The Role of Green HRM in Enhancing Competitive Advantage: A Case Study of Tesla

Fateh Saidane [1] / *Department of gestion, Echahid Cheikh Larbi Tebessi University -Tebessa- (Algeria), laboratory for Entrepreneurship and Organisational Management,*
fateh.saidane@univ-tebessa.dz

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Abstract:

This study examined the role of grhm in achieving environmental sustainability and adopting green initiatives that provide business organizations with a competitive advantage. The significance of this research lies in its focus on one of the modern managerial topics in the context of environmental disasters, pollution, and waste, which have necessitated organizational activities, including human resource activities, to confront these challenges. The primary research question addressed is the relationship between grhm and achieving a competitive advantage. To answer this question, the study explores the current practices of Tesla Motors, utilising a descriptive approach to collect and analyze data and information.

The study concludes that the integration of green ideas within human resource practices, guided by responsible management, provides business organisations with a competitive edge. This integration has contributed to Tesla Motors' status as a pioneering company in the field of electric vehicles.

Keywords: *Green Human Resource Management; Green HR Practices; Competitive Advantage; Environmental Dimension; Tesla Motors.*

Jel Classification Codes : *M14; Q56; M54.*

Résumé:

Cette étude a examiné le rôle de la gestion des ressources humaines vertes (GRHV) dans la réalisation de la durabilité environnementale et l'adoption d'initiatives vertes qui offrent aux organisations une avantage concurrentiel. L'importance de cette recherche réside dans son accent sur l'un des sujets managériaux modernes dans le contexte des catastrophes environnementales, de la pollution et des déchets, qui ont nécessité des activités organisationnelles, y compris celles des ressources humaines, pour faire face à ces défis. La question principale de recherche abordée est la relation entre la GRHV et la réalisation d'un avantage concurrentiel. Pour répondre à cette question, l'étude explore les pratiques actuelles de Tesla Motors, en utilisant une approche descriptive pour collecter et analyser les données et informations.

L'étude conclut que l'intégration des idées écologiques au sein des pratiques de gestion des ressources humaines, guidée par une gestion responsable, offre aux entreprises un avantage concurrentiel. Cette intégration a contribué au statut de Tesla Motors en tant qu'entreprise pionnière dans le domaine des véhicules électriques.

Mots clés: *Gestion des Ressources Humaines Vertes ; Pratiques RH Vertes ; Avantage Concurrentiel ; Dimension Environnementale ; Tesla Motors.*

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1. **Corresponding author:** Fateh Saidane, **e-mail address:** fateh.saidane@univ-tebessa.dz

I. Introduction

The world is currently experiencing a transformative shift from a traditional economy that overlooks environmental considerations in its activities to a green economy, which involves sustainable economic projects focused on preserving resources and protecting the environment. Green human resources emerged as an approach to mitigate and address environmental issues by incorporating environmental concerns into all activities. This trend has prompted various organisations to integrate green human resource practices (green training, green motivation, green evaluation) into their operations, prioritising environmental sustainability.

I.1 Research Problem:

Porter emphasised that businesses can only gain a competitive advantage through possessing human resources capable of creating value. Tesla Motors has embraced this principle by establishing a board of directors committed to sustainability. The company serves as a haven for green thinking, seeking ways to protect the environment while generating profits without causing environmental harm. This approach has enabled Tesla to outshine its competitors and secure a pioneering global position in the automotive and battery manufacturing industries.

I.2 Research Importance:

The significance of this study stems from its focus on one of the most vital contemporary management topics—understanding the role of green human resource management practices in helping companies achieve a competitive advantage and sustainability through an environmental dimension. This is particularly relevant given the international standards and regulations governing environmental protection responsibilities.

I.3 Aims and Objectives:

The main objectives of this study are:

- To explore the theoretical aspects and general concepts of the topic;
- To examine the practices of a leading global company in this field;
- To understand one of the most studied aspects of sustainability in the context of climate change;
- To recognise the role and significance of human resources in this global movement towards environmental protection.

I.4 Research Questions:

Based on the above, the primary research question is:

What is the relationship between green human resource management and achieving a competitive advantage, and how is this manifested in Tesla Motors?

From this, the following sub-questions are derived:

- What is the concept of green human resource management, and what challenges does it face?
- What constitutes the challenges of green human resource management?
- What is the concept of competitive advantage, and what are its dimensions?
- What are the green human resource management practices at Tesla?
- What competitive advantage has Tesla Motors achieved through adopting green practices and thinking?

I.5 Research Motivations:

The motivations behind this research include exploring how green human resource management can contribute to organisational success and sustainability, especially in a world increasingly concerned with environmental issues.

I.6 Research Contributions:

This study contributes to the field by providing insights into how green human resource practices can offer organisations a competitive edge and by examining Tesla Motors as a case study to highlight the practical implementation of these practices.

I.7 Key Findings:

The study hypothesises the following:

- There is a relationship between green human resource management and competitive advantage;
- There is no relationship between green human resource management and competitive advantage;
- Green management, including green human resource management, has enabled Tesla to outperform its competitors and gain a leading global competitive advantage.

