
Implementation of Green HRM at PT Sido Muncul

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Abstract:

PT Sido Muncul as one of the major companies in Indonesia has a commitment to environmental sustainability which is reflected in various GHRM practices. The purpose of this study is to explore how the process of implementing the GHRM concept, what are the challenges and obstacles and the impact of GHRM implementation. The method in this research uses qualitative research with data collection techniques, namely literature studies. The data collection used is by collecting, examining, analyzing information or data from various literature sources related to GHRM to understand its implementation and impact. The findings show that PT Sido Muncul has implemented several key GHRM strategies, including training and development, environmental-based performance management, participation in environmental programs, and dialogue with stakeholders. Nonetheless, the company faces challenges such as increasing training initiatives, environmental awareness among employees, as well as the need to continuously develop green practices. Proposed solutions include enhancing training programs, strengthening employee engagement, as well as adjusting policies to overcome existing constraints. This study provides insights into the effectiveness of GHRM in improving environmental performance and contribution to corporate sustainability and provides recommendations to improve the implementation of GHRM in the future.

Keywords: *Green Human Resources Management, Environmental Sustainability, Human Resources Management, PT Sido Muncul*

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1. Introduction

The concept of sustainable development has developed in various sectors, especially the industrial sector. Green Human Resource Management (GHRM) is a company policy that focuses on sustainable human resource management, taking into account the preservation of nature in company management. Amidst the increasing problem of environmental damage caused by the production process, GHRM is needed to reduce this negative impact. The Ministry of Industry (Kemenperin) also continues to strive to spur the development of green industry to prioritize efforts for efficiency and

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effectiveness in the use of resources sustainably. This is so that industrial development is in line with the preservation of environmental functions and can provide benefits to the community. The development of green industry itself has been regulated in Law No. 3 of 2014 concerning Industry. The law explains that green industry is an industry that in its production process prioritizes efforts for efficiency and effectiveness in the use of resources sustainably so that it can align industrial development with the preservation of environmental functions and can provide benefits to the community. The Ministry of Industry also provides the Green Industry Award as an appreciation for companies that have implemented green industry principles consistently and sustainably. In 2021, there were 137 companies that received the Green Industry Award and 7 companies received the Green Industry Certificate. This award is given to companies that support the concept of green economy, green technology, and green products through efficiency and effectiveness efforts in the production process.

Green Human Resource Management (GHRM) practices are currently developing in the industrial sector, supported by the G20 movement in reducing carbon emissions to combat climate change, encouraging employee initiatives to be actively involved in the development, implementation, and maintenance of a sustainable environment. Green human resource management is currently effective in addressing emerging challenges in the environmental sector. Many companies implement GHRM programs through a series of employee training and development activities. As one example, PT Sido Muncul also pays attention to Green Human Resource Management (GHRM). To increase productivity and the company's commitment to environmental sustainability, GHRM practices are very necessary. The company is aware that individual-level pro-environmental behavior from all employees is needed to achieve the company's sustainable performance.

PT Sido Muncul is a pharmaceutical and herbal medicine development company that has demonstrated significant dedication to continuous and improved environmental performance. The implementation of Green Human Resource Management (GHRM) is one of the tactics used to achieve this goal. The purpose of the GHRM method is environmentally conscious Human Resource management. PT Sido Muncul has created a number of dimensions of GHRM implementation, such as job rotation, performance evaluation, and training and development. Training and development programs are implemented to improve employee understanding of environmental issues and provide best practices in environmentally friendly activities. The company's performance evaluation approach incorporates environmental management goals and targets through work evaluations. In addition, job rotation is used to teach environmental awareness to managers to identify the type of training needed for advancement.

PT Sido Muncul has detailed several efforts made to improve sustainability and conserve energy in its 2023 sustainability report. A condensate return system, LED lighting, and the use of more environmentally friendly CNG fuel are some examples of these projects. The business has also replaced inefficient equipment with more effective machines, such as the use of a chilled water system that uses more effective refrigerants and replacing steam heaters with electric heaters.

