

## THE INFLUENCE OF GREEN COMPENSATION, GREEN APPRAISAL, AND GREEN SATISFACTION ON EMPLOYEE PERFORMANCE IN CONSTRUCTION COMPANIES

Ira Septi Ayu SAPUTRI<sup>1</sup>, Asep Rokhyadi Permana SAPUTRA<sup>2\*</sup>, Djaelani SUSANTO<sup>3</sup>

<sup>1</sup>Faculty of Economics, Yogyakarta Mercu Buana University, Yogyakarta, Indonesia,  
irasepti86@gmail.com

<sup>2</sup>Faculty of Economics, Yogyakarta Mercu Buana University, Yogyakarta, Indonesia, asepm@mercubuana-yogya.ac.id

<sup>3</sup>Faculty of Economics, Yogyakarta Mercu Buana University, Yogyakarta, Indonesia,  
djaelani@mercubuana-yogya.ac.id

**Abstract:** This inquires about points to analyze the impact of green compensation, green appraisal, and green satisfaction on employee performance in development companies in Indonesia. This research was conducted using a quantitative approach with a population of 8,769,798 employees working in Indonesian construction companies, then calculated using the Slovin formula to obtain a sample of 204 respondents. The sampling method in this research is non-probability using the Quota Sampling technique. The analysis technique uses a questionnaire in the form of a Google form which is distributed randomly to construction companies, and data testing uses an analysis tool in the form of PLS SEM. The research results prove that (1) green compensation has no effect on employee performance in construction companies, (2) green compensation has a positive and significant effect on green satisfaction in construction companies, (3) green appraisal has a positive and significant effect on green satisfaction in construction companies, (4) green appraisal has a positive and significant effect on employee performance in construction companies, (5) green satisfaction has a positive and significant effect on employee performance in construction companies in Indonesia.

**Keywords:** Green Compensation, Green Appraisal, Green Satisfaction, Employee Performance.

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### 1. Introduction

Indonesia is a developing country with a development concept in various sectors, one of which is construction. Construction is a form of building & presenting physical structures using certain materials and techniques. Development occupations shift broadly in terms of measure, scope & complexity of work, legally binding courses of action between members, and sorts of innovation utilized. It is hoped that current development in the construction sector can improve

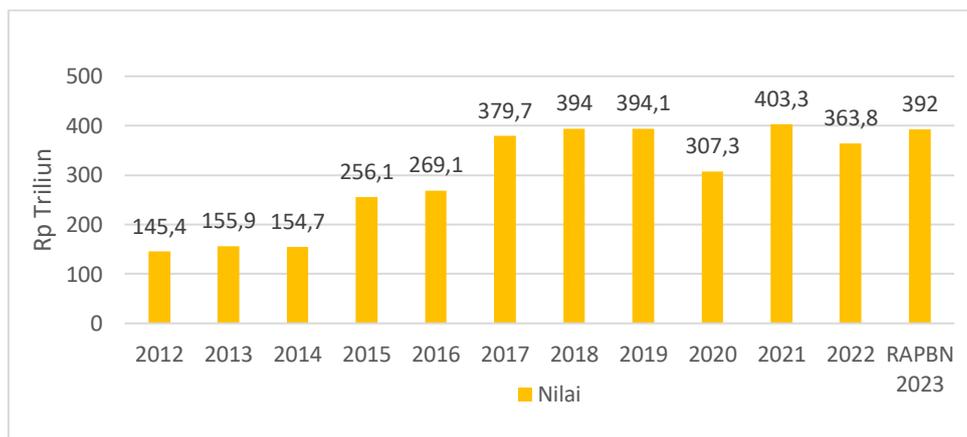
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\*Corresponding author

infrastructure development and produce a positive impact on the Indonesian economy with increasing financing (see Table 1 and Graph 1).

These days Human Assets (HR) are required to proceed to create and advance. Improvement within the benefit development division cannot be isolated from the impact of human assets. In Indonesia itself, the main focus in HR planning for construction companies is operations and infrastructure (Susilowati et al., 2021). The technique utilized is arranging, administration and utilization of Human Assets (Kostic et al., 2021).

HR planning is described as a form of processing human resources in construction for a project. It is not uncommon for HR operations to influence different levels of planning strategies for development (Ashiru & Ashiru, 2019). HR planning has advantages and disadvantages. As an advantage, HR planning can ensure the organization has the right number to achieve goals (Mansaray, 2019). Apart from that, it can influence the effectiveness of HR management thereby increasing practical value within the company (Tolstyakova & Batyrova, 2020). As for its own shortcomings, inappropriate HR training results in a company not having a mature plan to meet personal and organizational needs (Papaioannou & Serdaris, 2023). As well as the apparent weakness of criteria in inadequate HR policies, it makes it difficult to comply with justice in the company (Ozdinc, 2019). However, structured human resource planning can be a driving force for successful employee performance.



