



## The Impact of Corporate Social Responsibility on Green Human Resource Management: Mediating Effect of Employee Empowerment

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**Abstract-** Social Responsibility is inaugurating with a vigorous competitive establishment. As the world becomes barrier-free and the industry movements around the world have been moving towards environment friendly and creating goods that support the ecology of the earth. In this regard, the autonomous power given to employees helps to meet the business objectives. There is a growing societal pressure on corporations to become more competitive and mitigate environmental influence by encouraging endurable end products in their business operations. The financial position of a company is not a basic surety for the successful outcome, now this conventional viewpoint is also not consistent with the current social demands. To fulfill this gap the menu-script scrutinizes the affinity between Corporate Social Responsibility (CSR), Employee Empowerment (EE), and Green Human Resource Management (GHRM) in SMEs of Pakistan. The good organization produced by GHRM can help to cut operating costs and help the industry experts to understand their Corporate Social Responsibility in an enriched manner. A quantitative approach is adopted to conduct the survey. Through the stratified sampling technique, data was collected from the surgical, sports, and leather goods manufacturing companies. For result analysis, SPSS and Partial Least Square Method were used. Our study reveals that CSR has an optimistic impact on GHRM through EE. Moreover, this study augments realistic (empirical) evidence on CSR, EE, and GHRM. Theoretical and implications for managers are discussed.

**Keywords:** Corporate Social Responsibility, Empowerment, Green Human Resource Management, Sustainability, Emerging Economy.

### I. INTRODUCTION

In this 21st century, the organization has transformed, its pattern, opinion, concern about environmental issues, which has an interest in justifiable development especially on environmental performance. In the last three decennia, the issues regarding environmental destruction have been arising lot, the growth of the industrial sector and development of information technology has caused ignorance in the social responsibilities and protection of the planet earth (Cochran, 2007). Mackey, Mackey, and Barney (2007) going through a lot of damage, researchers started researching how can industries produce and innovate without causing damage to society a lot of research has been done for this purpose to find a way in which the industrial sector can run without damaging the environment and society. Awan, Khattak, and Kraslawski (2019) the indigenous artisan produce impeccable products while export-oriented entrepreneurs guarantee that products arrive at international destinations.

Social responsibility preliminaries should articulately align with and be cohesive business standards to accomplish progress. Pursuant to some standards, a firm's execution of CSR drives on compliance with obstructive desires and encompasses in activities that appear to be more socially sensitive, in contrast with the firm's interest which is needed by law. Brammer, Jackson, and Matten (2012) CSR is a progressively vigorous tool of modernistic society that ferried out by SME's voluntarily. Some institutionalists (Ghazali, 2007; Kotchen & Moon, 2012; Moon, 2007) viewed CSR as a sort of capitalist legitimacy and specifically denote that instigated as a visible against unsuppressed company's authority was re-worked into a business standard and a risk management device. Typically, CSR is aristocratic to help an organization's mission likewise function as a guide to what the corporate represents for its customers. Taken into consideration at the organizational level, CSR is frequently recognized as a strategic initiative that bestows a brand's image (Anwar, 2010).

The ecological administration perspectives have been incorporated with Human Resources Management rehearses, because of which Human Resource Management was named to Green Human

Resource Management (GHRM)(Opatha & Hewapathirana, 2019).SME’s today take HR rehearses as one of the key markers to gauge the presentation of workers(Darcy, Hill, McCabe, & McGovern, 2014). HR department set the models of how much green practices ought to be accomplished, objectives, and obligations of every representative, and afterward every worker is evaluated dependent on the rules(Bhuvanij, Kasemsan, & Praneetpolgrang, 2017). Empowerment is an employee engagement that means employee empowerment should be possible by moving them from places that typically just do what is advised to, into places that give opportunities for further responsibilities(Fernandez & Moldogaziev, 2015). Applying green practices is not the responsibility of specific departments. All company functions are equally responsible to keep their organization's environment green. Top-level managers have to involve their employees in environmental practices(Khan, 2011).

Formerly, just satisfying financial execution alone was basic to guaranteeing the accomplishment of organizations and their investors, yet this conventional point of view isn't perfect in favor ofcommunity’s contemporary requirements, as there is society stifle upon SMEs to turn out to be more supportable and lessen impacts on nature, advancing feasible outcomes in their business operations. Subsequently, this research scrutinizes the affinity among GHRM and CSR in SMEs of Pakistan viathe mediating role of employee empowerment. Its relevance can be advocated as followsno research has so far investigated the alliance in this paper; the existing literature on GHRM is to a great extent impacted by points of view from developed nations while existing works from developing nations ordinarily don't examine the Asian surroundings; and regarding Pakistan, no research has presented a shred of empirical evidence on the under-discussed theoretical framework (See Table 1). The example of SMEs utilized in this research can impart to surmounting the inadequate studies on integrality.

