

CHAPTER 5

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THE POTENTIAL OF INTERNAL DIMENSIONS OF AN ORGANIZATION'S GREEN ORIENTATION IN ENVIRONMENTAL PROTECTION – INTERNAL GREEN MARKETING AND GREEN HUMAN RESOURCE MANAGEMENT

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Environmental protection is closely related to corporate social responsibility, and thus to an organization's green orientation, and vice versa, which is especially important for organizations operating in environmentally sensitive sectors. The aim of this paper has been to present two internal concepts: internal green marketing and green human resource management, their interdependence and importance for the organization and its relationship to the environment. An analysis of recent studies in this field has been carried out by searching the Google Scholar database. Previous studies confirm that internal green marketing and green human resource management support the responsible attitude of the organization and its employees towards sustainable business and environment protection. Green marketing and green human resource management achieve positive effects on employees' attitudes and behaviours, especially on the organizational identification and eco-friendly behaviour of employees. This assumes that there are potentials for the indirect influence of internal green marketing and green human resource management on environmental protection. This paper has investigated the extent to which internal green marketing and green human resource management as the internal dimensions of organization's green orientation are applied in organizations operating in the service sector in Serbia.

Keywords: *Green orientation, Internal green marketing, Green human resource management, Environmental protection*

INTRODUCTION

An organization's green orientation derives from its eco-orientation and the applied philosophy of sustainability in business. Hence, the organization's green orientation is one of the prerequisite for its sustainable development and, thus, for its contribution to environmental protection. In this regard, green orientation reflects the organization's capabilities for sustainability, and can be one of the sources of its competitive advantage. According to Miles and Munilla (1993, p. 49), green orientation is a strategic response by organizations to the turbulent (social and natural) environments of the nineties. These are the reasons why green orientation has become a relevant approach for organizations operating in a dynamic environment.

Internal green marketing is one of the internal dimensions of green orientation. In this regard, internal green marketing (or internal green marketing orientation, Papadas et al., 2017) can be a good response of the organization to contemporary environmental challenges. At the same time, it is assumed that the potential of internal green marketing in environmental protection is insufficiently used. In addition, the studies in the field of human resource management suggest that human resource management in a dynamic environment is related to environmental management (Kim et al., 2019). More recently, Chaudhary (2020) concluded that the role of green human resource management in achieving environmental sustainability is significant. Hence, as the internal dimension of the organization's green orientation - green human resource management can be a good response of the organization to the contemporary challenges of environmental protection. In order to gain insight into the internal aspect of green orientation, which has been neglected in the previous literature, the focus of this paper was on the presentation of internal green marketing and green human resource management. At the same time, as the adoption of green orientation in organizations is uneven, i.e. the application of its internal dimensions in practice is weaker (Papadas et al., 2017; Chaudhary, 2020),_especially in less developed countries, this paper has investigated the extent to which internal green marketing and green human resource management as the internal dimensions of the organization's green orientation are applied in organizations operating in the service sector in Serbia.

This paper relies on the previous studies on the role, importance and effects of internal green marketing (e.g. Milanović et al., 2022a; Milanović et al., 2022b; Milanović et al., 2022c, Milanović et al., 2022d; Milanović et al., 2022e; Milanović et al., 2022f; Papadas et al., 2019; Qureshi

&Mehraj, 2022; etc.) and green human resource management (e.g. Chaudhary, 2020; Gill et al., 2021; Kim et al., 2019; Ribeiro et al., 2022; etc.). The paper can contribute to the understanding and the promotion of green orientation and its dimensions - internal green marketing and green human resource management in the context of the organization's relationship to environmental protection.