**Graph 1.** Indonesia's infrastructure budget (2012-2023)

Source: Ministry of Finance (<https://shorturl.at/ackJK>)

**Table 1.** Growth of Indonesia's infrastructure budget (2012-2023)

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Growth (%)	27,32	7,22	-0,77	65,55	5,08	41,1	3,77	0,03	-22,02	31,24	-9,79	7,75

Source: Ministry of Finance (<https://shorturl.at/ackJK>)

In employee performance there is employee motivation, the aim is to increase productivity (Almulaiki, 2023). Employee performance can be influenced by several factors, including green compensation, green awards, green training, green motivation, green appraisal, and green satisfaction. The part of green stipend is exceptionally vital in cultivating representative execution eagerness so that it can increment green efficiency. There are several types of awards obtained, for example (cash, premiums and bonuses) in the form of rewards, for example (leave and prizes). In a corporate environment, green compensation can take the form of praise, awards and publicity. The existence of green compensation encourages employees to think creatively about new ideas related to work. Giving awards from the company to employees can encourage the creation of supportive green appraisals. The process of evaluating an employee's work includes

strengths, limitations and clear standards in important aspects of green appraisal. Job evaluation provides important value for employee performance. Therefore, it is not surprising that green appraisal has an effect on green satisfaction and ultimately increases productivity at work.

The existence of green satisfaction is necessary in maintaining appropriate employee living standards. Employees who have high satisfaction standards will definitely be enthusiastic and diligent in their work. On the other hand, if employees have low satisfaction standards, it is possible that they will feel lazy and will easily be absent from work. In this research, the focus will be placed on providing green compensation as a driver of employee motivation in construction companies. This approach will be bolstered by green evaluation to reinforce resolve, and green fulfillment will be a supporting component in making consolation measures that have a positive affect on representatives and can impact worker execution. Based on the explanation above, this journal discusses the influence of green compensation, green appraisal, and green satisfaction as mediation on employee performance in construction companies in Indonesia.

## 2. Theoretical framework

This inquire about is bolstered by speculations from the improvement of human asset administration. Human Assets Administration (HRM) may be a prepare of creating a person's aptitudes through organizational improvement, work force preparing and advancement with the point of making strides execution (Swanson, 1995). HRM is concerned with the behavior and connections of human assets such as representatives inside a company. Great human asset advancement can impact the execution of an organization, and ultimately have an affect on other perspectives. There's a near relationship between progressing organizational execution, such as making strides worker and budgetary execution which has an affect on company efficiency (Jalagat, 2015). Apart from increasing employee performance, HRM is also associated with warming conditions regarding the emergence of global warming.

Increasing global warming is a hot issue that is widely discussed nowadays, especially for companies that contribute directly to human resource exploration. With this, the term Go Green emerged as an environmentally friendly concept that is associated with saving the earth from the threat of damage. GHRM is the implementation of an organizational strategy that is used as an effort to increase employee awareness of the environment (Deshwal, 2015). This features a positive affect on the national economy and gives investment funds to the mechanical segment. Thus, companies try to link green practices through planned strategies (Scur & Barbosa, 2017). The positive impact of GHRM enables companies to adapt to environmentally friendly productivity developments. Increased productivity makes employees enthusiastic about working, giving rise to green compensation that is expected by employees and the company.

Green compensation is claimed as remuneration for a worker for his contribution to the company (Panggabean, 2002). The aim is to retain quality employees, through changes in behavior and attitudes (Hasibuan, 2009). This includes financial (bonuses, money, premiums) and non-financial (leave, holidays, gifts) and can also take the form of rewards such as awards, laud or plaques, related to naturally neighborly aptitudes to progress representative execution. Great worker execution features a positive affect on company execution. If employee performance is good then company performance (corporate performance) will also be good (Prawirosentono, 1999). Compensation is used by companies as a strategy to improve employee performance. High employee performance cannot be separated from an appropriate and wise green appraisal strategy.

Green appraisal may be a framework of assessing representative execution within the display or past relative to execution guidelines (Dessler, 2015). The point is to decide the level of accomplishment so distant, and energize representative duty. It alludes to the appraisal of worker

execution with respect to how well they are advancing towards a green environment, and has the potential to progress worker execution through the achievement of the assignments that make up a work, and reflects how well representatives meet the prerequisites of a work (Henry, 2015). Accurate and wise assessments can automatically improve employee performance and encourage green satisfaction for the company and the employees themselves.