I.8 Literature Review:

We review a group of previous studies on our topic, the most important of which is the study **(Lampros Vasileiadis, Emmanouil , & Christos Tsitsakis , 2024)** This study focusses on Green Human Resource Management (GHRM) in the shipping industry, discussing its integration into existing HR practices. It emphasises the advantages and disadvantages of GHRM and its link to corporate social responsibility (CSR). The research highlights the restraints hindering GHRM's full potential, aiming to extend literature on GHRM in the shipping sector, (**Benameur, Abderrazak, Wassila , Majed Alsolami, & Guendouz, 2024)** Examining the pharmaceutical sector in Saudi Arabia, this paper models the impact of Green Transformational Leadership (GTL) and GHRM on Green Supply Chain Management (GSCM). It finds that GTL enhances GHRM practices, which in turn improves GSCM performance. The study provides theoretical insights into the relationship between leadership, HRM, and supply chain sustainability, **(Al-Swidi, Mohammed A. Al-Hakimi, & Al-Hattami ,**

2024) This research explores the synergistic effects of GHRM and Corporate Environmental Ethics (CEE) on Environmental Performance (EP) in Yemeni SMEs. The findings demonstrate that GHRM and CEE individually and collectively enhance EP, suggesting a framework for integrating environmental ethics in management practices, **(Aftab & Veneziani, 2024)** Investigating manufacturing firms in Pakistan, this study analyses how GHRM contributes to pro-environmental behaviours (PBs) and EP. It finds that green commitment (GC) mediates the relationship between GHRM and PBs, while environmental knowledge (EK) moderates the PBs-EP relationship. This highlights the importance of GC and EK in GHRM's effectiveness, **(Ahmed, Mamoun , & Gubarah, 2024)** This paper models GHRM in the hotel industry using the Pythagorean Neutrosophic Bonferroni Mean approach to evaluate GHRM limitations. The research suggests an expert system for assessing hotel GHRM performance, offering an optimisation method for hotel conservation efforts and environmental challenges, **(Retnopurwani & Muafi Muafi, 2023)** The study examines the role of GHRM, GSCM, and green lifestyle on business sustainability in Indonesian manufacturing companies, mediated by digital skills. It confirms that GHRM and GSCM positively affect sustainability, emphasising the need for digital skills in green practices, especially during the COVID-19 pandemic, **(Burlea-Schiopoiu, Muhammad Haroon , Syed Asim , Muhammad, & Mirela, 2022)** Analysing the tobacco industry in Pakistan, this study investigates how GHRM practices influence Organisational Citizenship Behaviour for the Environment (OCBE) and organisational performance. It identifies green culture enablers as key mediators, highlighting the importance of leadership in fostering green behaviours for sustainability.

- **Limitations and Gaps:** The literature reveals gaps such as the need for more empirical research on the causality between GHRM and GSCM, especially in less developed countries. Studies also call for further exploration of mediating factors like green thinking and eco-friendly behaviour. Additionally, there's a need to apply GHRM concepts in service companies and diverse sectors to understand its full impact on sustainability.

II. Content the Essence of Green Human Resource Management:

The concept of Green Human Resource Management (GHRM) is relatively new in the field of managerial thought. It emerged alongside other concepts that sought to link business organisation functions with the organization’s environmental performance, such as green marketing, green operations management, and green supply chain management.

II.1 Concept of Green Human Resource Management:

II.1.1 Definition of Green Human Resource Management:

Researchers have offered several definitions of GHRM, Here are some key ones:

Definition 01: Opatha & Arulrajah define GHRM as "the activities, policies, practices, and systems that involve the continuous implementation, development, and maintenance of systems aimed at raising the awareness and commitment of employees within a green organisation. The aspect related to human resource management is the transformation of ordinary employees into individuals who believe in the green approach to achieve the organization's environmental goals". (Dalal Mohammed & Salem Bagdish, 2021, p. 50)

Definition 02: GHRM is also defined as "the integration of corporate environmental management into human resource management functions. These scholars have identified that outstanding policies in the areas of recruitment, performance management, evaluation, training, development, labour relations, wages, and rewards are powerful tools to align employees with the organisation's environmental strategy". (Ammar Fathi & Amin, 2018, p. 66)

Definition 03: Mishra describes GHRM as "the policies, activities, systems, and practices that involve the continuous implementation, maintenance, and development aimed at seeking skilled workers and a green organisation". (Mishra, 2017, p. 775)

II.1.2 Importance of Green Human Resource Management:

According to Shikha & Bhavana, the importance of GHRM has increased due to growing concerns about environmental issues and the negative impacts of various corporate practices on natural resources. The significance of GHRM lies in enhancing the organization's image, boosting employee morale, and significantly reducing costs. Its importance is highlighted in the following points: (Aggarwal & Bhavana , 2015, p. 68-96)

- Cost Savings: Using energy-efficient electrical devices, such as energy-saving monitors, recycling, and reusing products;
- Competitive Advantage: Building a green brand and becoming an environmentally friendly organization;
- Environmentally Friendly Talent: Attracting employees with green skills and competencies while providing an educational environment to foster green behaviour and culture among employees;
- Community Benefit: Supporting green job creation, such as green business owners, green engineers, and green IT professionals (software and hardware developers). Encouraging green spaces through developing parks, planting trees, reducing carbon footprints, and enhancing green infrastructure.

