

Evaluating the Effectiveness of Green Performance Appraisal Models on Organizational Sustainability Benchmarks.

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ABSTRACT

This study examines the efficacy of green performance appraisal models towards organizational sustainability measures. Green performance appraisals rate employees on their environmental contributions, promoting sustainable practices and corporate social responsibility. Based on secondary data in the form of sustainability reports, CSR disclosures, and scholarly sources gathered from 7 top organizations in manufacturing and service industries (2020-2025), the current study employs descriptive study to investigate the influence of green appraisal models on environmental, social, and economic sustainability performance and has also describe the strategies to Optimize Green Appraisal Implementation. The results demonstrate substantial positive influences of green appraisals on minimizing environmental effects, maximizing employee participation, and maximizing operational efficiencies. Recommendations are made for improving green appraisal systems to encourage innovation and sustainable workplace culture.

Key words: Green Performance Appraisal, Environmental Contributions.

INTRODUCTION

Green performance review models evaluate employees according to how they contribute to environmental sustainability in an organization. Application of such models enables linking employees' goals to sustainability objectives. This, consequently, helps promote environmentally sound behavior in promoting social responsibility and eco-friendly processes. While organizations strive to achieve environmental goals, it is important to analyze the role green performance reviews play in promoting sustainable results towards long-term success.

This study investigates how companies measure employees according to their attempts to conserve the environment while doing their work. This method is called a green performance appraisal. Instead of just looking at numbers such as sales or attendance, companies also take into account issues such as energy conservation, reduction in waste, and the utilization of environmentally friendly techniques at the workplace. The purpose is to

ascertain if these environmentally oriented reviews assist business firms in enhancing their overall environmental performance, e.g., by reducing pollution or water conservation.

Meaning of Key Terms

- **Green Performance Appraisal:** This is a measure of the degree to which an employee performs in relation to environmental objectives. For example, if an employee manages to save power or recycle more, they are rewarded during their performance appraisal.
- **Organizational Sustainability Benchmarks:** They are environmental, social, and economic objectives or benchmarks that an organization endeavors to achieve to act responsibly and ecologically. Some examples are lowering carbon emissions, improving employee health, or saving on costs by conserving resources.
- **Sustainability:** It refers to fulfilling current needs without damaging the environment and depleting resources so

that future generations are also able to fulfill their needs.

- Employee Motivation: This is the way motivated employees feel to act well or upgrade their environmentally friendly practices.
- Secondary Data: Data acquired from available reports, databases, or researches instead of gathering new data directly from people.
- Corporate Social Responsibility (CSR): This is how companies embrace their impacts on society and the environment besides merely profiting.

The study examines if rewarding and assessing employees for their green activities assists businesses in increasing their environmental conservation efforts. When employees notice their green activities matter in reviews and rewards, they might be encouraged to help more, thereby improving overall business sustainability.

Review of Literature

1. Pavitra (2017) stated that green performance appraisal involves assigning grades to employees based on the significance, quantifiability, and completeness of their green work.
2. The importance of linking pay with environmental contributions to encourage green behavior was highlighted by Jabbour and de Sousa Jaffour (2016).
3. Green performance is commonly compared to green production, as stated by Sharma and Gupta (2015).
4. The review of performance should consider environmental factors, as stated by Renwick (2013).
5. The impact of measuring green performance on sustainability was found to be inconsistent in Yong et al. (2019b).

6. Sustainable performance can be significantly improved through the implementation of green performance measurement, as demonstrated by Malik et al. in 2021.

7. Green practices have been shown to have a positive impact on sustainability outcomes by Longoni & Cagliano (2018).'

8. Green performance management is believed to connect employee actions with environmental goals by Renwick, Redman & Maguire (2013).

9. Jackson et al. (2011) stated that green HRM promotes sustainability and foster'a sustainable culture.ct.

10. Bindeeba's (2025) discovered that Green HRM practices have a significant impact on environmental and social performance, partly due to the use of green innovation.

Objectives

- To examine the effectiveness of green performance appraisals on sustainability indicators in different companies.
- To examine how green performance measurement affects employee motivation and conduct.
- To propose ways of enhancing green appraisal implementation.

Methodology

Research Type: It is a descriptive and analytical research based on secondary data.

Data Source: The research is based on sustainability reports, green HRM disclosures, academic journals, and employee performance records of top companies with green appraisal systems.

Sample: It is based on seven top companies identified through their contributions to

sustainability, spanning manufacturing and service industries.

Data Collection

- Data collected from company CSR annual reports, GRI databases, and academic research articles released between 2020 and 2025.