Green Satisfaction refers to the feeling one enjoys about work (Puspitasari et al., 2024), Indicators of job satisfaction include (promotion, compensation, service, development, etc (Evina et al., 2024). Green satisfaction can also be interpreted as someone's joy. When someone feels happy and satisfied with a job, employee performance will indirectly increase (Nurhayati et al., 2022). This increase will result in satisfactory performance for the company's development. With this, employee performance is really needed to make it easier for companies to implement strategies towards advancing environmentally friendly productivity.

## **2.1. Hypothesis development**

### ***2.1.1. The effect of green compensation on employee performance***

Green compensation is an important component in the employee scope (Saputra & Renata, 2023), by providing incentives directly or indirectly, for example awards given financially and non-financially, planning to energize and hold representatives to take an interest in natural activities (Muchsinati & Desy, 2023). Green satisfaction occurs when a company is able to align its processes and strategies with environmentally friendly practices (Ahakwa et al., 2021a). This is useful for improving performance, where these activities focus on reducing negative behavior and encouraging environmentally friendly behavior. Thus, the reward system must be designed in such a way, to illustrate management's commitment to natural execution and energize representatives to act in an ecologically inviting way (Hadjri et al., 2020).

Satisfactory compensation is the main driver for employees to achieve their best results, creating a positive relationship between the rewards received and the resulting performance (Ahmad et al., 2023). Propelling rewards such as compensation, rewards, or stipends, as well as prizes, grants, or advancements, can draw in employees intrigued in accomplishing their work targets so that they can increment worker execution (Kuo, et al., 2022). This incorporates a coordinate effect on efficiency, where ideal execution can be accomplished when workers are fulfilled with the rewards given by the company (Vargas-Hernández, 2023). Then again, disappointment with recompense can result in a diminish in worker execution (Runturambi et al., 2022). Thus, it is stated that green compensation can form wise behavior that influences the sustainability of employee performance now and in the future (Esthi, 2021). Based on the portrayal over, the analyst defined the taking after speculation:

**H<sub>1</sub>: Green compensation has a positive effect on employee performance in construction companies in Indonesia.**

### ***2.1.2. The effect of green compensation on green satisfaction***

Green compensation is a determinant in increasing the work effectiveness of a company (Al Shbail, et al., 2022). One of the indicators contained in it includes incentives & salaries. Providing the right incentives can encourage employee satisfaction (Haldorai & Kim, 2022). The implementation of incentives by companies allows employees to achieve success in their work (Gill et al., 2021). In addition, providing appropriate compensation can encourage employees to improve their performance through good quality work. This activity will later produce significant feedback between the company and employees (Sadiq & Kaleem, 2021). Increased productivity in the company triggers substantial rewards for employees (Elshaer et al., 2021). With this systematic existence, employees feel safe and enthusiastic in carrying out the work

responsibilities given by the company, so that the implementation of sustainable compensation practices can increase employee green satisfaction in the work environment.

Providing appropriate and fair compensation can encourage employees to be more enthusiastic about working (Moath Alshar et al., 2022). This situation will also make it easier for companies to improve empowerment strategies that will be profitable for their parties. Don't forget, that this success is certainly caused by the presence of employees who are satisfied with the incentives and bonuses provided. With this, the results obtained can be attributed to the positive impact of compensation arising from job satisfaction (Pratiwi & Waskito, 2023). So the researcher formulated the hypothesis as follows:

**H<sub>2</sub>: Green compensation has a positive effect on green satisfaction in construction companies in Indonesia.**

#### *2.1.3. The influence of green appraisal on green satisfaction*

Green Appraisal is an employee performance evaluation that measures the extent to which they have made progress towards sustainable practices (Pavitra, 2017), with an achievement assessment method that evaluates employee performance in managing environmental aspects. In implementing work evaluation, the company tries to minimize all forms of errors in determining results with the aim of controlling and creating the company's progress towards a green environment (Saeed, et al., 2019). Targeted evaluation assessments can help companies manage human resource practices (Guo, Zhou, Ali, Shahzad, & Cui, 2021). Evaluation can be implemented digitally, in order to make it easier for employees to access and understand the results of their work (Tahir et al., 2020). The emergence of this strategy can increase satisfaction with employee performance. Not only that, the implementation of green appraisal which runs according to procedures will form an attitude of mutual respect, so that a harmonious relationship is established which ultimately forms green satisfaction in the souls of employees within the scope of the company (Saefullah, 2022).