The paper was prepared in several stages. First, eco-orientation and green orientation as well as sustainability in marketing and sustainable marketing as broader concepts were analysed and briefly presented. Then the literature on internal marketing, green marketing and internal green marketing as well as the effects of internal green marketing on employees and the organization from the perspective of environmental protection were analysed and presented. Finally, the literature on green human resource management as the link of human resource management and environmental management was analysed and presented as well as the literature on the effects of green human resource management on employees and the organization from the perspective of environmental protection. Then the results of the research on the application of the internal dimensions of organizations' green orientation in the organizations of the service sector in Serbia were presented. Finally, the conclusion was given.

ECO-ORIENTATION AND GREEN ORIENTATION

Eco-orientation as a business philosophy enables organizations to achieve strategic long-term competitive advantage in sensitive environmental conditions and environmentally sensitive markets (Miles & Munilla, 1993). According to Menon and Menon (1997), eco-orientation is observed through the relationship with strategy i.e. eco-orientation is a market strategy. In this regard, Kumar states “environmental marketing strategies are derived from external and internal environmental orientation...” while the relevant “literature illustrated upon the fact that firms need to develop internal eco-orientation to develop green marketing decisions while external eco-orientation balances economic and environmental objectives” (2016, p. 143). Hence the connection of the market (marketing) strategy, eco/green orientation, and green marketing management. Based on the relevant literature review, Kumar (2016, p. 142) concludes that the advancements in the literature on eco-orientation indicate a shift “from greening as a corporate liability to greening as a core ideology”.

Since the organization's eco-orientation is observed in interaction with managing marketing strategy (Mitchell et al., 2010), its internal eco-orientation and, thus, internal green orientation are related with internal market strategy, internal market orientation as well as internal marketing. Hence, internal green marketing is one of the internal dimensions of green orientation.

As the concept of green human resource management connects human resource management and environmental management (Kim et al., 2019), this concept is one of the internal dimensions of the organization's green orientation. In addition, Chaudhary (2020) emphasized “the urgent need to embed sustainability dimension into HR systems to achieve sustainable development goals” (p. 630). Thus, sustainability permeates internal concepts and thus business functions such as marketing and human resources.

SUSTAINABILITY IN MARKETING AND SUSTAINABLE MARKETING

“Market-oriented sustainability is a theoretical framework based on the resource advantage theory, a comparative advantage theory arguing in favor of sustainable marketing orientation having measurable impact on company's resource advantage” (Crittenden et al., 2011 as cited in Lučić, 2020, p. 4 of 22). The resource-based theory explains that sustainability oriented comparative advantages are in resources of an organization and in the way the organization structures and manages them (Connelly et al., 2011). Empirical studies report that market orientation impacts environmental performance (Green et al., 2015) as well as that sustainable market orientation affects sustainable balanced organizational performance (Mahmoud, 2016), etc. Sustainable market orientation encourages the philosophy of sustainability in marketing and sustainable marketing philosophy.

According to Sheth and Parvatiyar (2021), “Sustainability has emerged as a critical macromarketing perspective over the last five decades” (p. 150). Sustainability is a macro-oriented concept (Lučić, 2020). At the same time, the review of marketing literature on sustainability published from 25 leading marketing journals in the period 1997-2016 shows that this field of marketing lacks conceptual and theoretical clarity (Lunde, 2018). In addition, “no unified definition for sustainability exists in current marketing literature” (Lunde, 2018). However, a critical assessment of the literature on sustainability in marketing (the period 1998–2013) that is also based on a previous assessment (the period 1971-1998) in the study by

McDonagh and Prothero (2014) showed that marketing (as any discipline) constantly evolves. In this regard, McDonagh and Prothero (2014) concluded that “there is no reason why our *raison d’être* cannot become one of creating customer value with sustainability as its focal point.”¹ This view is more optimistic.