<b>Authors</b>	<b>Independent Variable</b>	<b>Mediator</b>	<b>Moderator</b>	<b>Dependent Variable</b>
(Abbas, 2020)	Total Quality Management	Corporate Social Responsibility	—	Corporate Green Performance
Esen and Caliskan	Green Human Resource Management	—	—	Environmental Sustainability
(Hutomo, Marditama, Limakrisna, Sentosa, & Yew, 2020)	Green Human Resource Management, Green Employee Empowerment	Customer Environmental Collaboration	—	Employee Performance
(Harasudha & Subramanian, 2020)	Green Human Resource Management	Employee Organizational Commitment	—	Employee green behavior
(Chaudhary, 2020)	Green Human Resource Management	Organizational Identification	—	Employee Green Behavior
(Cheema & Javed, 2017)	Green Human Resource Management	Sustainable Environment	—	Corporate Social Responsibility
(de Souza Freitas, Caldeira-Oliveira, Teixeira, Stefanelli, & Teixeira, 2020)	Green Human Resource Management	—	—	Corporate Social Responsibility
(Yusliza et al., 2019)	Top Management Commitment, Corporate Social Responsibility	—	—	Green Human Resource Management
(Masud et al., 2019)	Organizational Strategic Performance	Organizational Economic Responsibility, Organizational Environmental	—	Corporate Social Responsibility

		Responsibility, Organizational Social Responsibility		
(Al Kerdawy, 2019)	Green Human Resource Management	—	Corporate Support for Employee Volunteering	Corporate Social Responsibility
Current Study	Corporate Social Responsibility	Employee Empowerment	—	Green Human Resource Management

## II. LITERATURE REVIEW

### 2.1. Corporate Social Responsibility

CSR was described by Barnett (2007) as an adaptable portion of organizational assets to boost social welfare support, which served to reinforce stakeholder relationships. Mattingly and Berman (2006) use the social rating knowledge from Kinder, Lydenberg, Domini (KLD) to derive the two structures that imitate constructive CSR. The primary construct, structural quality, consists of constructive network operations and diverse stakeholders. This includes events such as magnanimous donation, service (volunteer) projects, female and minority development.

The subsequent comparison, specialized efficiency, is made up of constructive client, investor, and staff practices. This includes events such as products with social benefits, simplicity in disclosing social and ecological application, and services for well-being and protection. Institutional quality and specialized quality represent services with key stakeholders that boost corporate notoriety. These CSR or citizenship initiatives are related by Bear, Rahman, and Post (2010) to R&D interests that create immaterial wealth that create notoriety and help organizations grow their worldwide organizations. It can be concluded from that definition that enterprises now not most effectively want to ensure a return to shareholders. They also need to be a problem with different stakeholders. Therefore, CSR is a commitment to improving network nicely-being through discretionary enterprise practices and the contribution of corporate sources.

Henriques (2013) Triple bottom line concept (3P) gives an explanation in which an organization should have a run in the long term so, the organizations paid interest of those additives. Profit is the utmost aspect, an additional fundamental objective of each business. Earnings might be growth with enhancing work management, process simplification, lessen in-efficient sports, salvageservice time, and processing. Moreover, consist of the utilization of cloth as efficiently as viable. Assist from human beings (society) in an enterprise' region is needed for corporate sustainability. As an integral part of society, a business enterprise needs to have dedication in giving the greatest advantage to society. The correlation among organizations and the community will encourage society to preserve the lifestyles of a proprietor. There may be a causal dating among agency and planet. If a corporation preserves its surroundings, surroundings will gain them. The advantage for an organization is to participate in the conservation of the environment, health, well-being, and additionally the approachability of natural sources.

Pursuant to ISO 26000, the seven essential subjects of CSR include Environment, Human Rights, Organizational governance, Labor practice, Client issues, Social development, and Truthful operating exercise. In a phased way or as part of a larger initiative, organizations should deploy CSR efforts. Companies are gradually developing full CSR systems that connect every business unit and include devoted employees and resources (Unit, Star, & SmartWay, 2015).

CSR programs run in scope, regardless, a couple of ordinary activities may furthermore incorporate:

- Direct providing for non-income organizations, including a food bank in a community, frequently along with volunteer endeavors with the guide of personnel and donations from the managers.
- Job training applications for the incapacitated
- Commitments to establish a certain assortment of sexual preference within the workforce through race.
- An emphasis on reducing the environmental impression of the enterprise, by more productive supply chains, reusing, reduced use of vitality, and various efforts

- In addition to supplying components and backing to storm victims, a promise to fund fiasco relief packages.