Assessment will make it easier for employees to evaluate themselves regarding their shortcomings in order to change for the better (Rathee & Bhuntel, 2021). Good changes will create satisfaction for employees, which eventually includes a positive affect on performance. This is often in understanding with the phenomenon that refers to the statement that green appraisal has a simultaneous influence on green satisfaction, whose role can produce real, sustainable performance (Runturambi et al., 2022). For this reason, there has to be an increment in appraisals went with by break even with assessment of workers. So the researcher formulated a temporary hypothesis as follows:

**H<sub>3</sub>: Green appraisal has a positive and significant effect on green satisfaction in construction companies in Indonesia.**

#### *2.1.4. The effect of green appraisal on employee performance*

Companies invest in employees in arrange to make strides Human Assets so that they can make a competitive advantage (Ardiza et al., 2021). To achieve the best performance, companies use green appraisal or employee assessment tools which can later provide feedback for the employees themselves, as well as being able to identify any needs and personal development in the future (Novieto et al., 2023). In companies, development creates positive career attitudes for workers, which ultimately can improve employee performance (Pervaiz et al., 2022). Green appraisal, which includes employee assessments, has a great influence on improving performance (Saputro & Nawangsari, 2021). This situation encourages employees to improve their performance (Gelderman et al., 2021). Positive assessment creates employees who are tenacious, diligent and responsible at work. This can be related to the opinion above that basically

positive assessments given to employees have a big influence on their performance (Mahmood & Mehreen, 2019). So the researcher prepared a temporary hypothesis as follows:

**H<sub>4</sub>: Green appraisal has a positive and significant effect on employee performance in construction companies in Indonesia.**

### *2.1.5. The effect of green satisfaction on employee performance*

Green Satisfaction is the attitude and feelings a person has regarding the work they are doing (Juliyando & Saputra, 2023). Work fulfillment is demonstrated by the development of a positive and charming state of mind towards a work. In the interim, disappointment with work is appeared by the development of negative and repulsive states of mind towards work (Wen et al., 2022). Then, this perception is also interpreted as a pleasant feeling experienced by a person because it allows him to fulfill work which contains important values for him (Gupta, 2020). Thus, this statement encourages companies to prevent employees from falling into negative behavior, which is a series of activities that must be avoided both physically, mentally and emotionally (Januarty et al., 2020). Based on the statements of the theorists above, it can be concluded that green satisfaction is a positive and enjoyable attitude towards one's work, resulting in employee performance that can meet the values and qualities desired by the company. Real satisfaction encourages employees to develop and creates a feeling of happiness towards the work they are doing (Chowdhury et al., 2019). This certainly has a big influence on achievement and performance excellence (Hajiali et al., 2022). Good performance will bring satisfaction to the company and the employees themselves (Kristanto & Tajib, 2023). So the analyst defined the theory as takes after:

**H<sub>5</sub>: Green satisfaction has a positive and significant effect on employee performance in construction companies in Indonesia.**

## **3. Methodology**

### **3.1. Population**

Populace is the totality of each component to be examined which has the same characteristics, it can be people from a bunch, occasion, or something to be considered (Handayani, 2020). The populace taken in this investigate were companies working within the development division in Indonesia. Based on data sources from the Regional Infrastructure Development Agency (<https://shorturl.at/fqL24>) spread over a period of 10 years, the number of employees working for construction companies in Indonesia will reach its highest level in 2023, reaching 8,769,798 people.

### **3.2. Sample**

A sample is a portion of the number and characteristics possessed by the population, or a small portion of the population members taken according to certain procedures so that it can represent the population. The number of samples examined in this research can be calculated using the Slovin formula as follows:

Information:

n = minimum sample

N = population samplee

e = tolerance limit percentage (*margin of error*)

$$\text{Formula: } n = \frac{N}{1 + Ne^2}$$

$$\begin{aligned}
 &= \frac{8.769.798}{1 + 8.769.798 (0,07)^2} \\
 &= \frac{8.769.798}{1 + 8.769.798 (0,0049)} \\
 &= \frac{8.769.798}{1 + 42.972} \\
 n &= 204
 \end{aligned}$$

It is known that the sample taken in this research was 204 respondents.

### 3.3. Research model

The research variables are divided into Independent Variables (X) which consist of Green Compensation which was adopted from (Ahakwa et al., 2021b), Green Appraisal (Saeed et al., 2019), and Green Satisfaction (Runturambi et al., 2022) and consists of a Dependent Variable (Y), namely Employee Performance which is adopted from (Hermina & Yosepha, 2019).