The literature states that sustainable marketing is a multidimensional construct including environmental responsibility, social engagement, and economic success (Elkington, 1998 as cited in Lučić, 2020). Hence, sustainable marketing strives to deliver sustainable value to consumers. Sustainable marketing serves customers, owners, and other stakeholders (Charter et al., 2002 as cited in Lučić, 2020). However, according to Lučić (2020), planned sustainability strategy is acceptable only for controllable environments. Besides, „There is a clear need to implement the concept of sustainability in strategic and tactical marketing, but it is neither simple nor easy to formulate or implement, because the consumer, in accordance with his or her wishes and needs, is the one that shapes the marketing strategy of the company“ (Kumar et al. 2012 as cited in Lučić, 2020, p 4 of 22). This partly explains the difficulties in applying sustainable marketing in practice.

In addition to explaining market-oriented sustainability, the resource-based theory explains the role of employees in sustainable marketing, and, thus, explains internal (green) marketing.

INTERNAL MARKETING, ITS EFFECTS AND INTERFACE WITH HUMAN RESOURCES MANAGEMENT

According to Berry (1981) the focus of the internal marketing concept is on employees' satisfaction while Grönroos (1981) argued that employees' customers-orientation and, thus, delivering high value of the services to them is the core of internal marketing. Later, the relevant literature on internal marketing showed that internal marketing creates employees at every hierarchical level who are customer-conscious as well as motivated (e.g. George, 1990; Piercy, 1995). Thus, service quality and employees' quality have become the essence of the differential (competitive) advantage of the organizations operating in the service sector. In this regard, the implementation of internal marketing is greater in the service sector compared to other sectors (Qiu et al., 2022).

As the focus of internal marketing is on employees, internal marketing relies on the resource-based theory. “In the resource-based theory, internal

¹ Marketing's *raison d’être* (“reason for being”) is value creation for consumers.

marketing is a critical competence implemented to build and enhance core capabilities for sustained competitive advantage” (Ahmed et al., 2003 as cited in Qaisar & Muhamad, 2021, p. 278). Human resource management is also explained by the resource-based theory. Finally, the importance of the human resources approach to internal marketing is relevant. Hence, internal marketing is „a planned effort using a marketing-like approach to overcome organizational resistance to change and to align, motivate and inter-functionally co-ordinate and integrate employees towards the effective implementation of corporate and functional strategies in order to deliver customer satisfaction through a process of creating motivated and customer-orientated employees” (Rafiq & Ahmed, 2000, p. 461). Even earlier, Grönroos (1990) considered that an interface between internal marketing and other business functions such as human resource management or organizational behaviour is necessary in order to effectively act on employees. In this regard „...creating and aligning internal relationships between departments, functions and employees inside the organisation is necessary to improve the performance of the company and its employees“ (Ahmed & Rafiq, 2003, p. 1179). It is important that internal marketing is a good way to improve inter-functional integration (Rafiq & Ahmed, 2000; Qiu et al., 2022) or inter-functional coordination. This also explains the relationship between internal marketing and human resources management. Previous empirical studies have shown that internal marketing has numerous effects on employees, e.g. on their attitudes and behaviours (Bohnenberger et al., 2019; Milanović et al., 2022a; Milanović & Miletić, 2022; Qiu et al., 2022). At the same time, the number of studies that tested the outcomes of internal marketing at customer-level and organization-level is modest (Qiu et al., 2022).

According to Lings (2004), the behaviours associated with creating motivated and, thus, satisfied employees are called *internal market orientation*. Internal market orientation is market orientation adapted to internal market and the context of employer-employee exchange (Lings & Greenley, 2005). Also, internal market orientation has numerous effects on employees, customers and the organization, especially on employees.

GREEN MARKETING

Green marketing (GM) has been developing since 1960 (Vilkaite-Vaitone & Skackauskiene, 2019, see: Figure 1 and Table 1). Since the late 1980s and early 1990s green marketing has been known “as one of the strategic efforts to create a business based on environment and health” (Firdiansyah et al., 2021, see Table 1: 34 peer-reviewed journal articles).