Kathak and Pawan further add that GHRM's importance to employers includes

achieving and supporting the following: (Mehta & Pawan K. Chugan, 2015, P. 75)

- Making Environmentally Friendly Decisions: Employing individuals who understand the importance of sustainability, enabling decision-making that fosters innovation and solutions to environmental issues;
- Increasing the Desire for Green Jobs: Being the preferred choice in attracting green talent, providing the organisation with a competitive edge;
- Employee Retention: Green organisations are known to have lower turnover rates than their non-sustainable counterparts;
- Improving Sales: Green HRM helps produce environmentally friendly products, leading to improved sales and reduced costs.

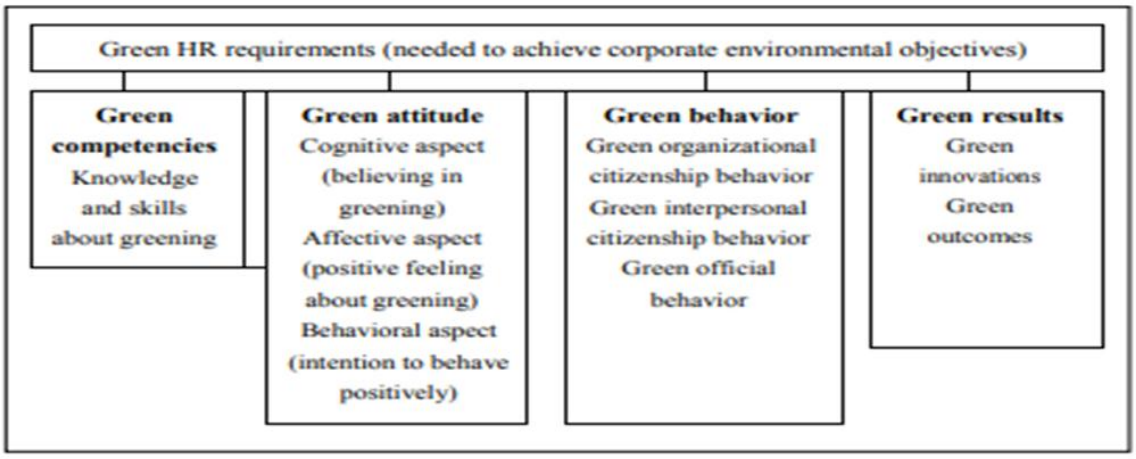
II.1.3 Green Human Resource Management Practices:

- **Green Recruitment:** Recently, job seekers have become more aware of organisations' environmental behaviour, emphasising the importance of contemporary approaches to environmental preservation. In the United States, there is a growing inclination to work for environmentally conscious organisations that support career development. Studies indicate that organisations adopting environmental protection are more likely to attract human resources, with a preference for organisations following a green approach. The environmental issue's impact on recruitment has increased, as evidenced in the UK, where survey data show that graduates consider a company's environmental performance and reputation when applying for jobs. According to a study by the Chartered Institute of Personnel and Development (CIPD) involving a sample of HR professionals, 47% of respondents prefer working for organizations with a strong green approach, and 46% think that such an approach attracts potential employees. (Al-Sakarna, 2017, p. 19)
- **Green Training and Development:** The environmental approach requires increasing employee awareness, skills, and practical knowledge. Training and development are essential elements in implementing green management, serving as mechanisms to facilitate corporate sustainability. They can create opportunities to develop intellectual capital, with green training being a crucial tool for developing human resources and transitioning to a more sustainable society. The employee training and development process should include social and environmental issues at all levels. Green orientation programmes for newly recruited employees should be an integral part of the training and development process, informing them about green initiatives, including reducing greenhouse gas emissions and producing green products. Best practices in green training and development include establishing green teams in each department to provide general awareness and necessary training in environmental management. (Al-Sakarna, 2017, p. 20)