PT Sido Muncul's 2022 sustainability report details a number of efforts aimed at improving the well-being and health of its workforce. Provision of medical equipment and health benefits are two examples of these activities. As a result, PT Sido Muncul's implementation of GHRM has shown effectiveness in improving sustainability and environmental performance. However, there are still a number of obstacles that need to be overcome, such as increasing training and development initiatives and increasing environmental awareness among all employees.

For PT Sido Muncul, employees are important elements as drivers, implementers, and people who realize organizational goals by using careful planning, capital, and sophisticated technology. PT Sido Muncul as a producer of health products also needs to always campaign for environmental conservation, both for consumers and its human resources. Based on the understanding and background of this study, it is very fundamental for the management of PT. Sido Muncul to improve employee performance accompanied by increasing employee awareness of the importance of green behavior of human resources. Improving the green performance of human resources is expected to be implemented through increasing green behavior training, green competencies, and green affective commitments. This is the main basis for conducting this research.

The research gap lies in certain aspects of GHRM that have not been explored in depth in the context of PT Sido Muncul and similar industries. For example, the interaction between GHRM initiatives and individual employee pro-environmental behavior still requires further study. This study focuses on the urgency and novelty of implementing GHRM as a tool to improve environmental sustainability at PT Sido Muncul, with the aim of providing recommendations that can support the company's efforts in achieving better environmental performance.

Through this study, it is expected to identify the most effective GHRM practices and propose steps that can be taken to overcome existing challenges, so that PT Sido Muncul can contribute more to achieving the sustainability goals that have been set. In addition, this study also aims to identify behavioral changes in response to green behavior training programs, in order to create a more sustainable work environment and increase employees' affective commitment to green values.

Formulation of the problem :

1. What are the Green Human Resources Management (GHRM) strategies that have been implemented by PT Sido Muncul to support environmental sustainability goals?
2. What challenges does PT Sido Muncul face in implementing GHRM?
3. What are the solutions to the challenges faced by PT Sido Muncul in implementing GHRM?

Research purposes :

1. To find out GHRM strategies to support environmental sustainability goals.
2. To find out the challenges faced by PT Sido Muncul in implementing GHRM.

3. To find out the solutions to the challenges faced by PT Sido Muncul in implementing GHRM.

2. Theoretical Background

Green Human Resources Management (GHRM): Green Human Resource Management (GHRM) is an innovative approach to HR performance and function in an organization, where the environmental context is the basis of all initiatives undertaken. GHRM is a key tool for implementing sustainable development (Bangwal & Tiwari, 2015; Gholami, Rezaei, Saman, Sharif, & Zakuan, 2016; Renwick, Redman, & Maguire, 2013; Urbanniak, 2017). Green Human Resource Management (GRHM) is defined as the involvement of all activities in the development, implementation and maintenance of a sustainable system aimed at making the organization's employees environmentally friendly (Owino & Kwasira, 2016).

GHRM practices are described in several focuses, including reflecting environmental management HR, and its focus is on the company's operational processes (Renwick, Redman & Maguire, 2013). Green Human Resource Management reflects the company's orientation towards environmental protection and includes a series of specific HR practices (Mishra, Sarkar & Kiranmai, 2014), which focus on the fragility of the ecosystem and the ecological impact of the company's economic activities (Boiral 2002). GHRM is a policy in human resource management that aims to promote awareness of the importance of the environment and sustainable use of resources. Human resource management (HRM) plays a crucial role in this effort, because humans are the main factor in maintaining, protecting, and preserving the environment. HRM functions to manage businesses with environmentally friendly goals and encourage corporate culture to adopt green practices in its operations (Mehta & Chugan, 2015).

According to the AMO (Ability, Motivation, Opportunity) theory in Human Resource Management (HRM), GHRM plays an important role in human management, where individual performance is determined by ability, motivation, and opportunities (Ragas et.al 2017). If the company is able to develop employee capabilities in terms of sustainability, provide rewards related to green practices, and provide opportunities for participation in activities that support the environment, this will increase productivity, quality, performance, reduce waste, and increase profitability (Renwick et.al 2013).