However, according to Polonsky (1995), since the last decade of the 20th century, green marketing has gained popularity as a set of activities to create and facilitate exchange, in which desires and needs of customers will be satisfied, with minimal negative effects on environment. Today, green marketing is defined as an „organization's engagement in strategic, tactical, and operational marketing activities and processes that have a holistic aim to create, communicate and deliver products with the minimal environmental impact“ (Vilkaite-Vaitone & Skackauskiene, 2019, p. 56). This definition by Vilkaite-Vaitone and Skackauskiene (2019, p. 56) „suggests that green marketing is much more than a green way of traditional marketing“, and that the green marketing concept is applicable for various services and products. Judging by the citations of research on green marketing, the attractiveness of the green dimension, especially in the marketing literature, is growing (Milanović et al., 2022b). As “environmental (green) marketing strategy is based on green marketing philosophy” (Kumar, 2016, p. 142), so internal green marketing is also based on green marketing philosophy.

INTERNAL GREEN MARKETING AND ITS ROLE IN ENVIRONMENTAL PROTECTION

Internal green marketing (or internal green marketing orientation) is a measure of assimilation of the organization's environmental values by its internal stakeholders (Papadas et al., 2017). Qureshi and Mehraj (2022, p. 791) synthesized both the existing literature in this field and the data from the in-depth interviews to define internal green marketing. Based on the above, they noted that “internal green marketing (IGM) is defined as the extent to which an organization involves endorsing environmental values and develops a wider corporate green culture across the organization” by promoting environmental awareness, developing employees about the organization's green strategies, green human resource management, embedding both environmental knowledge and green culture of the organization to encourage employees to develop their skills/abilities to implement environmental strategies.

Papadas et al. (2017) state that internal green marketing orientation is an integrated component of green marketing orientation. Vilkaite-Vaitone et al. (2022) state that internal green marketing is the component of the green marketing construct. Qureshi and Mehraj (2022) observe internal green marketing as a complex and multidimensional construct.

Study by Qureshi and Mehraj (2022) confirmed that internal green marketing affects employees' satisfaction. Study by Milanović et al. (2022c) confirmed that green internal communication observed from the internal green marketing perspective is related to employees' satisfaction. According to Amrutha and Geetha (2021), if employees are satisfied, they are more likely to adopt the values of the green organization.

Except for the above, previous studies confirmed positive relationship between the internal green marketing dimensions and employees' organizational identification (Milanović et al., 2022d) as well as between the internal green marketing dimensions and managers' organizational identification (Milanović et al., 2022e). This is very significant, because organizational identification is related to organization's green performance as perceived by employees (Milanović et al., 2022f).

Finally, previous study on internal green marketing has shown that there is a relationship between the internal green marketing dimensions and organization's green performance as perceived by employees, and that in predicting green performance, the contribution of green internal communication (as the dimension of internal green marketing), organizational identification, and employees' eco-friendly behaviour is statistically significant (Milanović et al., 2022f).

Based on the above, it is assumed that internal green marketing has potential in environmental protection.

GREEN HUMAN RESOURCE MANAGEMENT

Green human resource management is human resource management from the environmental protection perspective. Hence, the sources of green human resource management² are human resource management and environmental management. Namely, according to Kim et al. (2019), the link of human resource management and environmental management is green human resource management, while the human resource function contributes to the achievement of the eco/environment-friendly goals of the organization.

Scholars have developed the construct of green human resource management. According to Daily and Huang (2001) the green human resource management model includes: senior executives' support, training, empowerment, and rewards (as cited in Kim et al., 2019). In addition, this construct includes: hiring and retaining eco-friendly employees, environmental/green training, rewarding eco-friendly behaviour of

² synonym: environmental human resource management (Renwick et al., 2013)

employees and, thus, their contribution to environmental protection, which is also considered when evaluating employees' performance appraisals (Guest, 1997 as cited in Kim et al., 2019). According to Chaudhary (2020), green human resource management may include green recruitment and selection, green training, green performance management, green compensation management, and green involvement. The green human resource management models and scales compared to the internal green marketing models and scales are more prevalent in the literature, and they are more empirically tested.

