

## PERFORMANCE OF INDONESIAN BATIK SMES: AN ANALYSIS OF GREEN INTRINSIC MOTIVATION, GREEN COMMUNICATION, AND GREEN COMPENSATION

DOI: 10.5937/JEMC2402135R

UDC: 005.96:502.12  
Original Scientific Paper

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Paper received: 26.07.2024.; Paper accepted: 06.10.2024.

**Globalization demands the importance of environmental awareness and sustainability to achieve competitive advantage, including Batik Yogyakarta SMEs in Indonesia which are required to implement environmentally friendly business practices. This study aims to analyse the effect of green intrinsic motivation, green communication, and green compensation on employee performance. To answer the research objectives, the sampling method is random sampling, with quota sampling techniques, and data collection with Google Forms. The model used is the Structural Equation Modelling (SEM). To test the hypothesis, using an analysis tool with the rho test, validity test with the Convergent Validity test and loading factor, discriminant validate test with Fornell-Larcker Criteria, reliability test with Cronbach Alpha, Composite Reliability and AVE, and all using SmartPLS software version 4. From a sample of 158 respondents, the results are that Green Intrinsic Motivation and Green Communication have a positive and significant effect on Green Employee Performance. However, Green Compensation is not proven. The practical implications of these findings are the importance of strengthening sustainability strategies by integrating challenging environmental activities into daily work, improving communication, and developing innovative reward systems to create a more environmentally friendly work culture and empower employees to contribute to sustainability.**

**Keywords:** Green Intrinsic Motivation; Green Communication; Green Compensation; Green Employee Performance.

### INTRODUCTION

Batik is a world heritage and has been local wisdom in Indonesia for thousands of years. Since 2006 it has been recognized as a world heritage by UNESCO. Batik in Indonesia is widely produced by Small and Medium Enterprises (SMEs). In order to increase the well-being community, SMEs become solutions that have a big impact on Society (Robert et al., 2020). SMEs have long been bone-back economies in many countries, including Indonesia, by creating fieldwork and pushing a growth economy (Lawal & Ewuoso, 2023). One of them is

Batik Craftsmen SMEs in Yogyakarta, Indonesia, which contributes significantly to the economy and environment.

The era of Human Resources Management (HRM) with conventional methods in the SMEs sector experienced quite significant growth, but at the beginning of the millennium with the direct impact of global warming, and accompanied by the progress of the era, the progress of science, this has an impact on consumer awareness of how important it is to protect the environment, which directly also raises awareness of buying and consuming green

products. Green products themselves are impossible without green Human Resources Management (GHRM). The gap in HRM, this study is important to close the gap by implementing GHRM in the UMKM sector, especially batik.

The application of Green Human Resource Management (GHRM) at Batik SMEs in Yogyakarta supports economic sustainability, efficient energy, and management sources of good power (Thang & Nghi, 2022). Without GHRM, cost operational increase and the reputation business decreased, which had an impact on employees' green intrinsic motivation (GIM) (Pham et al., 2020).

GIM becomes an impulse and desire of an individual or group for involved in behaviour-friendly work environmental and sustainable (Thang & Nghi, 2022). GIM includes motivation to reduce footprint carbon, minimize waste, and adopt practice supportive work continuity environment (Khan et al., 2022). This matter pushes employees to become more innovative in looking for a solution-friendly environment (Amoako et al., 2022). SMEs that don't implement GIM are possibly having an inefficient operational period long (Saepuddin & Saputra, 2023), a decline in Power competition, and a loss of market opportunities from caring consumers to the environment (Yu et al., 2020). Companies can more effectively convey policies and initiatives environment to all employees, improve awareness and communicate friendly on-site environment Work (Tóth-Király et al., 2021).

Green communication aims to increase friendly awareness and action environment through delivery emphasizing message importance continuity (Çoban, 2022). This strategy endeavours to educate the public about the impact environment from activity human, promote behaviour green, as well as support policy preservation of source Power natural (Lawal & Ewuoso, 2023). Green communication improves awareness public of issues in the environment, changes the behaviour of consumers to pattern consumption sustainable, and improves the reputation of implementing organisational practice business (Sonntag et al., 2022). SMEs that implement green communication can save time and costs through training and internal campaigns about practice friendly environment (Jerónimo et al., 2020). Green communication is also encouraged by giving green compensation to contributing

employees in the initiative environment (Kuuyelleh et al., 2021).