Walmart

- Walmart's Sustainability Index, launched in 2009, measures more than 1,300 suppliers based on a detailed questionnaire of factors such as greenhouse gas emissions, waste management, water usage, and responsible sourcing.
- The Index allows for suppliers to be benchmarked against industry counterparts, promoting transparency and continuous improvement in Walmart's supply chain.
- Suppliers are given sustainability scores, and Walmart works with them to develop action plans to improve areas they need to work on.
- The initiative has resulted in quantifiable emission, waste, and energy savings reductions coupled with enhanced labor practices and community engagement.
- The green appraisal system contributes to Walmart's bigger ambitions of zero waste, 100% renewable energy, and sustainable products.

Tata Steel Green Appraisal System and Sustainability

Tata Steel emphasizes decarbonization, life-cycle assessment (LCA), and supply chain sustainability in its strategy for sustainability.

- All products are covered by LCA, following global standards ISO 14040/44.

- The company is constructing India's first electric arc furnace (EAF) based on scrap to achieve Net Zero emissions by 2045.
- More than 1,100 suppliers are scrutinized under the Responsible Supply Chain Policy, and the company has increased its global green logistics programs.
- Tata Steel has received seven consecutive Steel Sustainability Champion awards from the World Steel Association.
- Over 90% of Indian steel production facilities have been Responsible Steel™ certified.
- Reporting on emissions conforms to GHG Protocol and World Steel Association guidelines to ensure transparency and benchmarking.

ITC Limited

- ITC has been termed Carbon-Positive, Water-Positive, and Solid-Waste Recycling Positive for a number of years, showcasing environmental stewardship leadership, notably in its Paperboards and Specialty Papers Division.
- The business adopts Board-approved sustainability strategies that include stakeholder engagement, advocacy that is responsible, sustainable supply chains, conservation of biodiversity, and resource efficiency built into everyday workings.
- ITC implements ISO 14001 and OHSAS 18001 certified management systems to measure environmental performance on a regular basis, including consumption of energy, GHG emissions, water conservation, and sustainability of suppliers.
- The company supports afforestation and social forestry initiatives that have

increased large areas of land and captured millions of tonnes of CO₂.

- ITC's sustainability initiatives consist of climate risk management, life cycle analysis, and renewable energy commitment, with 43% of the energy coming from renewable sources and a number of LEED platinum certified green buildings.
- The sustainability objectives are integrated into a 'Triple Bottom Line' approach that harmonizes economic, environmental, and social results.

IBM

- IBM incorporates green appraisal metrics into Corporate Environmental Affairs, focusing on energy efficiency, lowering greenhouse gas emissions, water conservation, and waste management for global operations.
- The firm applies advanced analytics and AI to track environmental performance and guide investments in sustainability.
- IBM aligns employee performance with sustainability objectives through green education and innovation in energy management practices, driving circular economy principles in product life cycles.
- Through its public ESG disclosures and environmental scorecards, IBM ensures transparency in its journey towards carbon neutrality and supplier sustainability standards.

ONGC (Oil and Natural Gas Corporation)

- ONGC focuses on carbon emission reduction, water conservation efficiency, and waste management as per India's policy and global standards for sustainability through its green appraisal metrics.

- The company utilizes ISO 14001 certified environmental management systems and incorporates sustainability objectives into appraisal systems to foster continued compliance and improvement.
- ONGC captures energy conservation measures, afforestation activities, and community interaction through its CSR and green appraisal initiatives.
- The company has taken targets under the National Action Plan on Climate Change and aims to enhance eco-efficiency by leveraging technology in oil and gas exploration.

Tata Consultancy Services (TCS)

- TCS employs comprehensive green appraisal models that complement its sustainability strategy, emphasizing energy and water conservation, using renewable power, and sustainable campuses.
- The firm tracks sustainability performance through established platforms such as CDP and GRI, tying these objectives to employee performance appraisals and environmental goals.
- TCS designs virtual solutions to minimize energy consumption in client work and in-house functions with the aim of encouraging employee engagement through green training initiatives.
- Its key performance indicators are carbon footprint lowering, waste reduction, sustainable procurement, and acquiring LEED certifications for its buildings.

Infosys

- Infosys integrates green valuations into governance and HR practices using

sustainability indicators like lowering carbon emissions and energy efficiency.

- The company generates thorough sustainability reports audited to GRI and SASB standards, evidencing efficient environmental management at its global centers.
- Infosys aligns green objectives with the performance of employees, inspiring contributions and innovations in the field of sustainability.
- The company has made aggressive carbon neutrality targets and employs AI tools for real-time environment monitoring and resource management.

These institutions systematically integrate sustainability into their performance and HR performance programs. They connect quantifiable variables like reduction of GHG, use of renewable energy, management of water and waste, sustainability of the suppliers, and social governance towards enhanced environmental and social performance, based on acknowledged global best practices. This establishes an on-going learning process in the corporate agenda for sustainability.