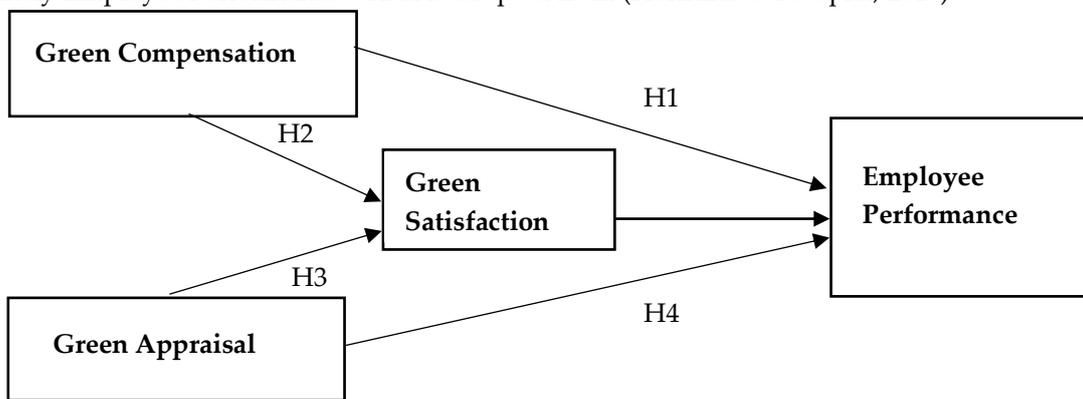


Figure 1. Research model

### 3.4. Data collection methods and techniques

The sampling method in this research is non-probability using the Quota Sampling technique. Quota sampling is a technique used to select samples from a population with certain characteristics to reach the desired quota number. At that point the information collection utilized within the investigate was a questionnaire.

### 3.5. Analysis tools

This research uses PLS SEM analysis. Structural Equation Modeling is a multivariate analysis method that can be used to simultaneously describe linear relationships between observed indicator variables and variables that cannot be measured directly (latent variables) (Dash & Paul, 2021).

## 4. Results

PLS is an alternative approach that shifts from a covariance-based *Structur Equation Modeling* (SEM) approach (measuring the magnitude of the relationship between two variables) to a variance-based measure of correlation between the same two random variables.

#### 4.1. Evaluation of measurement models

Evaluation of the measurement model was carried out to examine the Outer Loading table, Average Variance Extracted (AVE) Test, Cornbach's Alpha and Composite Reliability Test, and Fornell and Lacker Discriminant Validity as follows:

**Table 2.** Outer loading and mean

Variable	Question Indicator	Outer loading 1	Outer Loading 2	Mean
<i>Green Compensation (X1)</i>	X1.1 I feel satisfied with the existence of ecologically neighborly human asset hones within the company	0.769	0.795	3.667**
	X1.2 I love both monetary and non-monetary incentives	0.613*		
	X1.3 I move forward my work execution in case I have a salary that matches financial rewards	0.813		
	X1.4 I improve work performance if the work environment is comfortable, provides appropriate equipment and number of working hours, as well as safety	0.713*	0.943	3.706***
	X1.5 The incentives and prizes that the company gave me were very profitable	0.665*		
<i>Green Appraisal (X2)</i>	X2.1 I like friendly relationships with other employees because it can influence ratings	0.684*		
	X2.2 I like it when my work can be assessed, recognized and praised by others	0.823	0.905	3.701**
	X2.3 I love new strategies to improve scoring	0.639*		
	X2.4 Assessment makes me more focused in my work	0.622*		
	X2.5 I can control errors that may occur while working	0.802	0.832	3.735***
<i>Green Satisfaction (X3)</i>	X3.1 I feel fulfilled since the comes about of the consulted work are in line with expectations	0.783	0.889	3.681**
	X3.2 I feel fulfilled with the existence of environmentally friendly advertising and environmentally friendly brands	0.779	0.885	3.770***
	X3.3 I like the building goods/services that I produce	0.862	0.787	3.725
	X3.4 Ethics and spirituality influence my customer satisfaction	0.708*		
	X3.5 I am able to produce quality service products that are in great demand	0.672*		

<i>Employee Performance (Y)</i>	Y.1 The significance of tasks causes employee performance in construction companies	0.772	0.847	3.534
	Y.2 The existence of social support from superiors causes employee work performance in construction companies	0.857	0.833	3.515**
	Y.3 The existence of social support from colleagues causes employee work performance	0.672	0.787	3.574***
	Y.4 Transformational leadership in construction companies leads to increased employee performance	0.612*		
	Y.5 Empowerment leads to employee work performance in construction companies	0.208*		

Information: (\*&\*\*&\*\*\*)