- **Green Performance Evaluation:** Measuring green performance is one of the fundamental functions of GHRM. Without this procedure, no organisation can ensure long-term environmental performance. The measurement criteria for green performance should align with the organization's environmental performance standards. Managers' roles in achieving green results involve evaluation, wherein green standards are documented and integrated with successful environmental performance policies. Penalties are established for non-compliance with environmental goals. ISO 14001 defines environmental performance evaluation as a method to facilitate management decisions regarding the organization's environmental performance by selecting indicators, collecting and analysing data, assessing information according to environmental performance measures, preparing reports, and conducting periodic reviews to develop this method. Environmental performance evaluation is a process related to methodology, knowledge, and negotiation. It serves as an aid to the environmental management system but can also be used as an independent tool. In GHRM, the use of performance evaluation faces challenges, such as setting standards and indicators for environmental performance measurement at all levels and obtaining useful data on managers' performance in environmental fields. (Al-Haddad, 2020, p. 25)
- **Green Social Integration:** Green social integration involves introducing new employees to the organisation, its goals, activities, and various systems, along with their superiors and colleagues, to achieve harmony during the initial work phase. Wehrmeyer emphasises the importance of orientation programmes focusing on providing information about environmental sustainability policies, values, and future organisational goals. Green social integration focuses on how new employees acquire environmental knowledge and green behaviour skills related to their roles to fulfil a specific organisational role. (Belali & Samlali , 2021, p. 121)

II.1.4 Requirements of Green Human Resource Management:

Fig.(01): Requirements of Green Human Resource Management



Source: (Mahadi, 2018, p. 17)

This Figure (1) illustrates the four requirements of Green Human Resource Management. According to Opatha and Arulrajah, employees need to possess the following: (Arulrajah, A. A., Opatha, & N.N.J.Nawaratne, 2015, p 106)

- **Green Competencies:** It is essential to provide the necessary competencies for the continuous improvement of organisational environmental performance. This includes knowledge and skills related to greening. To become a green employee, clean technologies should be developed for the organisation. However, identifying specific green competencies that employees should possess requires conducting empirical research studies. Green Attitude: Employees need to have the right attitude towards greening, which encompasses appropriate beliefs, feelings, and the intention to act in a green manner, regardless of their job function.
  - **Green Behaviour:** Organisational environmental performance does not occur without the behavioural contribution of employees as individuals. Green behaviour is one of the fundamental requirements of green human resources and includes the following:
  - **Green Organisational Citizenship Behaviour:** defined as the extent to which employees engage in positive actions aimed at helping the organisation as a whole to achieve greening, making these actions part of the formal job requirements;
  - Personal citizenship behaviour refers to the extent to which an employee engages in positive acts that represent voluntary assistance provided to other employees at the same level;
  - **Formal green behaviour:** defined as the extent to which an employee is involved in official duties related to greening. This involvement is not voluntary but a formal requirement that the employee fulfils.

- **Green Outcomes:** These are environmentally friendly results or outputs defined as the extent to which an employee produces green results, having two dimensions:
- **Green Innovations:** Represent new environmental initiatives, new solutions to reduce waste, and decrease pollution;
- **Green Outputs:** Include the number of working hours using natural light or the minimum number of electric lamps, the amount of reduced electricity consumption, the reduction in the current level of input waste, and the degree of achievement of specific environmental performance goals.

II.2 Competitive Advantage and Its Relationship with Green Human Resource Management:

II.2.1 Concept of Competitive Advantage: (Porter, 1999, p. 08)

Porter, considered the founding father of competitive advantage, defines it as "arising primarily from the value that an organisation can create for its customers, which can take the form of lower prices compared to competitors' products with equivalent benefits or unique product benefits that compensate for a price increase."

Competitive advantage can also be defined as "what distinguishes an organisation from others and adds value to customers in a way that exceeds or differs from what competitors offer in the market. The organisation can offer a set of benefits greater than those of the competitor or provide less."

Additionally, it is known as "a point of strength that the organisation possesses over its rivals in one of its production, marketing, or financial activities or concerning its human resources or geographic location."

Thus, competitive advantage is a strategic concept reflecting a distinctive competitive position of the organisation compared to its competitors, demonstrated through offering high-quality products or lower prices than competitors.

II.2.2 Dimensions of Competitive Advantage:

Here are the fundamental dimensions of competitive advantage: (Belali & Samlali , 2021, p. 124)

- **Cost Control Dimension:** This dimension involves the organization's ability to accomplish tasks at the lowest possible costs compared to market competition without compromising a certain level of product specifications.
- **Quality Dimension:** This dimension pertains to the distinctive and unique functional and formal specifications and characteristics of the product, which should match specific attributes that meet customer expectations and gain their preference.
- **Competitive Timing Dimension:** Time holds a competitive aspect on multiple fronts. At this level, an organisation can achieve a competitive

advantage based on time, accelerate development processes, and anticipate competition by reducing the time to market new products.

- **Flexibility Dimension**: This dimension focuses on the organization's ability to adapt its operations and production system to the demand volume, patterns, and customer preferences influenced by changes in the business environment. This requires strategic vigilance and a high capacity to keep up with these changes in production line operations and product mix both quantitatively and qualitatively.