GHRM has actually supported the paradigmatic understanding of the concept of 'triple bottom-line'; that is, GHRM involves practices that are aligned with the three pillars of environmental sustainability, social, and economic balance (Yusoff, Ramayah, & Othman, 2015) and bring benefits to the organization in the long run (Wagner, 2013). GHRM forms part of a broader corporate social responsibility program (Sathyapriya, Kanimozhi, & Adhilakshmi, 2013). In this regard, HR managers are expected to be able to create awareness among employees working for the organization about how to improve the organization's environmental performance through human behavior

(Shaikh, 2010). In implementing GHRM, each company can incorporate environmentally friendly concepts into HR operational functions, such as job design, job analysis, human resource planning, recruitment, selection, orientation, performance evaluation, compensation and benefits, career management, discipline management (Opatha & Arulrajah, 2014).

Green Recruitment and Selection: Organizations should focus on selecting and recruiting employees who are supportive and interested in the environment (Renwick et al., 2013). Therefore, to increase the attractiveness of the increasingly environmentally conscious talent pool, organizations should build an environmentally inspired reputation and illustration of the organization being environmentally responsive (Guerci, Montanari, Scapolan, & Epifanio, 2016; Kapil, 2015). Organizations should reflect the environmental sustainability agenda through their websites, organizational websites, and other publicly available channels so that candidates can clearly see the organization's green focus (Arulrajah et al., 2015; Kapil, 2015). This is confirmed by the work of (Guerci, Longoni, et al., 2016) who found that environmental sustainability goals can play a major role in attracting potential applicants. Green recruitment ensures that new recruits understand the organization's green culture and share its environmental values (Susan E Jackson & Seo, 2010) through the transfer of participants' environmental knowledge, values and beliefs (Renwick et al., 2013). Recruitment should include environmental criteria (Arulrajah et al., 2015). In the job analysis phase, job descriptions and individual specifications should explain and emphasize environmental aspects, green achievements and explain what is expected of future green employees (Mandip, 2012; Renwick et al., 2013).

Green Training and Development: Environmental training and development as one of the primary methods by which Human Resource Management develops environmental management support and initiatives (Daily, Bishop, & Steiner, 2007; Charbel José Chiappetta Jabbour, 2013). (Opatha & Arulrajah, 2014) stated that the most significant impact on environmental awareness among employees is through environmental training. Arulrajah, Opatha and Nawaratne (2015) discussed the value of green education and employee training in providing the knowledge and skills necessary for good environmental performance. Employee training and development programs cover social and environmental issues at all levels (Mandip, 2012; Mehta & Chugan, 2015). Therefore, training, development and learning plans should include programs, workshops and sessions to enable employees develop and acquire knowledge in environmental management. To achieve this goal, the principle of job rotation should be used in green assignments as an important part of the training and career development plan for future talented green managers (Prasad, 2013; Wehrmeyer, 2017).

Green Performance Assessment: Performance appraisals are commonly used to manage pay, identify employee strengths and weaknesses, and provide performance feedback, in order to improve operational competencies and enhance company growth while also enhancing transformational processes and performance. Without a formal

performance appraisal process, discipline is weakened in an organization, and employee development is hampered. However, appraisal programs must be carefully developed to take full advantage of employee talent and efforts (Mathis & Jackson, 2011). From a green perspective, green performance appraisal refers to assessing and recording employees' environmental performance throughout their careers with the company and providing feedback on employee performance to discourage undesirable attitudes or reinforce exemplary behavior (Jabbour, Santos, & Nagano, 2010). Effective performance appraisals provide useful feedback to employees that can support continuous improvement in the company's environmental achievements (Jackson, Renwick, Jabbour, & MullerCamen, 2011). (Jabbour et al., 2010) showed that performance appraisals have an impact on environmental management when companies have annual goals for pollution prevention and development of environmental innovation.