Based on the information over, it is known that the survey stamped (\*), to be specific (X1.2, X1.4, X1.5, X2.1, X2.3, X2.4, X3.4, X3.5, and Y4, Y5) overall it was rejected because it did not meet the value loading factor. Measurement model testing is carried out to show the results of validity and reliability tests. The outer model test results are seen based on the Convergent Validity, Discriminant Validity and Composite Reliability values. Convergent validity measures the magnitude of the correlation between constructs and latent variables. In evaluating convergent validity from examining individual item reliability, it can be seen from the standardized factor loading value which describes the magnitude of the correlation between each indicator measurement item and its construct. A loading factor value  $\geq 0.7$  is said to be ideal, meaning that the convergent validity of the indicators presented in the outer loading section (2) shows that all indicators have met convergent validity because they have a loading factor value above 0.70. Then the Average Variance Extracts (AVE) value for all variable values presented is above 0.50, so it can be concluded that the overall variables in this study are valid. AVE testing can be seen in the following Table 3.

**Table 3.** Test Average Variance Extracted (AVE)

Variable	AVE
Green Compensation (X1)	0.760
Green Appraisal (X2)	0.756
Green Satisfaction (X3)	0.730
Employee Performance (Y)	0.677

Furthermore, testing Cornbach's alpha and composite reliability can be seen in the table as follows:

**Table 4.** Test Cornbach's Alpha and Composite Reliability

Variable	Cornbach's Alpha	Composite Reliability	Information
Green Compensation (X1)	0.708	0.863	Reliable
Green Appraisal (X2)	0.682	0.861	Reliable
Green Satisfaction (X3)	0.814	0.890	Reliable
Employee Performance (Y)	0.761	0.862	Reliable

Latent variables have a Composite Reliability and Cronbach's Alpha value of more than 0.70 ( $\geq 70$ ) or it could also be a Cronbach's Alpha of more than 0.60 (Chin, 1998) which means that the values in this study have good reliability. Next, discriminant validity testing (Fornell and Lacker) is seen in the Table 5.

**Table 5.** Discriminant Validity of Fornell and Lacker

	<b>Employee Performance (Y)</b>	<b>Green Appraisal (X2)</b>	<b>Green Compensation (X1)</b>	<b>Green Satisfaction (X3)</b>
Employee Performance (Y)	0.823			
Green Appraisal (X2)	0.382	0.869		
Green Compensation (X1)	0.139	0.478	0.872	
Green Satisfaction (X3)	0.415	0.509	0.397	0.855

Fornell and Lacker's criteria are that the root of the variable AVE is greater than the correlation between the variables. The square root of the Average Variance Extracts (AVE) for each variable is greater than the correlation between one variable and other variables in the model, so that the variables in the estimated model meet the criteria for discriminant validity.

#### 4.2. Structural model evaluation

**Table 6.** R Square

	<b>R Square</b>	<b>Information</b>
<i>Employee Performance (Y)</i>	0.222	Low influence (0.19)
<i>Green Satisfaction (X3)</i>	0.290	Moderating influence (0.33) High influence (0.66)

Based on the information handling over, it is said that the magnitude of the influence of green compensation and green appraisal on green satisfaction is 0.290 (moderate/close to moderate influence). Then the magnitude of the influence of green compensation, green appraisal, and green satisfaction on employee performance is 0.222 (low influence). Next, hypothesis testing can be seen in the following Table 7.

**Table 7.** Test hypothesis

	<b>Original Sample (O)</b>	<b>Sample Mean (M)</b>	<b>Standard Deviation (STDEV)</b>	<b>T Statistics ( O/STDEVI)</b>	<b>P Values</b>
<i>Green Compensation (X1) -&gt; Employee Performance (Y)</i>	-0.121	-0.121	0.078	1.555	0.120
<i>Green Compensation (X1) -&gt; Green Satisfaction (X3)</i>	0.200	0.204	0.079	2.533	0.011
<i>Green Appraisal (X2) -&gt; Green Satisfaction (X3)</i>	0.413	0.415	0.079	5.213	0.000
<i>Green Appraisal (X2) -&gt; Employee Performance (Y)</i>	0.275	0.275	0.082	3.364	0.001
<i>Green Satisfaction (X3) -&gt; Employee Performance (Y)</i>	0.322	0.326	0.086	3.769	0.000

Based on the problem formulation, green compensation on employee performance has a t-statistic value of 1.555, where the t-statistic value is below the one tail t-table, namely 1.96 and the

p value is greater than 0.05, namely 0.120 (not significant), then It can be concluded that green compensation is negative or has no effect on employee performance.

Meanwhile, green compensation on green satisfaction has a t-statistic value of 2.533, which is far above the one tail t-table, namely 1.96 and the p value is 0.011, less than 0.05, so it can be concluded that green compensation can increase and have a significant effect on green satisfaction.