II.3 The Relationship Between Green Human Resource Management and Achieving Competitive Advantage:

Fig.(02): Examining the Relationship between GHRM and ACA

Competitive Advantage as a Strategic Axis for the Organisation	Competitive advantage represents a central objective for the organisation. Business organisations work to achieve sustainable competitive advantage because they believe it provides them with high levels of flexibility and stability in the long term.
Dimensions of Competitive Advantage	The dimensions of competitive advantage include cost-efficiency, quality, competitiveness, flexibility, and innovation.
Resource-Based View of Competitive Advantage	It points to a set of assets, capabilities, and organisational procedures, knowledge, and information that form the foundation for creating and executing the organization's competitive strategy with the aim of gaining a competitive advantage. This can be through unique material or human capital resources, capabilities, and
Human Resources as a Source of Competitive Advantage	According to the resource-based view, human resources are the most crucial source of competitive advantage. If an organisation is able to manage, develop, and train its human resources efficiently and effectively, it can stand out from other organisations and maintain a strong competitive edge over its competitors.
Natural Resource-Based View of Competitive Advantage	This approach emphasises the importance of environmental practices in achieving competitive advantage. It focuses on the organization's environmental responsibilities through sustainable practices, green management, and integrating environmental considerations into its operations, aiming to protect the environment and achieve sustainability.

Source: Prepared by the researcher based on: (Belali & Samlali , 2021, pp. 126-129)

For the success of these strategies, Hart emphasizes the importance of human resource management (HRM) encouraging individuals to integrate sustainable practices to achieve a competitive advantage. By embedding sustainable practices into the company's routine, green concerns naturally become part of the organizational routine. It was created by Almada and Borgers as an integrative

framework that combines HRM practices with Hart's Natural Resource-Based View (NRBV) strategies. The NRBV comprises three strategies: preventing pollution, responsible product stewardship, and sustainable development.

This approach includes a set of proposals related to HRM, providing a suitable foundation for future practical experiments. It highlights the role of HRM in fostering green practices to support these three strategies and create an environmentally-oriented framework, paving the way for a sustainable competitive advantage. At the same time, this approach (NRBV) offers methods to implement HRM to achieve organizational sustainability. Therefore, the success of the Natural Resource-Based View strategies requires fundamentally focusing on activating and integrating green HRM practices, such as green recruitment, green training, and green compensation, within the overall business strategy. (Belali & Samlali , 2021, p. 127)

III. Tesla Motors:

Tesla, Inc. is an American electric vehicle and clean energy company. Founded in 2003, Tesla's mission is to accelerate the world's transition to sustainable energy. The company designs, manufactures, and sells electric vehicles, solar products, and energy storage solutions.

Tesla released its financial results for the fourth quarter and full year of 2023 on January 24, 2024. For more detailed financial information, including specifics on revenue, profit margins, and other key metrics, you can refer to Tesla's Investor Relations website, where the complete financial report is available. (Directors, 2024)

III. 1 The Current State and Vision of Green Orientation at Tesla Motors:

Tesla aims for green thinking and adopts strategies based on sustainability and environmental considerations. Below are some aspects that highlight green thinking in the context of Tesla: (DIRECTORS, 2024)

***III*.1.1 Electric Vehicles:** Tesla seeks to promote the use of electric vehicles as a clean alternative to traditional fossil fuel-powered cars. It offers high-performance vehicles with advanced technology while improving energy use.

***III*.1.2 Renewable Energy**: Tesla aims to enhance the use of renewable energy by manufacturing and marketing products like solar panels and battery packs. It continuously works on developing electric charging stations to support its vehicles and encourage the use of electric power.

***III*.1.3 Waste Management:** Tesla pays close attention to effective waste management, both in production processes and in the manufacturing of car batteries. The company strives for a sustainable lifecycle for its products, including recycling materials and minimizing environmental impacts.

***III*.1.4 Energy Efficiency Improvement:** Tesla works on improving energy efficiency in its products and operations. The design of its cars and the

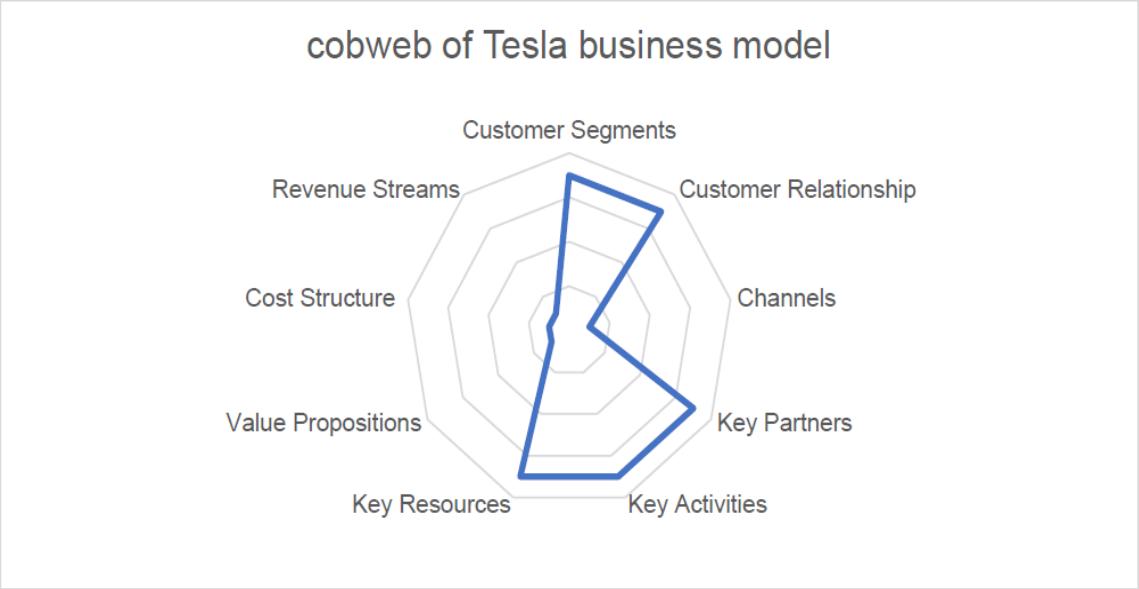
technologies used ensure better energy consumption and increase the distance that can be covered on a single charge.