## **2.2.Green Human Resource Management**

The term green is referred to as an adjective and a noun in the normal context of our usage. The word green in Human Resource Management exercises additionally alludes to the interests of individuals the board strategies and practices regarding the more extensive corporate environmental schedule (Ullah, 2017). GHRM exemplifies a vinculum between the environmental management and HRM of the organization (Renwick, Redman, & Maguire, 2013). TARNAM (2019) defines GHRM by using HRM practices with the anticipation to promote the sustainable exploitation of resources that will generally strengthen the prompts of environmental sustainability. Integrating green HRM practices into a corporate strategy can rise business competitiveness and provide substantial advantages for SMEs. GHRM approaches must be set up to upgrade ecological execution toward best practices in personnel dedication and eco-accommodating behavior. Nevertheless, contemplates uncovered that personnel eco-accommodating is a piece of the outcome variable of organizational commitment. Therefore, several HRM practices to embrace green concept have been discussed hereunder:

### **Green Job Design and Analysis**

Sanchez and Levine (2001) argued that originating the personnel peculiarities requisite for job performance is an inherent attribute of job analysis. Prior researchers' opinion that the formulation of personnel attributes is what makes job analysis a truly psychological endeavor. Job descriptions and job qualifications may, as far as possible, consist of the organizations' environmental, social, and technological requirements. Environmental conservation responsibilities, along with the division of environmental reporting positions and health and safety activities, should be included as an example. (Arulrajah, Opatha, & Nawaratne, 2015).

### **Green Recruitment&Performance**

Foremost, the procedure of selection and recruitment in basic perspectives is on the connection among personnel and the management and its potential ways for the company's development. Its significance is evident from the way that the choice to enlist or hire an individual or not fortifies the whole region of personnel management. Wehrmeyer (2017) believed that the recruiting process allows organizations to deliver good results, even performance understood by nature, by ensuring that newly hired workers are aware of the organization's ecological ethos and can preserve the organization's natural qualities. Candidates that respect environmental responsibility are likely to be drawn to environmentally-friendly companies that are branded as "green employers." (Phillips, 2007).

### **Green Reward System**

Recognition-based awards will emphasize green employee contributions as a consequence of the wider range of advertising and public recognition and gratitude by top managers of green initiatives (Jiang, Xiao, Qi, & Xiao, 2009). Green reward comprises all types of direct and indirect, financial and non-financial, intrinsic, and extrinsic rewards (Armstrong, 2010). These rewards may contribute to employee well-being, motivation, satisfaction, and organizational productivity (Kaplan, 2007).

### **Green Development and Training**

Training is referred to as the development of multi-talented workers who are involved in improving the expertise and skills needed for creativity (Liebowitz, 2010). Kottke (1999) identified that workforce development plans that must be comprised of core competencies are an acceptable framework in which companies grow their enterprises at the corporate level. The theory's basic purpose is to gain knowledge, collaboration, inventive thought, and problem solving. The pre-requisites of a workforce professional training program; enhanced staff work satisfaction and facilitated awareness of the ethos of the company, which contributes to an organization's achievement. We should take care of these components that representative ought to be refreshed with the current information on the activity. Personnel will be more beneficial uncertainty organizations give them preparation according to the necessity of the activity (Obaid & Alias, 2015).

## **2.3. Employee Empowerment**

The pieces of literature study elaborate that the empowerment of employees includes simultaneous activities that have associations with job satisfaction. Employees can empower customers to achieve their goals and become motivated employees to lead to profit companies environmentally-friendly (Chaudhary, 2020). The rudimentary purpose of empowerment is the redeployment of control between management and workers, most typically in the form of expanded employee authority, transparency, and engagement effect Baird and Wang (2010).