Green Rewards and Compensation: Achieving organizational greening goals can be enhanced by rewarding employees for their commitment to environmental practices (Jabbour & Jabbour, 2016; Jabbour, Santos, & Nagano, 2008). There are many types of reward practices for green skill acquisition. Rewards can be in the form of monetary-based environmental management rewards (e.g., bonuses, cash, premiums), non-monetary-based rewards (e.g., sabbaticals, time off, gifts), recognition-based environmental management rewards (e.g., awards, dinners, publicity, external roles and daily praise), and positive environmental management rewards (e.g., feedback) (Opatha, 2013; Renwick et al., 2013). Furthermore, organizations can use green reward management practices by linking participation in green initiatives with promotions or career advancement by providing incentives to encourage environmentally friendly practices such as recycling and waste management (Jabbar & Abid, 2014; Prasad, 2013). Additionally, it can be used to encourage some green creativity and innovation by asking employees to share innovative green ideas related to their individual jobs (Ahmad, 2015).

Environmental Sustainability: The environmental sustainability dimension deals with a company's impacts on living and non-living natural systems, including land, air, water and ecosystems. The environmental category includes impacts related to inputs (such as energy and water) and outputs (such as emissions, effluents and waste). It also includes biodiversity, transportation and product and service related impacts, as well as environmental compliance and costs. Environmental sustainability can be defined as an environmentally sustainable system that must be able to maintain a stable resource base, avoid exploitation of natural resources and the absorption function of the environment. This concept also includes the maintenance of biodiversity, airspace stability and other ecosystem functions that are not included in the economic resource category.

Law Number 23 of 2007 concerning Environmental Management acknowledges the close relationship between corporate activities and the environment, and emphasizes the importance of environmentally conscious sustainable development in the utilization of natural resources to advance public welfare and achieve a better quality

of life. Companies that are concerned about environmental issues are expected to prioritize efforts to maintain and renew the environment. However, concern for the environment should not override the company's responsibility to other business stakeholders. The ecological challenges faced by various organizations today require managers to formulate strategies that focus on the preservation of natural resources and pollution control. Employees, consumers, governments, and the public in general are increasingly rejecting companies that tend to damage the environment rather than protect it. Conversely, public appreciation for companies that carry out their operations in a way that improves, preserves, and maintains the sustainability of nature is increasing. Consumers show a high interest in businesses that maintain the ecological balance of nature and maintain a clean and healthy environment.

3. Methodology

During the research process, various research methods will be used, including surveys, interviews, and data analysis, to gain a comprehensive understanding of the implementation of GHRM in this company. This study uses a qualitative approach with a literature review technique. This technique was chosen because it allows researchers to explore and analyze various literatures relevant to the topic of GHRM and environmental sustainability. Data sources used include scientific journals, books, company reports, and other articles related to GHRM and PT Sido Muncul. The analysis was carried out by comparing various views and findings from the literature reviewed. The collected data were analyzed descriptively to identify the GHRM practices that have been implemented and their impact on environmental sustainability.

4. Empirical Findings/Results

Implementation of Green Human Resources Management (GHRM) by PT Sido Muncul

In general, the concept of implementation focuses on activities, actions, actions, or mechanisms in a system. Implementation is not just an activity, but rather a series of actions planned to achieve certain goals (Usman, 2002). In this study, implementation is understood as a structured activity, including activities, actions, or mechanisms for implementing environmentally friendly values in human resource management (HRM), known as Green Human Resource Management (GHRM). GHRM includes all activities involved in developing, implementing, and maintaining a system that aims to shape environmentally friendly behavior in employees in an organization (Opatha & Anton, 2014). GHRM is one aspect of human resource management that aims to transform employees into individuals who care about the environment, so that organizations can achieve environmental goals and make significant contributions to environmental conservation. GHRM means utilizing every employee to encourage and maintain sustainable business practices, as well as raising awareness that helps organizations operate in an environmentally friendly manner. The main goal of GHRM is to create, improve, and maintain environmentally friendly morale and

behavior among employees, so that they can contribute positively to the environment (Rani & Mishra, 2014).

The implementation of the Green Human Resources Management (GHRM) concept is one of the company's strategies to create competitive advantages and provide positive impacts on the environment, resources, and stakeholders. source Activities related to the implementation, development, and maintenance of sustainable systems in GHRM aim to form employees who have environmentally friendly awareness and behavior within the company. The company's goals, which previously only focused on maximizing profits by minimizing costs, have now shifted, emphasizing that savings must start from stakeholders in the company itself (Manolas et al., 2017). One of the company's efforts to contribute to environmental maintenance is by implementing the GHRM concept. GHRM serves as a benchmark for success in implementing environmentally friendly strategies and environmental management practices.