THE ROLE OF GREEN HUMAN RESOURCE MANAGEMENT IN ENVIRONMENTAL PROTECTION

Previous studies on green human resource management have shown that the dimensions of green human resource management, especially training and rewards, improve the environmental performance (Gill et al., 2021; Kim et al., 2019). In addition, environmental training (Singh et al., 2019), i.e. green training (Yafi et al., 2021) has positive effect on the environmental performance.

Green human resource management predicts employees' green behaviour – task-related behaviour and voluntary employees' green behaviour (Chaudhary, 2020) as well as employees' eco-friendly behaviour (Ribeiro et al., 2022). In addition, green human resource management encourages employees' organizational identification whereby employees' organizational identification is a mediator variable in the relationship between green human resource management and employees' green behaviour (Chaudhary, 2020), i.e. employees' eco-friendly behaviour (Ribeiro et al., 2022). According to Chaudhary (2020, p. 632), employees identifying with their organization have more responsible behaviour toward the environment and, thus, enhance environmental performance.

In addition, employees' organization identification affects employees' eco-friendly behaviour (Ribeiro et al., 2022), and employees' eco-friendly behaviour has a positive impact on environmental performance of the organization (Gill et al., Kim et al., 2019). Based on the above, it is assumed that green human resource management has potential in environmental protection.

EMPLOYEES` ATTITUDES TOWARDS INTERNAL DIMENSIONS OF ORGANIZATIONS` GREEN ORIENTATION IN THE SERVICE SECTOR IN SERBIA

Data collection in this research was done through a questionnaire, i.e. through a survey (online form - Google Form). The survey was conducted among employees working in various organizations in Serbia (the food & beverage retail, banks, hotels and catering, healthcare, etc). This survey was conducted in October 2022. From 480 distributed questionnaires (a random sampling method), 178 questionnaires were returned (the response rate: 37%).

In the sample, there was a higher participation of female respondents (64%), respondents between 31 and 50 years of age (59%), and respondents with higher education (85,95%). Respondents who have less than 20 years of work experience make up 67,97% of respondents in the sample.

The six-item GHRM – Green human resource management scale (by Kim et al., 2019, p. 91) was adapted, i.e. harmonized with the internal green marketing – IGM scale (by Qureshi & Mehraj, 2022, p. 794):

- Namely, the fifth and the sixth items of the GHRM scale (“Employees fully understand the extent of corporate environmental policy” – GHRM5; My organization “encourages employees to provide suggestions on environmental improvement” – GHRM6) overlap with the fourth and the sixth items of green internal communication (GIC) as the component of internal green marketing, i.e. the IGM scale (“...employees believe in the environmental values of our organization” – GIC4, “This organization encourages employees to express diversity of opinions about green strategies of company” – GIC6). Hence, the first indicator of the internal dimensions of the organization's green orientation in this paper was *green internal communication* (Gic).
- The first item of the GHRM scale (My organization „provides adequate training to promote environmental management as a core organizational value“ - GHRM1) overlaps with the first and the second items of green skill development (GSD) as the component of internal green marketing, i.e. the IGM scale (My organization „delivers training to improve employee awareness, skills, and know-how about environmental management“ - GSD1; My organization „uses environmental protection elements as the central themes of green knowledge development of employees“ - GSD2). Hence, the second indicator of the internal dimensions of the organization's green orientation in this paper was *green training and education* (Gte).