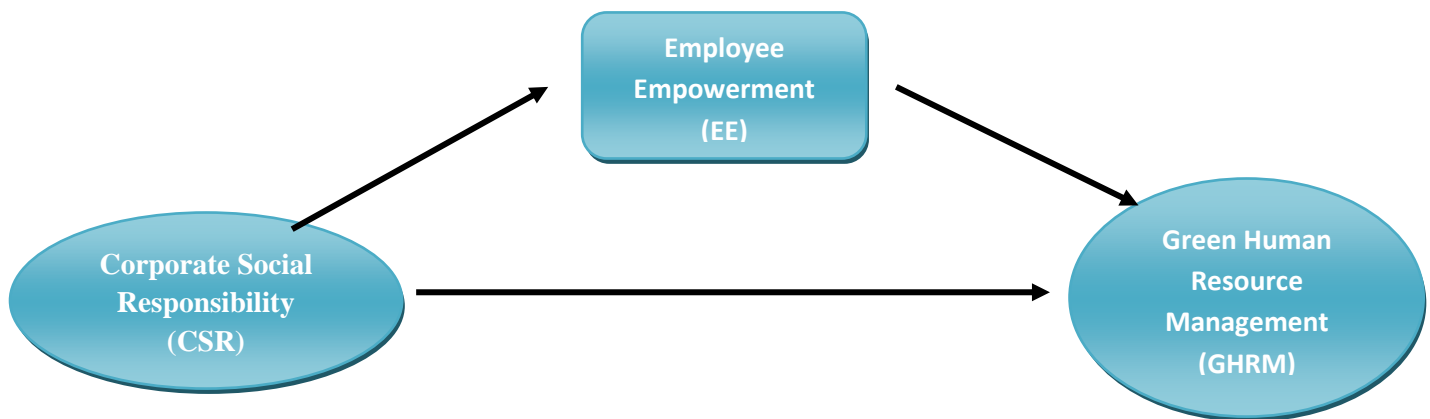
Employee Empowerment would thus be able to be presented by changing an organization's hierarchal methodology from incorporated to decentralized, which encourages employee empowerment

because the customary authoritative structure approach doesn't support it (Mallak & Kurstedt, 1996). Employee empowerment is an emblematic clarification for employees' state which is portrayed by significance, capacity to implement effective performance, and independence of activity (Menon, 2001).

Accordingly, to Harvey, Williams, and Probert (2013) an enlightening organization contrivance for empowerment and involution of personnel in the work environment empowers the employee's voice to encourage the shape of environmental objectives. Nevertheless, the significance of personnel empowerment and cooperation arises from the fact that personnel enjoys self-sufficiency to make decisions regarding environmental problems and other related issues that emerge when executing environmental sustainability (Daily & Huang, 2001). Personnel interest in dynamic ascents, employees' persuasive levels and makes energy regarding self-adequacy and advancement (Hanaysha & Tahir, 2016). This is because workers need appreciation, and they practice better execution to support this appreciation or affirmation.

Empowerment is named in two multiplexes (Hasani & Sheikhesmaeli, 2016). The first is in quite a while of allocation of authority, from supervisors to the workforce. The second identifies with characteristic power improvement to complete tasks by the method of a positive self-adequacy approach.

**Fig 1: Research Model**



### III. RESEARCH HYPOTHESES

#### 3.1: CSR and GHRM

The CSR and GHRM collaboration will consider the relevance and value of greening for the company, the progress of improvements in HR procedures, and the commitment of employees. In GHRM, CSR may lead to enhancement. Research specific to CSR should examine impacts on the working environment; GHRM will also provide CSR with key and organizational assistance. Synergistic effects can be given by closer integration of both. CSR and GHRM will strengthen each other to help resolve structural deficits. CSR-GHRM should further establish the notions of employees as stakeholders (Sheehan, De Cieri, Greenwood, & Van Buren III, 2014). Researchers believe that companies dealing with the supportability elements of the enterprise will prefer to "greenify" their HR rehearses (Sheopuri & Sheopuri, 2015). In comparison, the progression of green human assets is referred to as a branch of manageable human asset advancement. (Shen & Benson, 2016), which is said to remember a concentration for CSR. From these recommendations, we accept that CSR can impact GHRM rehearses inside an association. The developing interest for CSR prompts the use of GHRM transactions, with the goal that future GHRM research ought to incorporate CSR. So, the under-reading research paper explores the following research hypothesis:

**H1:** CSR has an optimistic influence on GHRM

#### 3.2. Employee Empowerment as a mediator

Recognizing the mediating variable is significant, as it impacts the connection between dependent and independent variables. Inside this research, employee empowerment is viewed as a potential mediator that shows the impact on personnel inspirational levels for seeking after green practices. The study additionally underpins its impacts on dependent and independent variables.

Employee Empowerment is critical to upgrading an organizational result, and it builds personnel execution as far as efficiency and effectiveness, where empowerment additionally expands personnel inspirational levels(Choi, Goh, Adam, & Tan, 2016). Employees are granted the self-sufficiency to recognize and effectively resolve disruptive behaviors in a corporate activity at the stage that they are encouraged to decide about their own choices. (Emsza, Eliyana, & Istyarini, 2016). For instance, personnel will be allowed to discern ways that devour unnecessary crude materials and reuse projects proactively to decrease total usage rates. In addition, personnel should be given the authority to review their procedures and those of their collaborators in order to energize a community of constant natural enhancement by experts. Employee empowerment, in fact, increases workers' environmental consciousness and can have an emphatic effect on the company's CSR.(Nawaz, Hassan, Hassan, Shaukat, & Asadullah, 2014). We hypothesize, based on this statement, that employee empowerment functions as the main GHRM. Furthermore, we suggest that the interaction between GHRM activities and CSR be mediated by Employee Empowerment.

