



Implementation of Green HRM and Ethical Talent Development in the Automotive After-Sales Sector in Indonesia: A Step Toward Environmentally Friendly Production and Integrity-Based Human Resources

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Abstract. *This study aims to examine the implementation of Green Human Resource Management (Green HRM) and ethical talent development in Indonesia's automotive after-sales sector as a strategic response to the growing demand for environmentally responsible business practices. The main problem identified is the lack of alignment between environmental awareness and employee integrity in operational activities. The study uses a qualitative descriptive method with case studies in several major automotive service centers as data objects. The analysis explores how Green HRM practices, including eco-oriented recruitment, green training, and sustainable performance evaluation, integrate with ethical principles in talent development. The results show that this integration enhances environmental performance, operational efficiency, and employee commitment, while strengthening corporate reputation and customer trust. Data were obtained through interviews and document analysis conducted in selected automotive service centers to support the qualitative findings. The study concludes that implementing Green HRM with ethical values is an effective solution for building a sustainable and integrity-based human resource system in the automotive after-sales industry.*

Keywords: *after-sales service; automotive industry; ethical talent development; Green HRM; sustainability.*

INTRODUCTION

Environmental sustainability has emerged as a pressing global concern over the past two decades. The industrial sector is now expected not only to pursue economic efficiency but also to ensure that every operational activity is environmentally responsible and ethically grounded. Within this context, Green Human Resource Management (Green HRM) has gained prominence as a strategic approach to embedding environmental principles into human resource policies and practices. This concept has evolved alongside the growing recognition that human capital is a key driver in transforming organizations toward sustainability.

Globally, leading automotive manufacturers such as Toyota, BMW, and Hyundai have integrated Green HRM initiatives as part of their corporate sustainability strategies. These practices include employee training on energy efficiency, the use of eco-friendly materials, and the implementation of digital work systems aimed at reducing paper consumption. A study by Renwick et al. (2023) demonstrates that Green HRM practices in the global automotive industry have contributed to a 12 percent reduction in carbon emissions over the past decade, providing strong evidence that environmental stewardship and human resource management can operate synergistically to achieve sustainability objectives.

In Indonesia, the adoption of Green HRM has begun to attract attention in line with the government's initiatives on green industry policies and clean energy transition. According to the Ministry of Industry (Kemenperin, 2024), the automotive sector has been identified as a national priority within the green industry roadmap, where energy efficiency and waste management serve as key indicators of corporate sustainability performance. Nevertheless, many companies remain primarily focused on the technical dimensions of production, while the integration of environmentally responsible practices into HR systems has yet to become a strategic priority.

The automotive after-sales sector presents a distinctive context for Green HRM implementation due to its dynamic interaction among people, technology, and customers. In this setting, ethical work behavior plays a pivotal role. Ethical talent development fosters socially and environmentally responsible conduct among employees, guided by values such as honesty, accountability, and integrity. These values not only sustain customer trust but also enhance the company's sustainable reputation and social legitimacy.

Despite its growing relevance, there remains a significant research gap concerning the ethical implementation of Green HRM within the automotive service sector, particularly in Indonesia. Previous studies have largely focused on manufacturing industries or large corporations, with limited exploration of service-based organizations. Yet, the after-sales sector holds a crucial position in shaping customer satisfaction and corporate reputation two key performance indicators in the automotive industry. Moreover, the integration of environmental consciousness and ethical values within HRM frameworks has rarely been examined in depth in local scholarly literature.

Building upon this gap, the present study aims to analyze the implementation of Green HRM and ethical talent development in Indonesia's automotive after-sales industry. Specifically, it seeks to answer two central questions: (1) To what extent have Green HRM practices been incorporated into operational activities and HR policies within the automotive sector? and (2) How do ethical values enhance the effectiveness of these practices? Furthermore, this study seeks to identify the challenges and opportunities associated with developing sustainable HR systems amid the ongoing green transformation of Indonesia's automotive industry.

