process of creating products avoids materials with hazardous emissions or waste, and creating product innovations oriented with looking at the needs of current guests for the purpose of making it easier to obtain hotel services; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.71.

In the variable Environmental Performance, a mean value of 4.12 was obtained with a minimum value of 2.60 and a maximum value of 5, which means that the respondents are oriented towards the use of environmentally friendly products, and in producing its products, the hotel maximizes the consumption of energy and raw materials, while minimizing the production of waste and pollution; with the deviation of the respondents' answers to the average Standard Deviation (SD) of 0.68.

**Table 3. Hypotheses Test Result**

| Hypotheses | Estimate | C.R. | P | Keputusan |
|---|---|---|---|---|
| Stakeholder_Pressure → Performance | 1.016 | 2.722 | 0.006 | H1: Support |
| Stakeholder_Pressure → Hiring | 1.141 | 8.467 | 0.000 | H2: Support |
| Stakeholder_Pressure → Training Involvement | 1.025 | 8.933 | 0.000 | H3: Support |
| Stakeholder_Pressure → Compensation | 0.982 | 7.855 | 0.000 | H4: Support |
| Stakeholder_Pressure → Innovation | 1.150 | 9.296 | 0.000 | H5: Support |
| Hiring → Performance | -0.027 | -0.257 | 0.797 | H6: Not Supported |
| TrainInvol → Performance | -0.119 | -0.806 | 0.420 | H7: Not Supported |
| Compensation → Performance | -0.021 | -0.179 | 0.858 | H8: Not Supported |
| Innovation → Performance | 0.212 | 2.000 | 0.046 | H9: Not Supported |

Based on the results of data analysis, it is known that the estimated value () = 1.016, C.R value = 2.722, with p-value = 0.006 <0.05. Since the p-value is <0.05, H1 is accepted or supported, which means that there is a positive and significant effect of Stakeholder Pressure on Environmental Performance. Therefore, the higher/better Stakeholder Pressure, the higher/better Environmental Performance, and vice versa, the lower/worse Stakeholder Pressure, the lower/worse Environmental Performance. Based on the results of data analysis, it is known that the estimated value ($\beta$) = 1.141, C.R value = 8.467, with p-value = 0.000 <0.05. Since the p-value is <0.05, H2 is accepted, which means that there is a significant effect of Stakeholder Pressure on Green Hiring. Therefore, the higher/better Stakeholder Pressure, the higher/better Green Hiring, and vice versa, the lower/worse Stakeholder Pressure, the lower/worse Green Hiring. Based on the results of data analysis, it is known that the estimated value ($\beta$) = 1.025, C.R value = 8.933, with p-value = 0.000 <0.05. Since the p-value is <0.05, H3 is accepted, which means that there is a significant effect of Stakeholder Pressure on Green Training and Involvement. Therefore, the higher/better Stakeholder Pressure, the higher/better Green Training and Involvement, and vice versa, the lower/worse Stakeholder Pressure, the lower/worse Green Training and Involvement. Based on the results of data analysis, it is known that the estimated value () = 0.982, C.R value = 7.855, with p-value = 0.000 <0.05. Since the p-value is <0.05, H4 is accepted, which means that there is a significant effect of Stakeholder Pressure on Green Compensation. Therefore, the higher/better Stakeholder Pressure, the higher/better Green Compensation, and vice versa, the lower/worse Stakeholder Pressure, the lower/worse Green Compensation. Based on the results of data analysis, it is known that the estimated value () = 1.150, C.R value = 9.296, with p-value = 0.000 <0.05. Since the p-value is <0.05, H5 is accepted, which means that there is a significant effect of Stakeholder Pressure on Green Innovation. Therefore, the higher/better Stakeholder Pressure, the higher/better Green Innovation, and vice versa, the lower/worse Stakeholder Pressure, the lower/worse Green Innovation. Based on the results of data analysis, it is known that the estimated value ($\beta$) = -0.021, C.R value = -0.179, with p-value = 0.858 > 0.05. Since the p-value is > 0.05, H8 is rejected, which means that there is no positive and significant effect of Green Compensation on Environmental Performance. Therefore, the lower the achievement of Green Compensation values, the directly proportional to the value of Environmental Performance, or vice versa. Based on the results of data analysis, it is known that the estimated value ($\beta$) = 0.212, C.R value = 2.000, with p-value = 0.046 < 0.05. Since the p-value is < 0.05, H9 is accepted, which means that there is a significant effect of

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Green Innovation on Environmental Performance. Therefore, the higher/better Green Innovation, the higher/better Environmental Performance, and vice versa, the lower/worse Green Innovation, the lower/worse Environmental Performance.

## IV. RESULT

Based on the results obtained, it is known that the findings of the hypothesis testing of the research are in line with the proposed research hypothesis and based on the referenced journal findings. There is a positive and significant effect of stakeholder pressure on environmental performance, this finding is consistent with previous research by (Guerci et al., 2015), (Ahmed et al., 2019), and (Huang et al., 2016). The effect of stakeholder pressure on environmental performance is positive and significant, where the more the hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings, and conservation of environmental concern, the more the hotel feels that it is able to create environmentally friendly products and maximize renewable energy by minimizing emissions, both directly and indirectly.