- The second and the third items of the GHRM scale (My organization „considers how well employee is doing at being eco-friendly as part of their performance appraisals“ - GHRM2; My organization „relates employee’s eco-friendly behavior to rewards and compensation - GHRM3) overlap with the first and the third items of green rewards (GRs) as the component of internal green marketing, i.e. the IGM scale (“Our compensation system recognizes and rewards contributions for environmental protection“ - GRs1; „This organization continually rewards those employees that promote eco-friendly behavior“ - GRs3). Hence, the third indicator of the internal dimensions of organization's green orientation in this paper was *green rewards and compensations* (Grc).
- The fourth indicator of the internal dimensions of the organization's green orientation in this paper was *green recruitment and selection* – Grs (My organization “considers personal identity-environmental management fit in recruitment and selection” – GHRM4).

Green internal communication represents the extent to which employees believe in the environmental values of their organization (which are promoted through internal communication) – indicator Gic 1 and the extent to which the organization encourages its employees to express diversity of opinions about the organization's green strategies – indicator Gic 2. *Green training and education* represent the extent to which the organization provides adequate green training to promote environmental or green management as well as to improve employees' awareness and skills about environmental management – indicator Gte1, and the extent to which the organization uses environmental protection elements as the central themes of the green knowledge development of its employees - indicator Gte 2. *Green rewards and compensations* represent the extent to which the compensation system of their organizations recognizes and rewards employees' contributions to environmental protection – indicator Grc1, and the extent to which the organization (continually) rewards employees' eco-friendly behaviour – indicator Grc2. *Green recruitment and selection* represent the extent to which the organization consider the personal identity-environmental management fit in employees' recruitment and selection (Grs1).

The results of the research - employees' attitudes towards internal dimensions of the organizations' green orientation in the service sector in Serbia are presented below. The respondents', i.e. employees' attitudes towards green internal communication are shown in Table 1 and Table 2.

Table 1: Response structure - the employees' attitudes towards green internal communication – indicator Gic1 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|---|-------|-------|-------|-------|-------|-----|
| Response structure | 10.67 | 15.17 | 24.16 | 25.28 | 23.60 | 1.2 |
| 1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent | | | | | | |
| <i>Source: Authors' calculation</i> | | | | | | |

Table 2: Response structure - the employees' attitudes towards green internal communication – indicator Gic2 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|---|-------|-------|-------|-------|-------|-----|
| Response structure | 21.35 | 14.00 | 28.09 | 23.60 | 12.36 | 0.6 |
| 1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent | | | | | | |
| <i>Source: Authors' calculation</i> | | | | | | |

The respondents', i.e. employees' attitudes towards green training and education are shown in Table 3 and Table 4.

Table 3: Response structure - the employees' attitudes towards green training and education – indicator Gte1 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|---|-------|-------|-------|-------|-------|------|
| Response structure | 25.84 | 16.85 | 27.54 | 17.98 | 10.67 | 1.12 |
| 1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent | | | | | | |
| <i>Source: Authors' calculation</i> | | | | | | |

Table 4: Response structure - the employees' attitudes towards green training and education – indicator Gte2 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|---|-------|-------|-------|-------|-------|------|
| Response structure | 20.22 | 23.03 | 24.73 | 20.22 | 11.20 | 0.60 |
| 1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent | | | | | | |
| <i>Source: Authors' calculation</i> | | | | | | |

The respondents', i.e. employees' attitudes towards green rewards and compensations are shown in Table 5 and Table 6.

Table 5: Response structure - the employees' attitudes towards green rewards and compensations – indicator Grc1 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|--------------------|-------|-------|-------|-------|------|------|
| Response structure | 36.51 | 20.77 | 23.03 | 12.92 | 6.17 | 0.60 |

1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent

Source: Authors' calculation

Table 6: Response structure - the employees' attitudes towards green rewards and compensations – indicator Grc2 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|--------------------|-------|-------|-------|-------|------|------|
| Response structure | 41.02 | 16.85 | 21.91 | 10.67 | 8.43 | 1.12 |

1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent

Source: Authors' calculation

The respondents', i.e. employees' attitudes towards green recruitment and selection are shown in Table 7.