By examining the interrelation between Green HRM and ethical talent development, this research is expected to contribute theoretically by extending the framework of Sustainable Human Resource Management (SHRM) to the automotive service sector. Practically, the findings are anticipated to serve as valuable guidance for automotive company leaders in Indonesia in designing HR systems that are not only competitive and productive but also ethical, responsible, and environmentally sustainable.

LITERATURE REVIEW

1. Green Human Resource Management (Green HRM)

Over the past five years, the concept of Green Human Resource Management (Green HRM) has evolved from a theoretical discourse into a core organizational strategy supporting environmental sustainability. Green HRM integrates environmentally friendly practices into HR functions such as recruitment, training, performance appraisal, and reward systems to align employee behavior with environmental objectives (Renwick et al., 2023).

Recent studies indicate a positive relationship between Green HRM and organizational performance. Otoo and Mishra (2021) found that organizations implementing green recruitment and training achieved higher levels of employee engagement and environmental innovation. Similarly, Rahman et al. (2022) emphasized that Green HRM enhances corporate image and reduces waste through the development of environmentally conscious employee behavior.

In Indonesia, Sari and Putri (2023) observed that the implementation of Green HRM within both manufacturing and service sectors remains partial, largely due to limited environmental awareness among executives and operational staff. However, companies such as Toyota Astra Motor and Hyundai Indonesia, which have successfully embedded sustainability values into their HR policies, have reported improvements in operational efficiency, employee satisfaction, and compliance with ISO 14001 environmental standards.

2. Ethical Talent Development

Ethical talent development focuses on cultivating human resources based on the principles of fairness, integrity, and accountability. Ahmad and Rahman (2024) argue that in the era of automation and green transformation, ethics must be embedded throughout all HRM processes to prevent misconduct and strengthen trust. In the automotive after-sales service sector, ethical employee behavior such as transparency in billing, honesty in diagnostics, and responsible waste management has a direct impact on customer loyalty and corporate reputation (Kusuma & Setiawan, 2023).

Nasution et al. (2022) revealed that ethical leadership combined with continuous ethics training can enhance job satisfaction while reducing counterproductive behavior. In addition, Liu et al. (2021) noted that ethical development fosters a moral climate that reinforces collective responsibility toward sustainability.

In the Indonesian context, organizations integrating ethics-based HR development have reported higher levels of employee retention and commitment. Putra et al. (2023) found that when employees perceive ethical fairness, their motivation to comply with green policies increases demonstrating the synergy between ethics and environmental management.

3. Sustainability Performance and the Integration of Green HRM and Ethics

The intersection between Green Human Resource Management (Green HRM) and ethics establishes a dual foundation for organizational sustainability performance. Yong et al. (2020) argue that the implementation of Green HRM alone is insufficient to ensure long-term sustainability unless ethical values underpin decision-making processes. The integration of these two elements encourages employees to internalize sustainability principles, not merely as corporate policy but as a personal and moral responsibility.

Empirical evidence supports this view. Organizations that simultaneously implement Green HRM and ethical talent development tend to achieve better environmental outcomes and higher levels of social accountability. Kumar and Anbanandam (2023) reported that such companies improved carbon efficiency and public reputation by up to 30 percent. Likewise, Rahmawati et al. (2024) concluded that ethics-based HRM acts as a moderating variable between Green HRM and innovation performance, particularly within industries transitioning toward electric mobility.

Therefore, the literature suggests that integrating Green HRM and ethical development is not merely a matter of compliance but a strategic necessity for building organizations that are both environmentally responsible and ethically grounded especially within Indonesia's automotive after-sales service sector.