***III*.1.5 Research and Development:** Tesla invests heavily in research and development to create new and sustainable technologies. It works on providing innovative solutions to environmental challenges and improving battery and storage technology.

***III*.1.6 Continuous Improvement:** Tesla aims to continually improve its environmental practices and technologies based on environmental and technological developments.

These aspects are part of Tesla's comprehensive efforts to promote sustainability and reduce the environmental impact of its operations and products.

Fig.(03): Cobweb chart illustrating Tesla's business model



Source: (Li, 2024, p 35)

III.2. Green HR Management Practices at Tesla Motors:

***III*.2.1 Recruitment and Selection:**

Tesla Motors is an electric car manufacturer founded in 1997 to create a commercially viable electric car to combat climate change. Its goal is to hasten the world's transition to sustainable energy, with the help of advancements in solar power, battery storage, and electric vehicles. Tesla encourages workforce growth and a results-oriented culture focusing on high performance, sustainability, and social justice. Green HRM refers to developing specialised HR policies and practices that manage and enhance employees' environmental behaviour in organisations. By greening its HRM, Tesla is more likely to achieve its green goals using this bundle of HR practices in a coordinated way.

Green recruitment and selection procedures involve searching for candidates with environmental knowledge and evaluating their environmental abilities, Recruitment sources can include employment advertising in

environmental magazines, targeting environmental management students, and hiring from pro-environment organisations. Candidates can be asked questions about their environmental awareness and expectations. To build a sustainable workforce at Tesla, it is suggested to adopt green recruitment and selection procedures. The acquisition of environmental knowledge and skills helps solidify green climate perceptions, leading to green behaviours, Environmental knowledge is crucial to understanding the importance of sustainability, and pro-environment organisations can offer insight into their culture and practices. Candidates can be assessed based on their environmental awareness and expectations using selection methods such as environmental ability tests and situational judgement tests, Managers and their selecting superiors can help decision-making and reveal a candidate's fit with Tesla's green cultural and behavioural expectations.

Tesla Semiconductor designs, manufactures, and sells advanced semiconductor products worldwide. Its vision is to create innovative and efficient semiconductors based on advanced technology and smart design. However, adapting to business change requires new types of skilled employees with increasing flexibility and reduced demand for traditional skills, and the continuous transformation of job requirements is a serious issue for Tesla, The situation requires a commitment to employee development and lifelong learning. With basic technology development, the working environment could include limited need for development and training efforts. Companies would still need to follow employee attitudes; however, this is not enough and merely passive.

***III*.2.2 Training and Development:**

Tesla Motors is establishing an unprecedented level of education and training programmes in a step towards aligning Human Resources with business strategy and goals. The HR training initiative in recruitment and hiring included eight days of training for the HR trending managers on Tesla’s selection systems for engineering positions. An unprecedented level of education and training has been allocated for a statewide human resources function in an effort to align this key management area with the organization’s business strategy and business goals. This allocation demonstrates the organization’s recognition that a well-performing, high-quality human resources staff is essential to completing, effectively, this critical management activity. Training and education programmes represent a major investment by organisations. Training and development programmes respond to internal needs, such as change efforts, management development, and safety training, or to external factors that may create needs, including changes in government policy, regulations, competitors, and technology. Training may aid in the accomplishment of several goals, such as the reduction of grievances and discipline cases, improved overall organisational productivity, increased employee morale, job satisfaction, and motivation, and lower turnover rates and absenteeism. Employer-sponsored training may provide important benefits to employers in productivity solutions.

Training is concerned specifically with the active lifelong engagement of individuals in organised, structured, evaluation- and assessment-based learning that is job-related and work-related. Personal development often involves the

worker's aspirations, desires, interests, and goals relative to learning and is less concerned with organised and structured learning activities and programmes. It will be unlikely that training and development will be the same in the future as it are now with rapid anticipated macroenvironmental changes. Strategies and processes will need to align with and be in direct response to changing business and organisational needs. HR is central to setting the agenda for change and deciding on the best responses but some change options will be preferable. Establishing a culture for lifelong learning is integral to an individual's knowledge capital in relation to his or her capacity for obtaining and maintaining satisfactory basic employment. Individual life courses are becoming increasingly complex, more diverse, and intertwined across generations. Assessment is similarly becoming more complex, varied, challenging, and unpredictable. Young adults will be entering a world of work filled with increasing uncertainty, risk, and volatility, but greater chances for the learning and stretching of individual capabilities and capacities.