**H2: Employee Empowerment mediate the relationship between GHRM practices and CSR.**

#### IV. THEORETICAL CONSIDERATION

In the following study, the Ability, Motivation, and Opportunity (AMO) theory has been adopted substantially to conceivably elucidate the convoluted correspondence between how people and organizations are accomplished and subsequent performance outcomes(Blumberg & Pringle, 1982).In comparison to traditional ethical theories that stress the principles and good result of behavior, the principle of AMO is used to assess the solicitude of people management in the GHRM and to contrive a consequence of employee empowerment conclusions. The theory stresses that the HRM's entire practice and strategies that intensify an organization's human resources by maximizing human skills result in improved production outcomes. The findings include a decrease in income production, high efficiency, pollution and a growth in earnings. There are three momentous facets of performance in the AMO model. They incorporate by beginning and enchanting a high-performing personnel's, expanding the capacity of workers.(Appelbaum, Bailey, Berg, Kalleberg, & Bailey, 2000). The discrete element is enhancing employee motivation and assessing participation through practices that can understand productive efficiency and rewards management. Finally, AMO stipulates that workers have the ability to participate in many tasks, such as problem-solving and information sharing and the introduction of Employee Leadership activities. Based on the theory of AMO, keeping in mind that we have the rudimentary foundations of AMO, we detect the development by the GHRM of these possibilities, skills, and inspiration for people's management.

#### V. METHODOLOGY AND DATA ANALYSIS

##### 5.1. Participants and Procedures

The City Sialkot is renowned for the manufacturing of Surgical, Sports, and leather goods. The population frame for this study consist of registered and active exporters and manufacturers with the SIALKOT CHAMBER OF COMMERCE AND INDUSTRY, in 3 main sectors that are sports, surgical and leather industries. The SCCI list consists of almost 2500 registered members with more than 200,000 employees who worked in SMEs of Sialkot. According to the Morgan table if the population size is more than 2000 the minimum sample size should be 331. In this study, we use a Stratified Sampling Technique to obtain a representative sample.To ensure the 331 respondents 500 questionnaires were distributed among the SMEs of Sialkot.The survey has been conducted between September to November 2020, the samples were collected from SME's of Sialkot the response rate was 70% (347 valid questionnaires). The survey was distributed among experienced HR employees and managers who knew CSR and GHRM. Firstly, We sent an e-questionnaire to the HR department of SMEs in Sialkot via email and we got a very low response. Secondly, we go to different SMEs and fill the questionnaire and got 347 complete questionnaires.62 percent of men and 38 percent of women were identified by the demographic and socioeconomic profiles of the sample. Of the participants, 48 percent completed HR specialization graduation and 52 percent completed the master's degree or above.

##### 5.2. Measures:

To verify the hypotheses they had introduced, the authors used the survey. The survey was madeup of three sections. The foremost section assessed the items of CSR, the next section assessed the items of GHRM, and the third section assessed by EE. All the items are assessed with the same 5-point Likert Scale ranging from 5 = strongly agree to 1 = strongly disagree. In last, the

participants' information like Gender, Age, Email/contact, and Qualification. Eleven items were adapted for CSR from Quazi & O'Brien, 2000. The value of Cronbach's  $\alpha$  for CSR was 0.950 which was significant. Four areas of GHRM are investigated – Job design and Analysis, Performance and Recruitment, Reward System, Training, and Development. A 13-items scale comprising of assertions about GHRM is exploited using same 5-point Likert scale. The identical scale is used for both the employer and the employee groups. Therefore, employer and employee valuations of GHRM using this measure are concerned with the judgments made by these groups about the extent to which a specific GHRM has been operationalized in the workplace. In this study, questionnaire items for GHRM were adapted from Green, Wu, Whitten, & Medlin, 2006. The value of Cronbach's  $\alpha$  for GHRM was 0.95 which was also significant. Eight items for Employee Empowerment were adapted from Yu, Chancellor, & Cole, 2011. The value of Cronbach's  $\alpha$  for EE was 0.94, which was also a significant value.

## VI. RESULTS

### 6.1) Descriptive Statistics

Table 2 illustrates the demographic profiles of the respondents.