Several previous studies are relevant to the topic *"Implementation of Green HRM and Ethical Talent Development in the Automotive After-Sales Sector in Indonesia: A Step Toward Environmentally Friendly Production and Integrity-Based Human Resources."*

1. Green HRM and Organizational Sustainability Performance. Nugraha, Sunarti, & Makitsuna (2024) in "The Nexus Between Green HRM Practices and Organizational Sustainability

Performance: Evidence from Indonesia” found that practices such as green training, green recruitment, and green performance management positively influence organizational sustainability. Using quantitative data from 347 respondents across multiple industries, they demonstrated that three of six Green HRM dimensions significantly contributed to resource efficiency and organizational environmental awareness.

2. Green Training, Rewards, and Organizational Culture in Employee Commitment. Awatara, Susila, & Saryanti (2024) in “Green HRM and Employee Commitment: The Role of Training, Rewards, and Culture” reported that environmental training and green rewards significantly affect employee commitment in automotive companies in Surakarta. Moreover, organizational culture supporting green behavior served as a key mediating factor enhancing loyalty and productivity.
3. Green Motivation as a Mediating Variable in Green HRM. Sanjaya & Edastama (2023), in their article “The Mediating Effect of Green Motivation between GHRM and Voluntary Green Behavior in Indonesia’s Companies,” asserted that green motivation mediates the relationship between Green HRM practices and employees’ voluntary green behavior. The findings revealed that motivation enhances voluntary environmental behavior even when the direct influence of Green HRM is weak without the support of organizational identity and motivation.
4. Implementation of Green HRM in Indonesian Companies. Handayani, Kusuma Febriyani, & Darmastuti (2024) in “Unveiling the Green Revolution: Exploring Green HRM Implementation in Indonesian Enterprises” found that while awareness of Green HRM is increasing, its implementation remains concentrated in large corporations and has not yet extended to service sectors such as after-sales automotive services. The study highlighted the need to embed sustainability values into HR systems through environmentally oriented training and evaluation mechanisms.
5. Ethical Leadership and Human Resource Integrity. Sofyan & Susanto (2024) in “Ethical Leadership in HRM: Promoting Integrity and Trust in Organizational Practices” demonstrated that ethical leadership positively influences employee integrity and fosters an organizational culture of honesty and accountability. This finding aligns closely with the concept of ethical talent development, emphasizing moral values and transparency in HRM practices.
6. Integration of Green HRM and Talent Development in the Automotive Sector. Kusnadi & Pratama (2022) in “Green Human Resource Practices and Talent Management in Automotive Manufacturing” found that green training and sustainability-based evaluation systems enhance both technical skills and ethical awareness among automotive industry employees. The authors recommended expanding such practices to after-sales units for broader and more sustained impact.
7. Ethical HRM and Social Responsibility in the Automotive Industry. Rahmah & Yusuf (2021) in “Ethical HRM and Corporate Social Responsibility in the Automotive Service Industry” concluded that ethics-based HRM strengthens customer trust and enhances corporate image. Their findings underscore that ethical HRM contributes significantly to customer satisfaction and business sustainability in the automotive after-sales service sector.

In summary, the reviewed literature indicates that integrating Green HRM with ethical talent development forms a comprehensive framework for achieving both environmental and social sustainability. While previous studies have examined each domain separately, limited attention has been given to their combined application in Indonesia’s automotive after-sales industry. Therefore, this research seeks to bridge that gap by analyzing how ethical values can enhance the effectiveness of Green HRM implementation in promoting sustainable human resource practices.

RESEARCH METHODS

This study employs a qualitative descriptive method with a case study approach. This method was chosen because it allows the researcher to gain an in-depth understanding of the implementation process of Green Human Resource Management (Green HRM) and ethical talent development within the real context of the automotive industry, particularly in the after-sales service sector. The focus of the study is directed toward exploring how ethical values and environmental awareness are integrated into human resource practices such as recruitment, training, and performance appraisal in automotive workshops.

