THE EFFECTS OF GREEN ENERGY ON ECONOMIC DEVELOPMENT, AND GREEN HUMAN RESOURCE MANAGEMENT ON NONGREEN WORK OUTCOMES IN SRI LANKA

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dx.doi.org/10.18374/JIFE-20-4.2

ABSTRACT

This paper combines a macroeconomic assessment of the effects of green energy in upper- income, middle-income, and lower-income developing countries, with the examination of the impact of green human resource management policies on job satisfaction, empowerment, job performance, and perceived financial performance among a sample of Sri Lankan managers. Only in upper income developing countries with industrial use of renewable energy does renewable energy output lead to economic development. Sri Lanka is a middle- income developing country. Sri Lankan managers are satisfied with green human resource management policies, which leads to superior job performance and perceptions of financial performance. The challenge is for Sri Lankan managers to view green energy as a means of advancement to economic development by supporting large-scale green energy investments in industrial production to supplement current residential green energy usage.

Keywords: Green Energy, Economic Development; Green Human Resource Management, Work Outcomes, Job Satisfaction, Job Performance

1. INTRODUCTION

Studies of corporate social responsibility describe green human resource practices including screening candidates for green awareness during selection, green skills training, and the inclusion of green behavior in performance evaluations (Jackson and Seo, 2010; Renwick et al., 2013). Other HRM practices improve the work experience by providing the opportunity for constructive engagement in making suggestions for green initiatives, or providing a forum to register discontent with environmental directives. Such voice mechanisms have been shown to increase the productive use of time, while encouraging organizational citizenship in the civil aviation industry (Harvey et al., 2013).

This study undertakes a two-part examination. The first study is a macroeconomic assessment of energy consumption (both fossil-fuel energy and renewable energy) on economic development in a sample of developing countries. The finding that renewable energy consumption may replace fossil fuel consumption leading to an increase in renewable energy output which improves economic development, strengthens the case for green human resource practices in these countries. The second study examines the influence of green human resource practices on empowerment, employee job satisfaction, job performance, and perceived financial performance in Sri Lanka. We recommend that employees of Sri Lankan firms react to green HRM initiatives with the recognition that renewable energy may meet some of the energy consumption needs of development.

The energy growth hypothesis postulates that an increase in energy consumption spurs economic development (Deonanan and Ramkisoon, 2018). Intuitively, economic development requires expansion in manufacturing output, agricultural output, and retail service output. Increased industrial production and mechanization of agriculture consume energy. The growth of banks, restaurants, shopping venues, public and private transportation result in the employment of large numbers of individuals, who consume energy in physical locations, as do the cars, trains, and buses that transport them. Empirical support for the energy growth hypothesis has consisted either of dated samples, or a limited number of countries. In an