<b>Profile</b>	<b>Category</b>	<b>%age</b>
Gender	Male	62%
	Females	38%
Education	Graduate	48%
	UnderGraduate	52%

### 6.2) Measurement Model

For data analysis, a two-step approach is used (Anderson & Gerbing, 1988). To evaluate the reliability of the measurements, Composite Reliability (CR) and Cronbach's alphas were calculated. In order to determine the discriminating and convergent validity, Average Variance Extracted (AVE) and factor loading were tested. A relevant Structural Equation Model (SEM) to evaluate the relationship between the constructs was analyzed after verification of the measurement model. For statistical analysis, software packages SPSS 26.0, Smart PLS 3.0, and AMOS 26 were applied. First, CFA projected a measurement model. All latent constructs were loaded for correlation analysis with their relevant measurement items and constructs (Anderson & Gerbing, 1988). Composite Reliability and the alpha of Cronbach have been determined. The analysis uses three constructs. Alpha values fall in the range from 0.94 to 0.95 for all elements. The alpha values of all the constructs that meet the minimum requirement of 0.70 are shown in table 3. Composite reliability values surpass the 0.70 standard value, varying from 0.95 to 0.96. The instrument is now reliable in this analysis for the calculation of the latent construct. Standardized Factor Loading varied from 0.71 to 0.90 for all items, which is important at the significance level of 0.01. Overall, convergent validity satisfied all the values. All AVE values fall within the range of 0.65 to 0.67, which was above the minimum criterion of 0.50, which revealed that structures perceive the highest variance. (Fornell & Larcker, 1981).

<b>Constructs</b>	<b>Items</b>	<b>SFL</b>
CSR Cronbach's $\alpha$ = 0.95	Your company has Familiarity with CSR	0.86
	Does your company engage in CSR?	0.81

CR=0.96 AVE= 0.67	CSR practices influence company's image	0.71
	Regularity of CSR activities	0.82
	Customer should pay attention to implement CSR policy to the company	0.78
	CSR enables my company to be good corporate citizen	0.85
	CSR enhances company's corporate image	0.81
	CSR improves employee morale and commitment to organization	0.82
	Does a dedicated person or staff is in charge of CSR initiatives?	0.85
	CSR helps Improved standards of living	0.87
	Do SMEs have CSR Policy and Plans?	0.82
<b>GHRM</b> Cronbach's $\alpha = 0.95$ CR=0.96 AVE=0.65	Programs (online and web-based training modules and tools for green management)	0.71
	Seminars, sessions and presentations that help employees to acquire knowledge in green management skills	0.86
	Provides knowledge and skills necessary to support GHRM strategy.	0.81
	Adhering to appointed formal teams who monitor and promote green practices by conducting a green audit to ensure that standards are met	0.81
	Reducing paper consumption by using recycled papers in the office	0.82
	Reading emailed advisories about how employees can use less paper	0.74
	Implementing green-themed games-to promote environmentally friendly behavior and staff togetherness (i.e. using the environment for games)	0.79
	Using web or teleconferencing to reduce traveling and the use of gas-emitting vehicles	0.85
	Seeking candidates personally committed to environmental sustainability	0.83
	Seeking candidates environmentally responsible for the preparation of their job application	0.87
	Stating its environmental goals in their annual report	0.85
	Clarifies the green performance domain in organizational initiatives.	0.78
	Incorporates green behaviors and criteria into performance appraisal.	0.72
<b>EE</b> Cronbach's $\alpha = 0.94$ CR=0.95 AVE=0.70	I am allowed to be creative when Ideal with problems	0.87
	I am allowed to do anything to do a high-quality job.	0.84
	I don't need to get management approval before I handle problems.	0.79
	I rely heavily on instructions and on the system.	0.75
	I can't take charge of problems that require immediate attention.	0.72
	I feel competent to perform the tasks required for my position	0.89
	My manager trusts me to make appropriate decisions in my job.	0.83
	I have considerable opportunity for interdependence and freedom in how I do my job	0.90
<b>Overall Model Fit: <math>\chi^2 = 3360</math>, <math>\chi^2/df=7.28</math>, <math>p&lt;0.01</math>; CFI=0.729, NFI=0.7, RMSEA=0.135</b>		

AVE values were correlated with square correlations among paired constructs to assess discriminant validity and reflect discriminant validity (see Table 4). In summary, high validity and reliability for the role of the latent build are demonstrated by the test instrument.

<b>Table 4</b>			
<b>Correlations Matrix</b>			
<b>Variables</b>	<b>1</b>	<b>2</b>	<b>3</b>
CSR	<b>0.82</b>		
GHRM	0.88**	<b>0.80</b>	
EE	0.69**	0.72**	<b>0.83</b>
Mean	3.84	3.81	3.80
S.D	0.68	0.64	0.66
Note: n=347. Bold figures on the diagonal are the square root of the AVE constructs.			