The research data were obtained from two main sources, namely primary data and secondary data. Primary data were collected through in-depth interviews and qualitative questionnaires distributed via Google Form. The interviews were conducted with 10 key informants consisting of technicians, supervisors, and showroom staff who have direct experience in after-sales service activities. These interviews were semi-structured, allowing the researcher to explore the perceptions, attitudes, and experiences of respondents in practicing environmentally friendly and ethical work behavior in the workplace. In addition, supporting data were collected through a simple questionnaire distributed to 50 respondents using Google Form. The questionnaire contained both closed and open-ended questions designed to describe the level of awareness, habits, and perceptions of employees regarding the implementation of Green HRM and ethical values in the workplace.

Secondary data were obtained from company documents, journal articles, environmental reports, and previous studies relevant to the theme of sustainable human resource management. This approach was used to strengthen the field findings and ensure the reliability of the interpretation of the observed phenomena. All data were then analyzed thematically using an interactive model consisting of three stages: data reduction, data display, and conclusion drawing. Data reduction was carried out by filtering important information from interviews and questionnaires, then grouping it into thematic categories such as “environmental awareness,” “ethical work values,” and “organizational policy support.”

Subsequently, the data were presented in the form of descriptive narratives and confirmed through direct quotations from respondents to maintain the authenticity of meaning. Triangulation was conducted by comparing the results of interviews, questionnaires, and company documents to ensure the consistency of findings. Through this approach, the research results not only represent individual opinions but also reflect general patterns that emerged from all participants. The analysis was conducted inductively, where the researcher interpreted the relationship between Green HRM practices, work ethics, and their impact on organizational performance.

This qualitative descriptive approach provides a deeper contextual understanding of how environmentally friendly human resource management practices can be applied ethically in the automotive service sector. The study also aims to provide an empirical illustration of how environmental awareness and moral values develop within the daily dynamics of workplace relationships in after-sales workshops. Thus, this method not only produces a description of the phenomena but also opens opportunities for the development of a new conceptual model of Sustainable Human Resource Management (SHRM) in the local context of Indonesia’s automotive industry.

RESULTS AND DISCUSSION

This This research was conducted in several automotive after-sales workshops located in the Greater Jakarta (Jabodetabek) area, covering both mid-range and premium vehicle service segments. A total of 50 respondents participated in this study, consisting of technicians, administrative staff, supervisors, and sales advisors. Data were collected through a Google Form questionnaire and in-depth interviews to obtain a comprehensive understanding of environmental awareness and ethical work behavior.

The results of the questionnaire indicate a generally high level of awareness regarding environmentally friendly practices, although these practices have not yet been fully formalized through company policies. The quantitative findings can be summarized as follows:

Table 1. Environmental Practices Reported by Employees

Environmental Practice	Percentage of Respondents
Electricity & water conservation	85%
Separating oil waste & soapy water	78%
Supporting administrative digitalization	75%
Receiving formal environmental training	42%

Source: Primary data from researcher's field survey (2024).

These findings show that green initiatives largely emerge organically from employees or small workgroups rather than through structured human resource systems. As one technician stated, *"We're already used to separating oil waste from soapy water, but there are no official instructions from management."* (Respondent T3). This illustrates that most environmentally friendly practices remain voluntary and are not yet embedded as part of an organizational culture.

Ethical work behavior also emerges strongly in employee–customer interactions. A sales advisor commented, *"We must be honest about the car's condition with customers. If something is hidden, they won't trust us again."* (Respondent S4). Such statements reflect that honesty, integrity, and responsibility have become internalized professional norms.

These findings are consistent with Renwick et al. (2023), who emphasize that successful implementation of Green Human Resource Management (Green HRM) requires the integration of environmental values across HR functions, including recruitment, training, and performance evaluation. In automotive after-sales settings, this means that environmental behavior such as energy conservation and waste management must become part of daily operational routines.

Similarly, Jabbour and Santos (2024) argue that ethical character development directly strengthens customer trust and corporate reputation. Employees with strong ethical foundations are more likely to engage in environmentally responsible behavior because they perceive it as part of their moral obligation.