For green appraisal of green satisfaction, it is known that the t-statistic value is 5,213, far above the one tail t-table, namely 1.96 and the p value of 0.000 is smaller than 0.05, so it can be concluded that green appraisal has a positive and significant effect on green satisfaction.

The effect of green appraisal on employee performance is known to have a t-statistic value of 3,364, far above the one tail t-table, namely 1.96 and the p value of 0.001 is smaller than 0.05, so it can be concluded that green appraisal has a positive and significant effect on employee performance.

Green satisfaction on employee performance is known to have a t-statistic value of 3,769, far above the one tail t-table, namely 1.96 and the p value of 0.000 is smaller than 0.05, so it can be concluded that green satisfaction has a significant effect on employee performance.

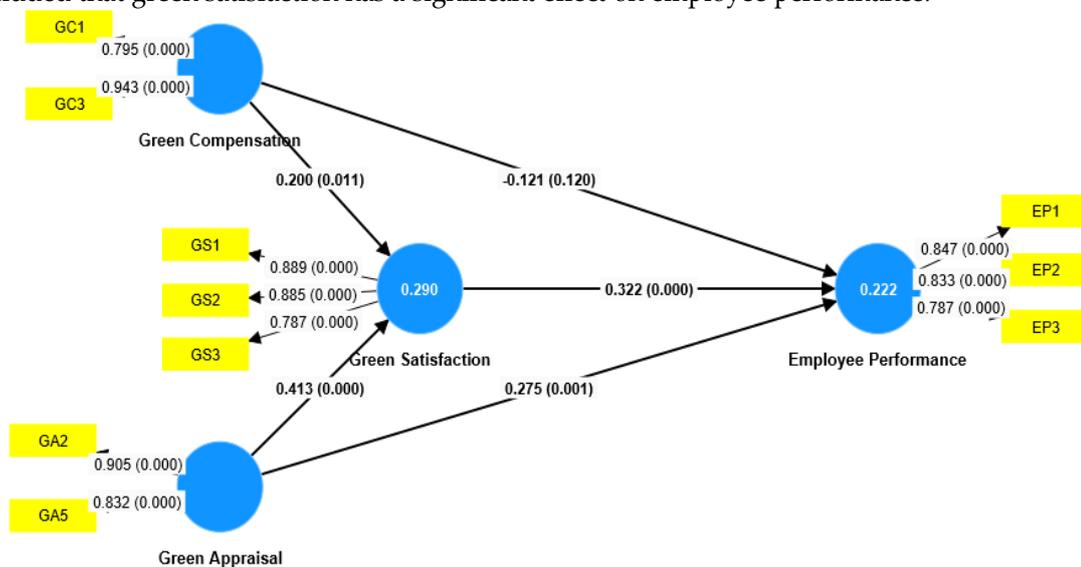


Figure 2. Path diagram

## 5. Discussion

### 5.1. Green compensation has no effect on employee performance

The results of the analysis show that green compensation has no effect on employee performance in construction companies, this is because the statistical value is smaller than the value in table one. This condition shows that the lower the green compensation for employees, the employee performance will simultaneously decrease. Green compensation basically has quite an important value in the company. Compensation within a company can increase competitiveness and enthusiasm among employees. This will of course affect individual qualifications which are then applied to a job. The complexities that arise from this activity include incentives given by the company, achievements and prizes.

The results of the descriptive analysis on the questionnaire distribution for statement X1.1 are in the high category, but include the lowest mean for statement X1. This shows the need for new evaluations and innovations regarding the establishment of green compensation strategies in construction companies, which means that increasing compensation can help realize all plans,

policies, visions, missions and company work programs that have been determined previously (Esthi, 2021). Apart from that, most companies tend to compete with each other in providing better compensation and benefits with the aim of fulfilling employee desires (Che Omar, 2019). This research is not in line with previous research which states that green compensation can improve employee performance (Vargas-Hernández, 2023). Other research also states differently that green compensation can significantly support employee performance movements (Runturambi et al., 2022).

## **5.2. Green compensation has a positive and significant influence on green satisfaction**

The results of the analysis show that the green compensation variable has a positive and significant effect on green satisfaction in construction companies. This condition shows that the better the green compensation provided by the company, the higher the effect of green satisfaction obtained. Quality and well-targeted green compensation within the company will create satisfaction for employees. This progression is regularly utilized by companies to progress the quality and amount of workers. Satisfied employees will experience an increase in good work, in reality this will have a positive affect on the improvement company itself (Sadiq & Kaleem, 2021). The results of the descriptive analysis in this research can be seen in statement X1.3. The mean test results in this study are included in the high category. This illustrates that green compensation can increase employee satisfaction, and its proper existence in the long term will create high productivity. This research is in line with previous research which states that compensation can change employees to become enthusiastic and diligent in working if their inner satisfaction is met (Moath Alshar et al., 2022).