Parameters for evaluating green performance reviews of staff.

Sr. no	Parameter	Description	Example Statement
1	Strategic Focus	Reviewing the company's sustainability goals	Recognizing employee contributions to energy conservation and waste reduction.
2	Measurability	Capability to quantify green practices and outcomes	Employee performance is quantified as the percentage of energy used or paper saved.
3	Timeliness of Feedback	Commitment in giving feedback about green practices	Managers periodically evaluate employees' participation in recycling programs.
4	Recognition of Green Achievements	Employees being acknowledged for meeting environmental goals	Distinguished individuals in reducing carbon footprint receive green awards or bonuses.
5	Employee Motivation	The motivation to participate in sustainability initiatives	Workplaces demonstrate greater enthusiasm and dedication towards sustainability programs.
6	Employee Green Behavior	Active environmental practices, whether mandatory or optional	Let employees actively participate in office recycling programs and propose innovative green initiatives.
7	Green Rewards and Incentives	Financial or non-financial incentives associated with green performance	Workers who meet environmental goals receive additional paid time off or environmentally friendly rewards.
8	Environmental Law Compliance	Observing environmental laws and internal regulations	Workers are bound by the legal and organizational principles of waste management and recycling clearance.

9	Ongoing Improvement	Supporting ongoing green initiatives	Workers consistently propose and introduce innovative approaches to decrease office waste.
10	Innovation in Sustainability	Introducing new green initiatives or changes	Workers have started replacing incandescent bulbs with LED lighting to reduce energy consumption.

Strategies to Optimize Green Appraisal Implementation

- **Embed Clear Green Goals:** Align appraisal criteria with particular quantifiable environmental targets linked to the sustainability policy of the firm. This enables workers to understand what their environmental roles are and how their tasks contribute towards broader green goals.
- **Raise Environmental Consciousness:** Periodic green training and development initiatives establish awareness regarding sustainable practices, energy conservation, waste minimization, and environmental compliance. Heightened consciousness increases employee participation in green objectives and inspires behavior modification.
- **Employ Continuous Feedback Mechanisms:** Engage in continuous dialogue regarding appraisals rather than annual appraisals. Constant feedback helps employees modify their actions and enhance correlation with environmental objectives continuously.
- **Include Green Performance Metrics:** Make both quantitative and qualitative metrics, including waste reduction and energy savings, part of appraisals. They make the contributions toward performance explicit and transparent.
- **Reward and Recognize Green Efforts:** Tie incentives, awards, and rewards

directly to green performance results. Monetary and non-monetary rewards encourage employees to take pride in their sustainability actions.

- **Encourage Employee Participation:** Engage employees to participate in sustainability committees, green teams, and environmental policy decision-making. This participation fosters a sustainability culture and collective responsibility.
- **Utilize Digital Solutions:** Implement digital solutions like electronic sustainability dashboards, eco-performance audits, and e-appraisal systems to effectively monitor and disseminate green performance.
- **Tailor to Organizational Environment:** Design green systems of appraisal to address particular industry requirements, corporate culture, and local legislation for maximum applicability and effectiveness.
- **Corporate Strategy Alignment:** Make sure that green appraisal systems are aligned with overall corporate governance, risk management, and strategic sustainability objectives to maintain organizational alignment and support for resources.

Applying these strategies can make green appraisal systems more effective in engaging staff, enhancing sustainable practices, and meeting environmental objectives. Every

strategy addresses key challenges in engagement, measurement, accountability, and continuous improvement for green performance management.

Findings

- Green performance appraisals are extremely useful to sustain improvements in environmental indicators such as lower carbon footprints and waste elimination.
- There is a strong possibility of improving social sustainability using green appraisal models that raise employee motivation and improve corporate image.
- Economic performance showed moderate improvement, which was explained by gains in efficiency due to sustainable HR practices.
- Employee motivation was boosted as green performance results were tied to rewards and recognitions.
- The use of formal green appraisals promoted the embracement of sustainable practices within organizations.

CONCLUSION

In effect, these "green performance appraisal" models support organizational sustainability. They align employees' behavior with environmental objectives and encourage a sustainable culture that encourages economic, social, and environmental benefits. Performance systems that embed green measures encourage accountability, motivation and continuous flow of sustainability improvement.

Recommendations

- Organizations must expand green metrics in performance assessments to include innovation and sustainability leadership. This is warranted.

- To enhance efficiency, appraisal systems must be supplemented with employee training on the importance of sustainability.
- Firms must set standard green appraisal metrics to improve comparability and benchmarking.
- Incentive programs linked to green performance can be used to encourage positive environmental conduct.

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