This study shows that PT Sido Muncul has made efforts to implement Green Human Resource Management (GHRM) to increase environmental awareness. One way to do this is by including environmentally friendly components in the recruitment and selection process. Prospective employees are selected based on their suitability with the company's commitment to environmental responsibility. PT Sido Muncul is known to have a credible and highly integrated management team. With experienced and strong leadership in integrity, the company has demonstrated its ability to face market dynamics and tight industry competition. This management team is not only focused on short-term growth, but is also consistent in upholding the principles of business ethics and sustainability. The credibility and sincerity of management create a healthy business environment and strengthen investor confidence, which is an important asset in attracting and retaining long-term investment.

In an effort to realize its mission to become a global herbal medicine company, PT Sido Muncul continues to implement innovative business strategies, in line with technological developments and current issues. The company's sustainable growth cannot be separated from the contribution of superior and quality human resources (HR). The company requires support from trained HR, has high competence, and strong motivation to continue to develop themselves in order to be able to follow the dynamics of technology and adapt quickly to every change that occurs. In the context of sustainability, the Company is also committed to ensuring that every employee works in a decent and conducive environment, complies with applicable employment regulations, maintains harmonious industrial relations, and ensures occupational safety and health to support optimal morale and productivity. The company appreciates employees who excel and directs them to become future leaders. Through various training programs, it can encourage employees to develop themselves and improve their competence in order to achieve maximum work productivity.

Managing sustainability performance is a top priority in dealing with various risks related to environmental issues, such as the impact of climate change and resource sustainability, as well as social issues that include labor practices, community

relations, and human rights. In addition, governance aspects that include transparency, anti-corruption measures, business ethics, and independence are also important focuses. By paying close attention to these areas, not only does it maintain the company's reputation, but it also reduces the potential for losses that can occur. Strong sustainability performance can strengthen the brand's position in the market and open up opportunities to attract new customer segments. Current trends show that investors and consumers are increasingly favoring companies that operate responsibly, both in terms of environmental impact, social contribution, and good governance practices. This shift in perspective has encouraged continued innovation in product development, operational processes, and supply chain management, so that companies become more resilient and adaptive to change.

Green Human Resource Management (GHRM) Strategy Implemented by PT Sido Muncul to Support Environmental Sustainability

Green Human Resource Management (GHRM) strategy at PT Sido Muncul involves various initiatives designed to promote environmentally friendly practices across all aspects of human resource management. The following are the main GHRM strategies that have been implemented by PT Sido Muncul:

a. Training and Development

Providing special training to improve employee knowledge and skills related to environmentally friendly practices. This program includes training on waste management, energy efficiency, and sustainable use of resources. The consistent growth of PT Sido Muncul's business is supported by superior and reliable human resources in their fields. Human resource development is one of the company's main focuses. For PT Sido Muncul as an object of study, employees are a very important element because they are the drivers, implementers, and people who realize organizational goals by using careful planning, capital, and sophisticated technology. PT. Sido Muncul as a producer of health products has also become a necessity to always campaign for environmental preservation, both for consumers and its human resources. Throughout 2022, various competency development programs have been held, with an increase in the achievement of training hours by 19% or reaching 11.4 hours of training per person compared to 2021 (Muncul, 2022). The training program groups are divided into several groups, including core learning programs, generic learning programs, specific learning programs, and supplementary learning programs. This program is designed to align employee competencies with company standards and build environmental awareness and skills (Muncul, 2020).