<b>Table 5</b>	
<b>Model Estimation</b>	



Hypothesized Path	Main Effect	
	Path Coeff	t value
CSR→EE	0.69	16.60
CSR→GHRM	0.72	12.60
EE→GHRM	0.22	3.94

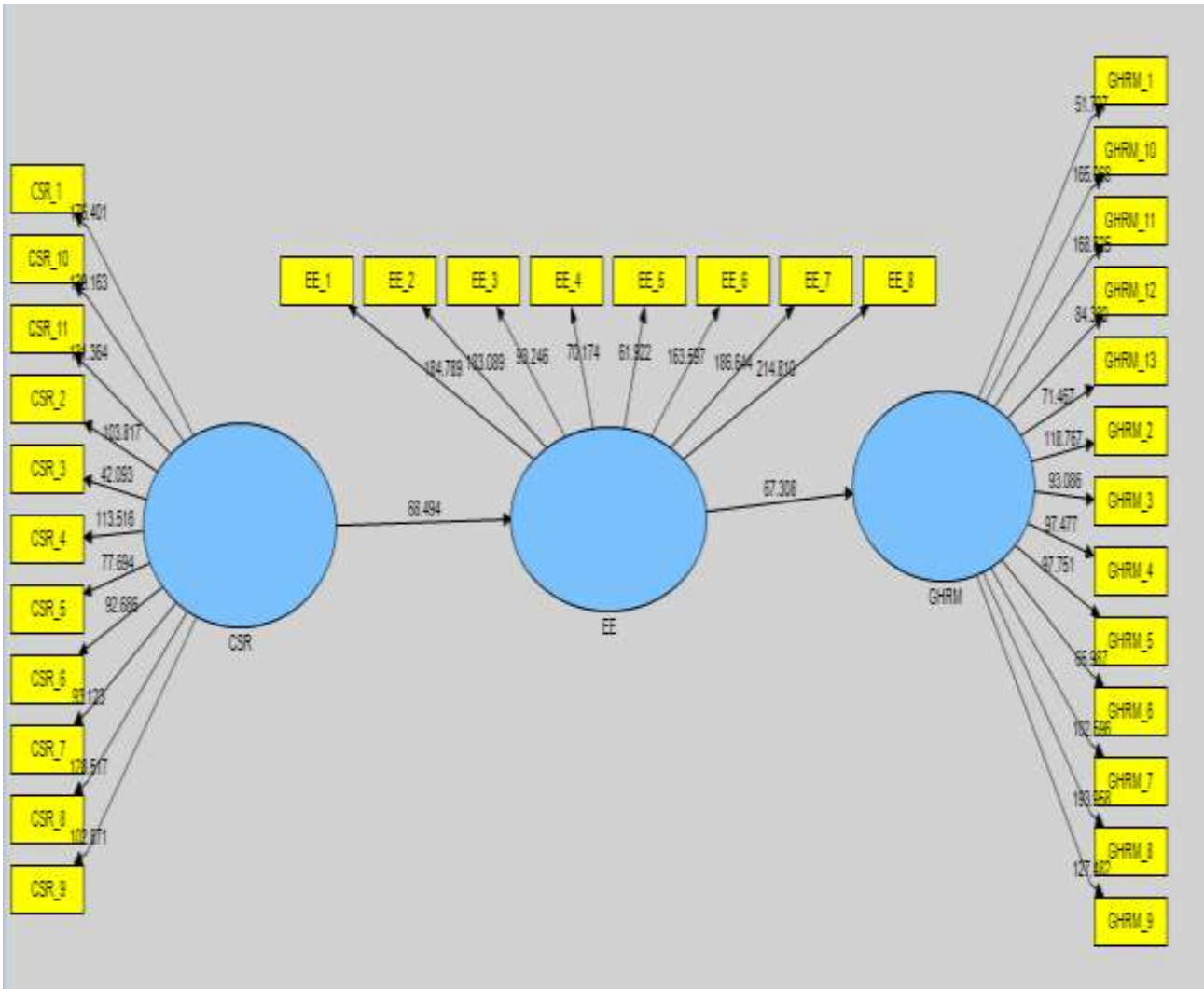
In order to estimate the fitness of the model for confirmatory factor analysis, the Chi-square test and several fit indices were run. The Comparative Fit Index (CFI) was 0.729, which is close to the standard value recommended by the Chi-square fit quality of 3360.(Bentler, 1990). The NFI (NormedFit Index) was 0.7. The statistical results indicated that the models' overall fitness was a satisfactory fit that is statistically less than a perfect 1.0(Bentler, 1990).The parameter estimates revealed that CSR and EE b= 0.69, t= 16.60, positively and significantly as shown in table 5, the CSR and GHRM parameter revealed that b= 0.72 and t = 12.60 positively and significantly supported each other so thus hypothesis 1 is supported. The 3rd parameter EE and GHRM estimates and revealed that b = 0.221 and t=3.94.