Table 7: Response structure - the employees' attitudes towards green recruitment and selection – indicator Grs1 (%)

| Scale rating | 1 | 2 | 3 | 4 | 5 | n.d |
|--------------------|-------|-------|-------|-------|------|------|
| Response structure | 32.00 | 20.22 | 26.96 | 12.92 | 7.30 | 0.60 |

1 - do not agree at all / to a very small extent; 5 - completely agree / to a very large extent

Source: Authors' calculation

Result 1 – green internal communication: Out of the total number of respondents, over 48% of them (to a large extent or to a very large extent) believe in the environmental values of their organization, while close to 36% of them state that their organization encourages them to express their diversity of opinions about the organization's green strategy. The results have shown that Gic1 is better evaluated than Gic2. Environmental values of organizations in the sample as well as the green vision of those organizations were well communicated to their employees. It is assumed that these organizations communicate well about green practices with their employees. However, it is necessary for these organizations to pay more

attention to employees in order to express their opinion about organizations' green strategy.

Result 2 - green training and education: Out of the total number of respondents, only over 28% of them (to a large extent or to a very large extent) noted that their organization provides adequate green training to promote environmental or green management as well as to improve employees' awareness and skills about environmental management. The results have shown that Gte2 is better evaluated than Gte1: Out of the total number of respondents, over 31% of them (to a large extent or to a very large extent) noted that their organization uses the environmental protection elements as the central themes of the green knowledge development of its employees. Hence, it is necessary for these organizations to pay more attention to green training and education of employees.

Result 3- green rewards and compensations: Out of the total number of respondents, just 19% of them (to a large extent or to a very large extent) noted that the compensation system of their organizations recognizes and rewards employees' contributions to environmental protection. At the same time, just 19% of them (to a large extent or to a very large extent) noted also that their organizations continually reward employees' eco-friendly behaviour. Hence, it is necessary for these organizations to pay more attention to green rewards and compensations.

Result 4 - green recruitment and selection: Out of the total number of respondents, just 20% of them (to a large extent or to a very large extent) noted that their organizations consider the personal identity - environmental management fit in employees' recruitment and selection. Hence, it is necessary for these organizations to pay more attention to green recruitment and selection.

CONCLUSION

Green orientation should be the basic approach of the organization to its business as well as its relationship to the external and internal market and the environment, especially if it operates in an environmentally sensitive sector. The literature indicates that the concept of internal green marketing and the concept of green human resource management, as the internal dimensions of green orientation, are evolving towards integration. In addition, the dimensions of these two concepts overlap, which especially refer to the activities of (green) training and education or (green) skill development, and (green) rewards, etc. Finally, previous studies analyse the effects of green human resource management rather than the effects of

internal green marketing on employees' eco-friendly behaviour and environmental performance. One of the reasons is that the construct of internal green marketing is emerging.

The authors of this paper found that there is a lack of studies on the direct effects of both internal green marketing and green human resource management on the environment. Namely, internal green marketing and green human resource management inevitably affect the environment because they affect employees, their attitudes and behaviours, especially organizational identification and eco-friendly behaviour of employees which lead to better green or environmental performance of the organization. This assumes that there are potentials for the indirect influence of internal green marketing and green human resource management on environmental protection, even though these are micro-concepts. Opportunities for further research are opening up in this area.

In addition, this paper has investigated the extent to which internal green marketing and green human resource management as the internal dimensions of organization's green orientation are applied in organizations operating in the service sector in Serbia. The results have shown that tested organizations should pay more attention to green orientation and its internal dimensions. Besides, green orientation of the organization must not be reduced to green internal communication. It is expected that the growing interest of researchers in this field will contribute to the growing awareness of organizations about the necessity of applying the philosophy of internal green marketing and green human resource management.

The paper can contribute to the understanding and promotion of green orientation and its internal concepts. This is important because internal green marketing and green human resource management have the potential to contribute to the environmental protection.

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