b. Environmental Based Performance Management

PT Sido Muncul integrates environmental criteria into its employee performance appraisal system. Employees are assessed based on their contribution to environmental initiatives, such as reducing energy or raw material use, and implementing environmentally friendly practices in the workplace. The company implements an environmental management system based on ISO 14001 standards to ensure measurable and regularly monitored environmental management. In addition, the company conducts regular supplier audits to ensure that suppliers comply with company policies and standards. Supplier assessments cover aspects related to quality,

food safety, social and environmental including occupational health and safety, respect for human rights and environmental protection. Over the years, environmental aspects have received significant attention. PT Sido Muncul has made various efforts to save energy and water and reduce waste generation. The company implements a strict waste management system in accordance with applicable regulations, with a focus on waste reduction through the 3R principle (Reduce, Reuse, Recycle) and ensuring that the quality of treated wastewater meets the established standards. Several steps that have been taken include the use of herbal medicine waste as fertilizer and biomass fuel for boilers, installation of solar panels on the factory roof, construction of infiltration wells, use of chiller absorbers and ecorators for air supply, and a commitment to use green electricity from PLN. Through these various initiatives, PT Sido Muncul has succeeded in reducing output emissions by 19% from the previous year, increasing the ratio of renewable energy use from herbal medicine waste biomass and the use of solar panels to 63% from 47% in 2021. Occupational Safety and Health (K3) is also a top priority for the company, with the setting of a No Accidents target every year to improve the culture and awareness of occupational safety. In 2022, the number of work accidents in all operational activities was recorded at 12 incidents without fatalities, which shows a significant decrease from 28 incidents in the previous year. This positive achievement reflects the development of a safety culture in the company's operations.

c. Participation in the Program

Involving employees in various company environmental initiatives, such as recycling programs, plastic reduction campaigns, or environmental conservation activities. This involvement creates a sense of ownership and responsibility for sustainability efforts. Several community empowerment programs have also survived and continued to grow along with the potential and needs of the community. PT Sido Muncul is committed to maintaining the sustainability and diversity of medicinal plants and herbs used as raw materials, through conservation initiatives in the Agrotourism area located in the factory environment. PT Sido Muncul strives to meet the needs of the community by using various methods to create the right program. A strong village economic ecosystem has been formed by programs such as Tourism Village, Partner Farmers, Spice Village, and others that apply the CSV concept. The commitment to sustainability is reflected in the Sido Selaras Policy, which is a guide for PT Sido Muncul in integrating sustainability as a core part of all operational activities. This policy also encourages suppliers and business partners to adopt sustainable practices in their operations, and collaborate to realize an integrated and sustainable supply chain.

d. Dialog with Stakeholders

PT Sido Muncul conducts regular communication with the community, government, and external institutions regarding environmental issues. This includes consultation with suppliers to support environmental initiatives and participation in discussions on sustainability policies. Sido Muncul maintains mutually beneficial relationships based on trust with suppliers and farmer partners to meet agreed policies and requirements in terms of quality, food safety, and sustainability. Sido Muncul is committed to providing guidance to suppliers and farmer partners. Guidance to suppliers and farmer

partners is carried out through training, mentoring, counseling and other engagement methods that allow for the delivery of company policies and existing best practices.

By implementing these GHRM strategies, PT Sido Muncul is not only committed to reducing the environmental impact of its operations, but also strives to build a sustainable work culture and support environmental conservation as a whole.

Challenges Faced by PT Sido Muncul in Implementing Green Human Resource Management (GHRM) for Environmental Sustainability

Currently, the challenges faced by companies are not only global competition but also challenges of the natural environment (Triastitas, 2011). In the last few decades, many researchers have conducted various studies on the negative impacts caused by humans on the environment due to human activities, especially from the operational activities of the companies where they work or from the environment in which they live (Blok et al., 2015). Reducing carbon emissions is a current challenge in environmental management. By issuing Law Number 7 of 2021 concerning the Harmonization of Tax Regulations in 2025, the government is trying to support the agreement of 197 countries listed in the 2015 Paris Agreement. The government enforces the regulation to start full carbon trading and gradually expand the carbon taxation sector by considering economic conditions, actor readiness, effects, and business scale. By investing in environmentally friendly energy such as solar panels, renewable energy from herbal medicine waste, and reducing the use of fossil fuels, PT Sido Muncul continues to support efforts to reduce carbon emissions. This achievement continues to increase every year. Implementing GHRM requires adjustments to existing policies and procedures to integrate environmentally friendly practices. This challenge involves changes that must be accepted by all levels of the organization.