Green compensation is a practice in which the company or individual compensates for the impact negative environment from the activity they execute for a profitable action environment (Soomro et al., 2021), practice This is criticized Because Can push the company or individual to keep going damage environment with depend on compensation (Siddiqui et al., 2021). There are also concerns that This can become a form of "greenwashing" in which pro-environmental efforts only tool marketing without change substantive (Amjad et al., 2021a). Green compensation is possible to increase green employee performance by giving incentives to those who participate in the initiative Company environment (Rahman & Saputra, 2023).

Green Employee Performance (GEP) is something system management power applied work To increase the impact positive environment on MSME performance sustainability (Lilik & Zulher, 2022). GEP aspect is important in management business with an approach innovative that improves the economic, technological, social culture, and environment company (Alsafadi & Altahat, 2021). GEP improves efficiency, reduces costs through savings energy, increases the reputation company, and reduces footprints carbon. Without performance-friendly employees, Company environment can face enhancement cost operations and a decline in reputation Because lack of efficient energy and a conscious environment (Anwar et al., 2020).

This research is important to reduce the negative impact of environmentally unfriendly business practices and promote sustainability in Batik SMEs in Yogyakarta. By adopting practices such as GHRM, GIM, green communication, and green compensation, SMEs can reduce their carbon footprint and minimize negative impacts on the environment. This research helps increase employee awareness and understanding of the importance of environmentally friendly business practices, which in turn can improve a company's reputation and competitiveness in the market.

## THEORY AND HYPOTHESIS DEVELOPMENT

This research was developed based on social cognitive theory. Social cognitive theory is a

psychological theory which suggests that individual behaviour is influenced by interactions between psychological factors (such as individual beliefs and motivation), the environment (including social and situational interactions), and the behaviour itself. Social cognitive theory gives a deep understanding of how individuals obtain knowledge and control behaviour, including motivation encouraging work for Act. Work motivation can shape employees to respond to change, make decisions, and adapt to the external environment (Nisar et al., 2021). Work motivation is combined with green intrinsic motivation (GIM), where environmental and sustainability values are the core of the organization's identity, whereas changes and decisions taken tend to reflect an awareness of social and environmental responsibility (Mindra et al., 2022). GIM can increase employee awareness and commitment to environmentally friendly practices, which encourages them to behave more proactively in preserving the environment in the workplace (Anwar et al., 2020). A good GIM is caused by effective green communication which has an impact on strengthening employee performance in implementing environmentally friendly practices (Candrasa et al., 2020). Green communication can form a deeper understanding and commitment to sustainability among employees, which can improve their performance in achieving goals in the company environment (Kuuyelleh et al., 2021b). Transparent and effective green communication can increase employee awareness about green compensation programs (Amjad et al., 2021b), which can strengthen their motivation to actively participate in sustainable practices, and ultimately increase the effectiveness of green compensation (Das & Dash, 2024a).

### **Influence Green Intrinsic Motivation towards Green Employee Performance**

Green Intrinsic Motivation includes factors that encourage employees to adopt environmentally friendly behaviour at work. These include environmental awareness, personal values, organizational support, and incentives related to sustainability (Junsheng et al., 2020). When employees feel motivated to contribute to the company's environmental efforts, they are more likely to take actions such as reducing waste, saving energy, and using resources more efficiently (Rizvi & Garg, 2021). These behaviours lead to improved performance in achieving environmental targets, operational efficiency and corporate reputation. Intrinsic motivation can increase employee