III.2.3 Green Social Integration:

Our team, characterised by diversity, equity, and inclusion (DEI), uses a people-first, data-driven approach to advocate for the application of DEI principles in our work and the communities in which we operate. The company works on ensuring that its human resources adopt a green future and spread a culture of environmental preservation in all aspects of work and social life.

III.2.4 Green Performance Evaluation:

Tesla's sustainability team reports directly to the Vice President of Environmental, Health, Safety, and Security. They meet quarterly with the Sustainability Council Working Group to present major trends and updates on climate change. (Directors T. B., 2022-2023, p. 194)

III.2.5 Green Compensation:

Our Compensation Committee oversees human capital management, employee engagement and diversity, and our compensation philosophy and programmes. These are designed to align compensation with our company's performance and the success of our mission to accelerate the transition to sustainable energy. (Directors T. B., 2022-2023, p. 195)

III. Competitive Advantage Tesla Gained from Its Green Philosophy and Human Resources:

Tesla has become a global leader, surpassing its fiercest rivals, thanks to its human resources adopting the principle of accelerating environmental sustainability. In 2022, Tesla produced and delivered over 1.3 million electric vehicles worldwide. While we focus on our deliveries, electric vehicle (EV) sales by all automakers need to increase. We hope every automaker strives to produce hundreds of thousands of EVs annually, as significant emissions reductions will only be achieved through an industry-wide shift. (Directors T. B., 2022-2023, p. 20)

Table (01): Tesla Income Statement

Year	2023	2022	2021	2020	2019
Revenue	96.773	81.462	53.823	31.536	24.578
Cost of Revenue	79.113	60.609	40.217	24.906	20.509
Gross Profit	17.660	20.853	13.606	6.630	4.069
Operating Income	8.891	13.656	6.523	1.994	-69
Pretax Income	9.996	13.688	6.218	1.013	-752
Net Income	14.997	12.556	5.519	721	-862
Shares Outstanding (Diluted)	3.174	3.130	2.959	2.789	2.661
EPS (Diluted)	4.30	3.62	1.63	0.21	-0.33
Free Cash Flow	4.357	7.561	4.983	2.711	973
Gross Margin	18.25%	25.60%	25.28%	21.02%	16.56%
Operating Margin	9.19%	16.76%	12.12%	6.32%	-0.28
EBITDA	14.819	17.626	9.500	4.083	2.087
EBIT	10.152	13.879	6.589	1.761	-67

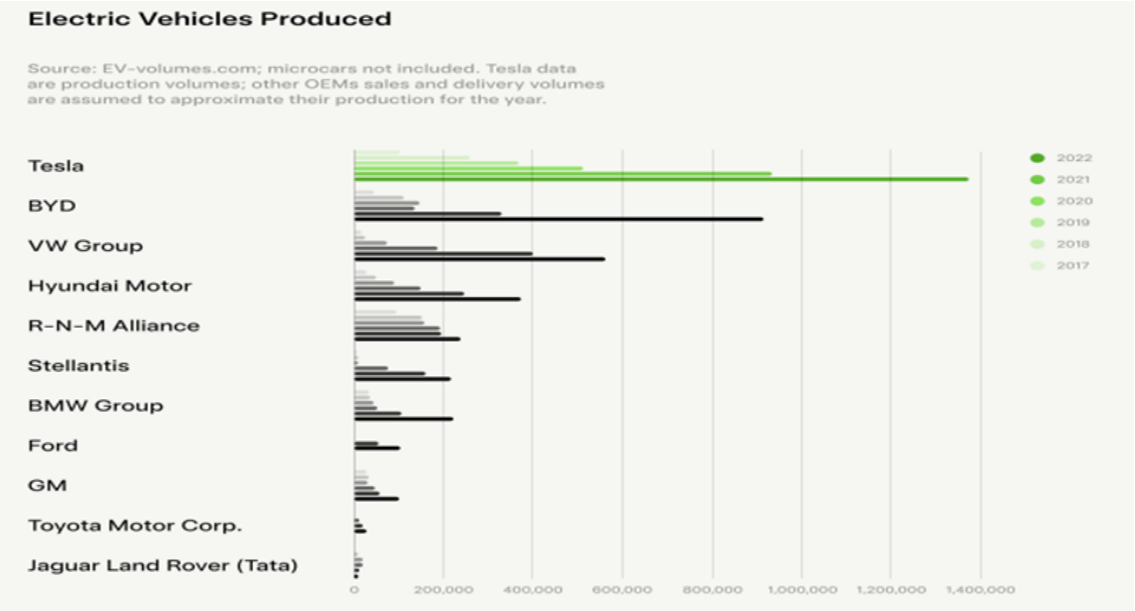
Source: (Li, 2024, p. 187)

The table (01) presented is Tesla's income statement for 2019 to 2023. Below is an explanation of the key elements in the table:

- Year: The first column indicates the financial year, with data from 2019 to 2023.
- Revenue: This column shows Tesla’s total revenue for each year. Revenue has increased consistently, from $24,578 million in 2019 to $96,773 million in 2023.
- Cost of Revenue: This represents the costs associated with producing and delivering products and services, which have increased over the years.