PT Sido Muncul has faced several challenges in implementing Green Human Resource Management (GHRM) in its human resource management. First, there is the challenge of increasing environmental awareness and knowledge among employees. Although training has been provided, some employees may still lack understanding of the importance of environmentally friendly practices or have difficulty adapting to the changes. In addition, the integration of environmental criteria into employee performance appraisals also poses challenges, especially in ensuring fair and objective assessments and measuring the concrete impact of environmental initiatives. Employee involvement in environmental initiatives can also be an issue, with challenges in ensuring motivation and active participation from all levels of the organization, as well as overcoming apathy towards environmental issues. This challenge also involves allocating sufficient resources and time to ensure that training is effective.

On the other hand, communication and collaboration with suppliers and partners are also significant challenges. PT Sido Muncul needs to ensure that all suppliers and partners comply with the established environmental policies, even though they may face obstacles in implementing environmentally friendly practices or have varying commitments. In addition, managing and measuring the effectiveness of the GHRM program can be difficult, especially in assessing the direct impact on environmental

outcomes and business performance and in managing significant resource investments. Finally, regulatory and compliance challenges, such as changes in environmental regulations and industry standards, require rapid adaptation to remain compliant and maintain standards such as ISO 14001 and PROPER ratings. Overcoming these challenges requires a good strategy, strong commitment from all levels of the organization, and active involvement from all stakeholders.

Solutions to the Challenges Faced by PT Sido Muncul in Implementing GHRM for Environmental Sustainability

To overcome the challenges in implementing Green Human Resource Management (GHRM), PT Sido Muncul can take several strategic steps. First, conducting green recruitment and selection is an effective solution to ensure that recruited candidates have awareness and commitment to environmentally friendly practices. By including environmental criteria in the recruitment and selection process, companies can attract individuals who have values that are in line with GHRM goals and ensure that new employees can quickly adapt to the company's sustainability culture. Furthermore, green reward and incentive programs can be used to motivate and reward employees who contribute significantly to environmental initiatives. By rewarding employees who achieve environmental targets or who are actively involved in environmentally friendly practices, PT Sido Muncul can increase employee motivation and engagement in the GHRM program. These incentives can be in the form of bonuses, public recognition, or additional career development opportunities. In addition, companies must continue to develop training and development to ensure that employees have the latest knowledge and skills related to environmental practices. Continuous and relevant training programs will help employees stay informed and skilled in implementing the company's green policies.

Environmental performance management can also be strengthened by establishing clear employee performance indicators related to their contribution to green initiatives. This includes the use of sustainability-focused key performance indicators (KPIs), such as emission reduction, energy savings, or increased resource efficiency. An assessment system that includes environmental criteria will ensure that employees are accounted for based on their contribution to sustainability, and the results will motivate them to improve their performance in environmental aspects. To increase employee engagement, PT Sido Muncul can involve them in various environmental initiatives through active participation programs. These programs can include recycling activities, plastic reduction campaigns, or other environmental conservation initiatives. By providing opportunities for employees to contribute directly, the company can create a sense of ownership and responsibility for sustainability efforts.

Finally, open communication and dialogue with all stakeholders, including communities, government, and suppliers, must be maintained. PT Sido Muncul can conduct regular consultations to discuss environmental issues and ensure that all parties are involved in sustainability efforts. By providing training and mentoring for suppliers and farmer partners, and participating in environmental policy discussions, the company can strengthen its shared commitment to sustainability. By implementing these solutions, PT Sido Muncul can overcome the challenges in implementing

GHRM and strengthen its commitment to environmentally friendly practices and sustainability.