engagement, job satisfaction, and loyalty to the company because employees feel that they are contributing to a goal that is greater than mere financial gain (Najam et al., 2020). Green intrinsic motivation has a positive impact on creating a sustainable work culture throughout the organization, where this will influence green employee performance (Yu et al., 2020). When employees feel encouraged to behave in an environmentally friendly manner, this can create a work environment where sustainability values are reflected in every aspect of daily activities. This can inspire better collaboration between teams, innovation in creating more environmentally friendly solutions, and increased individual growth and sustainable career development (Yong et al., 2019). Green intrinsic motivation can lead to an improvement in the company's image in the eyes of the public and stakeholders (Siddiqui et al., 2021). Greenly motivated employees tend to be able to spread positive messages about their company's sustainable practices to the wider community (Wicaksari et al., 2024). This can increase employees' ability to be highly environmentally conscious and can strengthen relationships with business partners who have aligned values.

Based on the description, then formulated hypothesis as follows:

*H1: Green Intrinsic Motivation has a positive and significant effect on Green Employee Performance*

### **Influence Green Communications to Green Employee Performance**

Green communication not only disseminates information about environmentally friendly practices but also builds awareness and deep understanding among employees about the importance of sustainable actions (Saputri et al., 2024). By providing a clear understanding of the company's vision and goals regarding sustainability, as well as providing feedback regarding employee efforts in implementing green practices, green communication can motivate employees to actively participate in sustainable initiatives (Webster & Haandrikman, 2020). This can improve employee performance in achieving company sustainability targets (Puspitasari et al., 2024). Apart from that, transparent green communication can also strengthen employees' sense of trust and commitment to the company, create a work culture that focuses on sustainability and increase productivity and creativity in creating

innovative solutions to environmental challenges (Samola, 2022). Green communication also involves building closer relationships between employees and management. Through open and transparent communication about environmental issues, employees feel heard and valued in their contribution to the company's sustainability (Kalogiannidis, 2020). This can create a stronger emotional bond between employees and the company, increasing loyalty, job satisfaction and employee retention (Evina et al., 2024). Green communication not only influences employee performance directly, but also forms an inclusive and supportive work climate, which can contribute to a company's sustainable performance (Saputra et al., 2024).

Based on the description, then formulated hypothesis as follows:

H2: Green Communication has a positive and significant effect on Green Employee Performance

### **Influence Green Compensation against Green Environmental Performance**

Green compensation is a concept that involves the use of incentives, bonuses, or other reward systems to encourage and strengthen sustainable behaviour in the workplace (Ardiza et al., 2021). This includes providing bonuses to employees who successfully achieve environmental targets, allowances for using public transportation or environmentally friendly vehicles, or even stock options for employees who contribute significantly to the company's sustainability initiatives (Wu et al., 2023). The incentives obtained can motivate employees to improve green employee performance in environmentally friendly practices. With green compensation, companies send a strong signal about the importance of sustainable practices and provide concrete incentives for employees to actively participate in sustainable efforts (Yusoff et al., 2020). This encourages employees to adopt environmentally friendly behaviour, improves their performance in achieving environmental targets, and in turn, creates a greater positive impact on corporate sustainability (Ojo et al., 2022). Green compensation does not only focus on material or financial rewards but also includes recognition and appreciation for employee contributions to company sustainability (Bastable et al., 2020). This can create a more inclusive and collaborative work environment, where employees feel valued for their efforts in implementing

sustainable practices (Zhang & Sun, 2021). By feeling recognized and encouraged to behave greenly, employees tend to be more involved and motivated to improve their performance in environmental practices (Mousa & Othman, 2020). Green compensation is not only a tool to encourage behavioural change, but also a means to build a corporate culture that focuses on sustainability, which ultimately strengthens employee performance in achieving the company's sustainable goals (Mindra et al., 2022).

Based on the description, then formulated hypothesis as follows:

H3: Green Transformational Leadership has a positive and significant effect on Green Environmental Performance

## **RESEARCH METHODS**

### **Research Model**

The research variables green intrinsic motivation, green communication, and green employee performance were adopted from Luu, (2021), and green compensation was adopted from Das & Dash, (2024b).