## **5.3. Green appraisal has a positive and significant influence on green satisfaction**

The results of the analysis show that green appraisal has a positive and significant effect on green satisfaction in construction companies, as evidenced by statistical values that are far above the one tail table. This condition appears that the higher the green evaluation connected to development companies, the more fulfilled workers are in reacting to their work. Green appraisal is very important in companies because it can be used as evaluation material and assessment of employee characteristics. Assessment components that are considered mutually open and wise automatically give rise to green satisfaction in employees, so that they increasingly show their best qualities when working. This condition will actually improve construction companies' strategies in managing the quality and quantity of their companies (Khandelwal et al., 2019). The results of the descriptive analysis in this research can be seen in statement X2.2. This statement is included in the high mean category, so this gives an idea that green appraisal is able to increase employee satisfaction. This inquire about is in line with past investigate which states that green appraisal is indirectly able to produce employees who are intelligent, qualified and of high value because of a track record of good appraisal, which will simultaneously lead to satisfaction in them (Rathee & Bhuntel, 2021).

## **5.4. Green appraisal has a positive and significant influence on employee performance**

The results of the analysis show that green appraisal has a positive and significant effect on employee performance in construction companies, as evidenced by statistical values that are far above the one tail table. This condition shows that the better the green appraisal given by the company, the more influence it will have on employee performance. Green appraisals established by companies in order to increase standardization of SOPs and work arrangements can move forward worker execution (Junianti et al., 2023). Proper implementation according to employee wishes will optimize their work system. Where every employee really understands what is inside

them, including the needs they need, the attitudes that make them comfortable, and the qualities they possess (Cowandy, 2014). The results of the descriptive analysis in this research can be seen in statement X2. This statement is included in the high mean category, so this gives an idea that green appraisal is able to improve employee performance. This research is in line with previous research which states that assessment is able to shape high-quality and enthusiastic employee performance (Gelderman et al., 2021).

### **5.5. Green satisfaction has a positive and significant influence on employee performance**

The results of the analysis show that green satisfaction has a positive and significant effect on employee performance in construction companies, as evidenced by statistical values that are far above the one tail table. This condition appears that the way better the green fulfillment felt by workers, the higher the quality of representative execution. Satisfaction is really needed by companies to maintain the quality efficiency of their employees. If employees are satisfied with the incentives, work systems, comfort etc. provided by the company, then employee performance will automatically increase. On the other hand, if their satisfaction is not carried out well, there will automatically be a decline in the quality of performance and turnover could even occur (Esthi & Setiawan, 2023). The results of the descriptive analysis in this research can be seen in statement X3.2. This statement is included in the high mean category, so this gives an idea that satisfaction can improve employee performance. This inquire about is in line with past inquire about which states that green satisfaction is able to bring in employees with high potential and of course can increase company productivity with the help of employee performance (Chowdhury et al., 2019).

## **6. Conclusion**

Based on the investigate comes about that have been displayed, it is known that the green compensation variable has no impact on representative execution in development companies in Indonesia, there's a positive and noteworthy impact of the green stipend variable on green fulfillment in development companies in Indonesia, there's a positive and critical impact of the green evaluation variable on green satisfaction in development companies in Indonesia, there's a positive and critical impact of the green evaluation variable on employee performance in development companies in Indonesia, and at long last there's a positive and noteworthy impact of the green fulfillment variable on representative execution in development companies in Indonesia.

## **7. Implications of research results**

### **7.1. Theoretical**

This study offers a wide range of theoretical contributions. This explains that there is no significant effect of green compensation on employee performance, due to the low level of incentives, convenience and lack of optional safety concerns. There must be a priority coordinate contribution to representative execution, this is often exclusively to supply green fulfillment for body and soul. Thus, this research advances our view of the system of how human resources in the context of green satisfaction are able to be protected and have their needs met in various ways.

### **7.2. Practical**

Provides an illustration that great attention needs to be given to greening management systems in an environmentally friendly context in production companies in Indonesia to maintain the enthusiasm of employees. This research supports the application of green leadership and a

green satisfaction perspective and suggests that employee performance will be stable if green compensation can be implemented well. For example, by implementing a more satisfying incentive system, you can also improve safety services that are more excellent, and able to provide comfort in a clean, beautiful and pleasant green environment for employees.

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