However, the study identified several challenges. First, environmental and safety-related training programs are not conducted regularly, leaving gaps in knowledge. Second, green leadership has not yet been optimized, as some supervisors do not consistently model sustainable values. Third, performance appraisal systems still exclude indicators related to environmental responsibility and ethics, meaning that green behavior has yet to be formally recognized or rewarded.

Despite these challenges, the research also reveals emerging opportunities. Employee initiatives to save energy, maintain workspace cleanliness, and adopt digital administrative systems suggest that a cultural shift toward ethical sustainability has begun. These insights align with Ahmad and Darnall (2023), who argue that building awareness and work culture is a crucial early step in Green HRM implementation before formal policies are established.

Conceptually, the findings confirm that Green HRM and ethical talent development are mutually reinforcing. Green HRM encourages resource efficiency and environmental responsibility, while ethical work behavior supports honesty, accountability, and customer trust. Together, these dimensions create a synergistic effect that enhances organizational performance, consistent with the framework of Sustainable Human Resource Management (SHRM).

Overall, the results illustrate that Indonesia's automotive after-sales sector is gradually transitioning toward an HR orientation that values not only technical expertise but also social and environmental responsibility. This shift marks an important moment for companies to support the national green industry transformation and strengthen their internal sustainability culture.

CONCLUSION AND RECOMMENDATION

This study concludes that the implementation of Green Human Resource Management (Green HRM) and ethical talent development in Indonesia's automotive after-sales sector is progressing in a positive direction, although it remains at an early stage of development. Employees' environmental awareness has increased, as reflected in everyday practices such as waste management, energy conservation, and the use of digital systems to reduce paper consumption. However, the findings also reveal that these practices have not yet been fully integrated into formal human resource policies. Most initiatives still stem from individual or small group awareness rather than from a strategically designed organizational system.

Ethical values such as honesty, responsibility, and integrity have also become central to employee work behavior. Interactions among technicians, supervisors, and customers demonstrate that moral dimensions serve as a foundation for building trust and sustaining the company's reputation. The integration of environmental consciousness and work ethics signifies the emergence of an ethical sustainability pattern in the automotive industry—a combination of ecological behavior and professional morality that supports organizational sustainability.

From a theoretical perspective, this study expands the understanding of the Green HRM concept by applying it to the automotive service sector—an area that has received relatively little attention in the field of sustainable human resource management research. The findings reinforce the principles of Sustainable Human Resource Management (SHRM), which emphasize the importance of balancing economic, social, and environmental dimensions in HR policies. Furthermore, the study confirms that environmentally responsible HR management cannot be separated from ethical work development, as both dimensions mutually reinforce each other. In other words, ethical employee behavior serves as the bridge for the successful implementation of green policies at the operational level.

From a practical standpoint, the research recommends that automotive companies in Indonesia strengthen their Green HRM policies in a structured and continuous manner. This can be achieved by integrating sustainability indicators and ethical values into recruitment, training, and performance appraisal processes. Green-oriented leadership should also be enhanced so that managers can act as role models for employees in practicing environmentally friendly and integrity-based behavior. In addition, companies are encouraged to develop reward systems based on sustainable behavior as a means to foster employees' intrinsic motivation.

This research also opens avenues for future studies. Further investigations could examine the relationship between Green HRM implementation and organizational performance indicators such as productivity, customer loyalty, energy efficiency, and employee retention. Moreover, broader quantitative studies could be conducted to measure the economic impact of sustainable HRM practices in the automotive sector.

Overall, the ethical implementation of Green HRM in Indonesia's automotive after-sales sector represents a strategic step toward building sustainable organizations. The combination of environmental awareness, moral values, and targeted HR policies is believed to enhance corporate reputation, operational efficiency, and employee commitment. More importantly, this study provides evidence that the sustainability of the industry is not determined solely by technology or policy, but also by ethical, integrity-driven, and environmentally conscious people who are committed to safeguarding the future of the planet.

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