### **Population and Sample**

The population in this study were employees of Handicraft SMEs in Yogyakarta, Indonesia. With an unknown amount ( infinite ) calculated using the Lemeshow formula. The sample criteria used are:

$$n = \frac{z^2 \cdot P \cdot (1 - P)}{d^2}$$

Where:

*n* Number of Samples

*z* Z score at 95% confidence = 1.96

*P* Maximum estimate 50% = 0.5

*d* Error rate 7 % = 0.07

From the formula above, the number of samples in this study can be calculated as :

$$n = \frac{1.96^2 \cdot 0.5 \cdot (1 - 0.5)}{0.07^2} = 157.85$$

Based on the calculation results above, the minimum sample size in this study was 157.85 respondents,



which was then rounded up by the researcher to 158 respondents.

### Analysis Tools

The model used Structural Equation Modelling (SEM) using an instrument form questionnaire with a Likert scale of 1-5. The analytical tool is validity testing with Convergent Validity (Loading Factor) loading factor if  $> 0.70$  (Chin, 1998) and Discriminant Validity (Fornell-Larcker Criterion) if the square root of each construct must have a measurement greater than the correlation on one construct with other constructs in the model (Fornell & Larcker, 1981). Reliability test with (Cronbach Alpha, Composite Reliability and AVE) Composite Reliability and C Ronbach's  $\geq 0.70$ , Variant extract (AVE) and further reliability tests that have a size of  $\geq 0.5$ , Goodness-of-Fit Measures Test, and hypothesis testing using SmartPLS software version 4.1.0.4.

## RESULTS

### Respondent profile

Table 1. Of the 158 respondents, it was found that male respondents dominated at 85 or 53.8% of respondents. With  $< 25$  years as many as 106 or 67.1 % of respondents.

Table 1 also shows that the dominant last education is SMA/MA/equivalent as much as 96 or 60.8%, length of work is dominated by workers 1 - 5 years as much as 83 or 52.5% and income is dominated by income of IDR. 2,000,000 – Rp. 4,000,000 as many as 63 or 39.9% of respondents.

### Research Instrument Results

Table 2 shows that all loading factors are declared valid because they are  $> 0.70$  (Chin, 1998).

Furthermore, the Average Variance Extracted (AVE) test is known to be valid if  $> 0.50$  (Henseler et al., 2014), in full in Table 3.

The variable size shows the calculation of Composite Reliability and C Ronbach's  $\geq 0.70$ , meaning that the construct is proven to have reliability validity (Hair et al., 2014). The extract variant and further reliability test have a size of  $\geq 0.5$ . If you show the number 1, it is more reliable. Based on the distribution of responses listed in Table 3, all 4 variables along with 14 indicators can be seen to have good overall reliability.

Discriminant validity testing (Fornell Lercker Criterium) in full Table 4.

Table 1: Respondent demographic data

Category	Frequency	Percentage (%)
<b>Gender</b>		
Man	85	53.8
Woman	73	46.2
<b>Age</b>		
< 25 years	106	67.1
26 – 35 years	22	13.9
> 46 years	30	19.0
<b>Last education</b>		
SLTP/MTs/equivalent	2	1.3
SMA/MA/equivalent	96	60.8
S1	59	37.3
Other	1	0.6
<b>Length of work</b>		
< 1 Year	18	11.4
15 years	83	52.5
> 5 Years	57	36.1
<b>Income</b>		
< Rp. 2,000,000	31	19.6
Rp. 2,000,000 – Rp. 4,000,000	63	39.9
Rp. 4,000,000 – Rp. 4,000,000	34	21.5
> Rp. 7,000,000	30	19.0
Amount	158	100

Source: Primary data processed, 2024

The square root value of every AVE construct above more bigger from marking the correlation with construct other so it passes the test. To test the goodness-of-fit measures in Table 5.

Table 5 shows that SRMR passes because the mark is not enough from 0.10. If the NFI value increases close to 1 indicates a good / improving model with good suitability. D\_uls and d\_g that a good research model must own more value big from 0.05 (because uses a confidence interval 95%). However, in the model fit test, it is sufficient One from the fifth method above that passes, then can be said the study has a suitable model. Next, the hypothesis testing is carried out which is presented in Table 6.