5. Discussion

Significant global environmental changes have forced organizations, including the pharmaceutical industry, to change their business strategies to remain relevant and sustainable. In facing these challenges, the pharmaceutical industry must strive to develop and implement a formal and comprehensive environmental management system. This system is necessary to ensure that business operations not only meet stringent environmental standards but also contribute to global efforts in environmental conservation. In this context, Human Resource Management (HRM) plays a key role as a primary driver in integrating the green movement into company operations. According to Prathima and Misra (2012), HRM is an essential component in implementing environmentally friendly practices throughout the organization, ensuring that every individual in the company understands and supports the sustainability initiatives carried out by the company. Thus, the success of environmental strategies in the pharmaceutical industry is highly dependent on the effectiveness of the implementation of Green Human Resource Management (GHRM), where all aspects of human resource management are aligned with broader environmental goals.

Several studies have shown that green human resource management (GHRM) practices have a positive and significant effect on an organization's environmental performance. Practices such as green recruitment, green training, and green rewards have been shown to improve environmental performance as well as provide a competitive advantage to companies. Ahmad (2015) stated that green recruitment, which involves selecting employees based on their commitment to sustainability, can ensure that individuals joining an organization have high environmental awareness, which in turn encourages environmentally friendly practices in the company's operations.

In addition, Masri and Jaaron (2017) found that green training, designed to improve employees' knowledge and skills in environmental practices, contributed to strengthening the implementation of the company's environmental strategy. This training allows employees to better understand and apply sustainability principles, which has a direct impact on reducing the environmental impact of the company's activities. Roy and Khastagir (2016) explained in their study that green awards, in the form of incentives or recognition for employees who successfully achieve environmental targets or contribute significantly to sustainability initiatives, can increase employee motivation and engagement. By providing awards, companies not only encourage active participation in environmental programs but also strengthen a corporate culture that is oriented towards sustainability.

The implementation of Green Human Resource Management (GHRM) in a company is a strategic step that has a significant impact on various operational and

environmental aspects. The implementation of GHRM not only aims to reduce costs and pollution, but also plays an important role in avoiding global warming and maintaining environmental balance. In the context of increasingly competitive industrial competition, GHRM helps companies create sustainable businesses for the long term, as well as strengthen their position in the global market.

The Benefits of Implementing GHRM for Companies Include:

Greater Level of Efficiency:GHRM practices, such as effective waste management and efficient energy use, can improve a company's operational efficiency. By implementing environmentally friendly methods, companies can reduce resource and energy waste and increase productivity. This not only reduces environmental impact but also improves overall operational efficiency.

Lower Costs Incurred:GHRM implementation often leads to long-term operational cost reductions. For example, by adopting energy-efficient technologies and efficient waste management practices, companies can reduce energy and waste management costs. Additionally, investments in green technologies and environmentally friendly processes often yield significant savings over time, contributing to overall cost reductions.

Better Employee Engagement and Retention:GHRM can increase employee engagement and retention by creating a work environment that supports sustainability and social responsibility. Employees tend to be more motivated and satisfied when they feel they work for a company that cares about environmental and social issues. Effective green training and reward programs can also increase employee engagement and strengthen their commitment to the company's goals.

Overall, implementing GHRM provides significant strategic benefits to companies. By increasing efficiency, reducing costs, and strengthening employee engagement, GHRM supports the long-term sustainability of companies while strengthening their competitiveness in the global marketplace. Effective implementation of green recruitment, green training, and green rewards can strengthen a company's commitment to sustainability, resulting in significant and sustainable competitive advantages in the marketplace.

6. Conclusion

The implementation of Green Human Resources Management (GHRM) requires the adoption of a paradigm that emphasizes the importance of environmental sustainability in a company's Human Resources Management (HRM), with the aim of increasing employee awareness and morale regarding environmental management. GHRM practices play a vital role in motivating employees and offer a variety of benefits to both the organization and the individual. Some of the benefits gained from implementing GHRM principles include increased employee retention rates, improved corporate image in the eyes of the public, better talent attraction, increased

productivity and sustainability, reduced environmental impact, and strengthened overall competitiveness and performance of the company.

This finding supports the results of the study by Renwick et al. (2013) which states that environmental-based performance management can increase employee awareness of sustainability. However, PT Sido Muncul still faces challenges in maintaining continuous employee engagement, which is different from the results of the study by Gholami et al. (2016) which showed more stable engagement in other sectors. This may be due to the lack of frequency of continuous training and development.

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