### 6.3) Mediating role of EE between CSR and GHRM:

The investigators used the Sobel test to verify the mediator's importance and found that there was a substantial mediation impact between the CSR and GHRM on EE (table 6) (z= 50.19 and p= 0.00001).Thus hypothesis 2 shows the mediation effect of EE between CSR and GHRM is accepted.

Table 6 Sobel Test (Z)						
Hypothesized Path	Predictor	Mediator	Outcome	Z Value	P-Value	Status
H2	CSR	EE	GHRM	50.19	0.00001	Accepted
CSR = Corporate Social Responsibility, GHRM = Green Human Resource Management EE = Employee Empowerment						

**Fig 2: PLS results of proposed model**



**VII. DISCUSSION & CONCLUSION**

The creativity of this research is placing accurately the association between CSR, Employee Empowerment, and GHRM. Situated on the best knowledge of scholars, this is the primary work evaluating this theoretical concept in conjunction with empirical data from Sialkot, Punjab City (Pakistan), which contributes to a greater understanding of SME sustainability, which remains a literature gap. This study explored Employee empowerment mediating role between CSR and GHRM by data analysis of a questionnaire survey on 347 employees during the period of Sep 2020 to Nov 2020. This chapter aims to address the rationale behind the findings. It is very important to establish the reasons for the outcome that have been drawn from the analysis. It is compulsory for the research questions of the study to be answered logically. Previous studies (Yusliza et al., 2019) indicate that only one dimension of green analysis and work status is endorsed in terms of the relationship between CSR and GHRM, the other aspects of GHRM, green recruiting, green collection, green preparation, green results, and green incentives were all found to be negligible, which is against our findings. CSR is used to achieve GHRM goals like improving recruitment and ensuring regular management of employees (Baek & Kim, 2014). CSR and GHRM is a dynamic and rich interactive phenomenon. Employees and HR managers are players in networks involved various stakeholders and institutes (Westermann-Behaylo, Berman, & Van Buren III, 2014). By giving employees empowerment in greener activities GHRM encourages environmentally sustainable practices (Kapil, 2015). The results of greater productivity, reduce costs and labor turnover, create a competitive edge, by empowering employees helps organizations to work in a sustainable environment, and find new business sources (Mehta & Chugan, 2015). According to our findings, CSR has an optimistic influence on GHRM which is consistent with the findings of (Freitas, Caldeira-Oliveira,

Teixeira, Stefanelli, & Teixeira, 2020). Finally, the findings also encourage organizations and their experts to plan, prioritize, and spend in GHRM, which provides CSR with more articulate outcomes.

### 7.1) Managerial Implications

The research provided gives realistic contributions in many ways to HR managers and top management. Firstly, managers would grab initiatives to support CSR and GHRM activities in the organization. For the achievement of the organizational objective, the top management must manage its assets and competencies in the utmost proficient way. Consequently, when CSR has specified its environmental objectives, economic objectives and social objectives, the area of HR must be directed towards the achievement of these goals. Secondly, administrators treat elements of the environment as organizational culture principles. In the light of hindrances to climate change, water shortages, and other up-and-coming environmental concerns, businesses must also plan to acquiesce to new regulations. Multitudinous organizations tackle these hindrances and take initiatives by reducing their environmental consequences. Thirdly, select individuals who are dedicated to the environment and recruit them. An organization that recruits and selects employees which are environmentally committed helps to achieve competitive advantage. This practice ensures that organizations hire employees with ecological education to protect natural resources and know about ecological sustainability. Fourthly, Employees should be given a say in environmental decisions protection. Employers/managers involve employees in a “reduce, reuse, recycle” program. Encourage employee environmental innovative ideas. Implore employees as fortitude sustainability initiatives and to encourage employees to carry out environmentally sustainable work practices.

### 7.2. Limitations

While our results are robust and significant, there are several limitations that need to be recognized explicitly. The foremost drawback (limitation) of this research is that data collect from a developing country and one city of a province. The shortcomings of this analysis can also be related to the suggested model and its consequences. With respect to GHRM methods, the system must be more streamlined, with the authors including only four practices in this research work. In addition, the control variables in this context are also used.

### 7.3. Future Research

Although, this research limitation shows that this study can expand by appending more GHRM practices like Teamwork, environmental performance, green orientation, etc. Future researchers add Control variables like firm age, size, ISO standards, etc. The same research was also conducted in other developed countries to find generalize results. In the future, the researchers can append this framework by using an organizational commitment, employee commitment as a mediator, green intellectual capital, and HR roles and competencies.

The authors anticipate that under study research will offer a variance eyeglass to that one who study the impact of CSR and GHRM and the mediating effect of EE.

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