- Gross profit is revenue minus the cost of revenue. It has grown from $4,069 million in 2019 to $17,660 million in 2023.
- Operating Income: This column reflects the company's operating profit after deducting all operating expenses. In 2019, there was a loss of $69 million, whereas by 2023, the company achieved $8,891 million in operating income.
- Pretax Income: This represents income before taxes. This figure has significantly increased, from a loss of $752 million in 2019 to $9,996 million in 2023.
- Net Income: This is the profit after all expenses, including taxes, are deducted. In 2019, Tesla recorded a loss of $862 million, but in 2023, the company reported a net income of $14,997 million.
- Shares Outstanding (Diluted): This refers to the number of diluted shares outstanding, considering all convertible securities. The shares increased from 2,661 million in 2019 to 3,174 million in 2023.
- EPS (Diluted): This column shows earnings per share (diluted), which have also increased significantly, from $0.33 in 2019 to $4.30 in 2023.
- Free Cash Flow represents the cash remaining after covering operating and capital expenditures. 2023, free cash flow was $4,357 million, compared to $973 million in 2019.
- Gross Margin: This is the percentage of gross profit to revenue. The gross margin decreased from 25.28% in 2021 to 18.25% in 2023.
- Operating Margin: This represents the ratio of operating income to revenue. Similarly, the operating margin has decreased from 16.76% in 2022 to 9.19% in 2023.
- EBITDA stands for earnings before interest, taxes, depreciation, and amortization. It increased from $2,087 million in 2019 to $14,819 million in 2023.
- EBIT: Earnings before interest and taxes, or EBIT, also show significant growth from a loss of $67 million in 2019 to $10,152 million in 2023

Fig.(03): Tesla's leadership position in the production and sale of electric vehicles (EVs)



Source: : (Directors T. B., 2022-2023, p. 21)

IV. Conclusion

Recent developments in human resource management (HRM) have led organisations to change how they manage their administrative processes in various areas. One example of these changes is the adoption of green HRM practices, known as green HR activities. Organisations aim to use these practices to achieve several goals, such as reducing HR management costs, improving HR services and practices, helping the organisation face external environmental challenges and competition, and enhancing the organization's entrepreneurial orientation.

IV. 1 Study Findings:

The study has reached the following conclusions:

- HRM becomes green when it adopts environmental dimensions and its responsibility for environmental protection in all HR activities. Consequently, its practices become green, giving full attention to the environment and promoting this culture among its resources;
- Integrating green practices into the HRM strategy can help the organisation achieve and gain a competitive advantage on multiple fronts;
- Green HR practices lead organisations to develop proactive strategies for the resources they employ, recruit, or train, aligning with the organisation's goal of sustainability, particularly the environmental dimension;
- A competitive advantage arises from the organisation's ability to attract human resources that create entrepreneurial value;
- Tesla Motors operates with a clear vision focused on achieving the highest

sales of its electric cars, which are environmentally friendly and sustainable;

- Despite the criticism and complaints directed at Tesla, its competitive advantage as a leader in the electric vehicle market remains unaffected. This resilience is due to the company's reality and the founders' vision of making cars environmentally friendly and contributing to environmental protection.

IV. 2 Testing the Hypotheses:

- First Hypothesis (True): There is a relationship between green HRM and competitive advantage. Green HRM contributes to giving the organisation a competitive edge, especially regarding the environmental dimension, as demonstrated in the theoretical aspect and case study;
- Second Hypothesis (False): There is no relationship between green HRM and competitive advantage. Based on the theoretical aspect and case study, this hypothesis was not supported and proved to be incorrect;
- Third Hypothesis (True): Green management, including green HRM, has enabled Tesla to outperform its competitors and gain a global competitive leadership position. Through its green philosophy, Tesla has become the leading manufacturer and seller of environmentally friendly cars.

IV. 3 Recommendations:

We offer the following recommendations:

- Learn from the experiences of countries and major companies in the field of green HRM and keep up with developments in this field;
- Promote a culture of environmental protection among employees and workers, as climate change is a challenge that concerns everyone, and everyone must take responsibility;
- Generalise awareness campaigns about the importance of environmental protection and encourage initiatives and policies that protect the environment and achieve sustainability;
- Import electric vehicles and promote this concept within social circles, emphasising the importance of these ideas in preserving the environment. (Aftab & Veneziani, 2024)

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