There is a positive and significant effect of stakeholder pressure on green hiring, this finding is consistent with previous research by (Guerci et al., 2015) and (Al-Swidi et al., 2022). The effect of stakeholder pressure on green hiring is positive and significant, where the more the hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings, and conservation of environmental concern, the more the hotel feels that it can implement recruitment requirements through environmental commitment and have K3 certification.

Based on the results obtained, it is known that the findings of the hypothesis test research have similarities with the research hypotheses proposed and based on the cited journal findings. There is a positive and significant effect of stakeholder pressure on environmental performance, this finding is in line with previous research by (Guerci et al., 2015), (Ahmed et al., 2019), and (Huang et al., 2016). The effect of stakeholder pressure on environmental performance is positive and significant, where the more the hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings, and conservation of environmental concern, the more it feels that the hotel is able to create environmentally friendly products and maximize renewable energy by minimizing emissions both directly and indirectly.

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There is a positive and significant effect of stakeholder pressure on green training and involvement, this finding is in line with previous research by (Guerci et al., 2015) and (Al-Swidi et al., 2022). The effect of stakeholder pressure on green training and involvement is positive and significant, where the more the hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings, and conservation of environmental concern, , the hotel feels more capable of providing compensation in the form of bonuses or in the form of awards for employee performance and for those who hold K3 expertise positions in improving performance and awareness of environmental concerns in the hotel.

Based on the results obtained, it was found that the findings of the hypothesis testing research have similarities with the proposed research hypothesis and based on the cited journal findings. There is a positive and significant effect of stakeholder pressure on environmental performance, this finding is in line with previous research from (Guerci et al., 2015), (Ahmed et al., 2019), and (Huang et al., 2016). The effect of stakeholder pressure on environmental performance is positive and significant, where the more a hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings and conservative environmental concern, the more it

feels that the hotel is able to create environmentally friendly products and maximize renewable energy by minimizing emissions both directly and indirectly.

There is a positive and significant effect of stakeholder pressure on green hiring, this finding is in line with previous research from (Guerci et al., 2015) and (Al-Swidi et al., 2022). The effect of stakeholder pressure on green hiring is positive and significant, where the more a hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings and conservative environmental concern, the more it feels that the hotel is able to implement job recruitment requirements through environmental commitment and have K3 certification.

There is a positive and significant effect of stakeholder pressure on green training and involvement, this finding is in line with previous research from (Guerci et al., 2015) and (Al-Swidi et al., 2022). The effect of stakeholder pressure on green training and involvement is positive and significant, where the more a hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings and conservative environmental concern, the more it feels that the hotel is able to provide environmental training for employees in general to managerial level, and job descriptions for employees include environmental responsibility.

There is a positive and significant effect of stakeholder pressure on green compensation, this finding is in line with previous research from (Guerci et al., 2015), (Al-Swidi et al., 2022), and (Sakharina et al., 2020). The effect of stakeholder pressure on green compensation is positive and significant, where the more a hotel can provide clean and comfortable environmental conditions for guests and the hotel fully supports the implementation of environmental regulations for hotel business operations made by the government regarding waste emissions, related to production management policies, resource savings and conservative environmental concern. We interpret the results of this study by suggesting that the performance of employees or applicants tends to not prioritize efficiency in producing or using environmentally friendly products when the hotel applies environmental commitment to employees and applicants.

There is no positive and significant effect of green training and involvement on environmental performance, this finding is not in line with previous research by (Guerci et al., 2015) but in line with previous research by (Kim et al., 2019) where, employees can see the implementation of GHRM practice as a positive organizational attitude that reflects genuine concern for the environment. If the hotel employees' perception of GHRM is favorable, they tend to show a higher level of organizational commitment to the organization. However, in this research, we interpret that most hotels tend not to commit and do not conduct environmental-related training to employees who already have K3 certification.

There is no positive and significant effect of green compensation on environmental performance, this finding is not in line with previous research by (Guerci et al., 2015) but in line with previous research by (Kim et al., 2019) where, employees can see the implementation of GHRM practice as a positive organizational attitude that reflects genuine concern for the environment. If the hotel employees' perception of GHRM is favorable, they tend to show a higher level of organizational commitment to the organization. However, in this research, we interpret and propose the idea that most hotels tend not to commit in providing compensation in the form of awards or bonuses specifically to employees who have K3 certification.

There is a positive and significant effect of green innovation on environmental performance, this finding is in line with previous research from (Seman et al., 2019) where, through the implementation of green practices, such as green innovation, organizations can withstand environmental pressures by maintaining and improving environmental performance significantly. This also shows the importance of developing green innovation practices in manufacturing organizations, which serves as a new strategic method for involved managers. In this study, the effect of green innovation on environmental performance is positive and significant, where the more the hotel innovates in product creation by carefully considering the use of materials to meet the needs of modern guests and make it easier for them to obtain hotel services, the hotel will create environmentally friendly products and maximize renewable energy by minimizing emissions produced both directly and indirectly.

## V. CONCLUSION

Based on the results of the hypothesis testing, it is known that there is a positive and significant effect of stakeholder pressure on environmental performance, there is a positive and significant effect of stakeholder pressure on green hiring, there is a positive and significant effect of stakeholder pressure on green training & involvement, there is a positive and significant effect of stakeholder pressure on green compensation, there is no positive and significant effect of green hiring on environmental performance, there is no positive and significant effect of green training & involvement on environmental performance, there is

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no positive and significant effect of green compensation on environmental performance, and there is a positive and significant effect of green innovation on environmental performance.

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