Table 6. Probability value (p-value) if the p-value  $< 0.05$  then it can be said that the influence of the variable is significant. However, if the p-value is  $> 0.05$  then the variable is not significant. The data above shows that the p-value is less than 0.050 for the variables so that the direct effect hypothesis is accepted, or an influence is found. Meanwhile, the original sample shows positive numbers so that the relationship between the variables above is in the same direction. Figure 1 shows the Path Coefficient P Test.

Table 2: Instrument test results

Variable	Indicator	Average	Loading
Green Intrinsic Motivation (X1)	X1.1: I enjoyed trying to finish tasks environment in the work	3,956*	0.847
	X1.2: I enjoyed implementing a friendly ideas environment at work	4,108**	0.713
	X1.3: I feel that more involved in the development of environment-green ideas	4,025	0.857
Green Communication (X2)	X2.1: Information that I accept about action friendly environment is carried out organization (e.g., savings paper, energy, and water; reduce use product very use; reduce waste food) has appropriate time.	2,797	0.895
	X2.2: Information that I accept about action action-friendly environment is carried out organization (e.g. saving paper, energy, and water; reducing use product use; reducing waste food) is very useful.	2,816**	0.939
	X2.3: The information that I accept has Enough to answer the question about action green organization	2,241*	0.788
Green Compensation (X3)	X3.1: Enter linking suggestion scheme to in-system award with introduction award on performance initiative innovative environment	3,747*	0.784
	X3.2: Institution provides a monetary reward to its employees' performance good environment	4.07	0.859
	X3.3: The organization give proper training to its employees before applying initiative initiative-friendly environment	3,797	0.816
	X3.4: Awards superiority team to team on performance more environment good	3,987	0.824
	X3.5: Rewards and compensation compensation-friendly environment, as well as development, has increased retention of employee factory.	4,146**	0.794
Green Employee Performance (Y)	Y1: I finished the task environment life determined in work.	3,962*	0.795
	Y2: I comply with all not quite enough answer environment required by the job.	3,968	0.913
	Y3: I don't Once ignore the aspect of environment mandatory work done.	4,342**	0.862

\* Lowest Mean

\*\*Higher mean

Source: Primary data processed by PLS 4.0, 2024

Table 3: Average Variance Extracted test (AVE) and Cronbach's alpha and composite reliability test

	Average Variance Extracted (AVE)	Cronbach's Alpha	rho_A	Composite Reliability	Conclusion
Green Intrinsic Motivation (X1)	0.768	0.742	0.785	0.849	Reliable/Valid
Green Communication (X2)	0.665	0.848	0.893	0.908	Reliable/Valid
Green Compensation (X3)	0.737	0.875	0.882	0.909	Reliable/Valid
Green Employee Performance (Y)	0.653	0.820	0.835	0.893	Reliable/Valid

Source: Primary data processed by PLS 4.0, 2024

Table 4: Discriminant validity test (Fornell Larcker criterium)

	Green Communications	Green Compensation	Green Employee Performance	Green Intrinsic Motivation
Green Communications	0.876			
Green Compensation	0.117	0.816		
Green Employee Performance	0.428	0.621	0.858	
Green Intrinsic Motivation	0.215	0.459	0.613	0.808

Source: Primary data processed by PLS 4.0, 2024

Table 5: Goodness-of-fit measures test

	Saturated Model	Estimated Model	Cut-Off
SRMR	0.094	0.094	< 10
d ULS	0.921	0.921	> 0.05
d G	0.450	0.450	> 0.05
Chi-Square	374,426	374,426	Close to zero
NFI	0.721	0.721	< 1 (the closer to 1, the better)

Source: Primary data processed by PLS 4.0, 2024

Table 6: Hypothesis testing (T-statistic)

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV )	P Values	Conclusion
Green Intrinsic Motivation → Green Employee Performance	0.354	0.363	0.073	4,839	0,000	Significant
Green Communication → Green Employee Performance	0.302	0.295	0.048	6,309	0,000	Significant
Green Compensation → Green Employee Performance	0.423	0.420	0.074	5,697	0,000	Significant

Source: Primary data processed by PLS 4.0, 2024

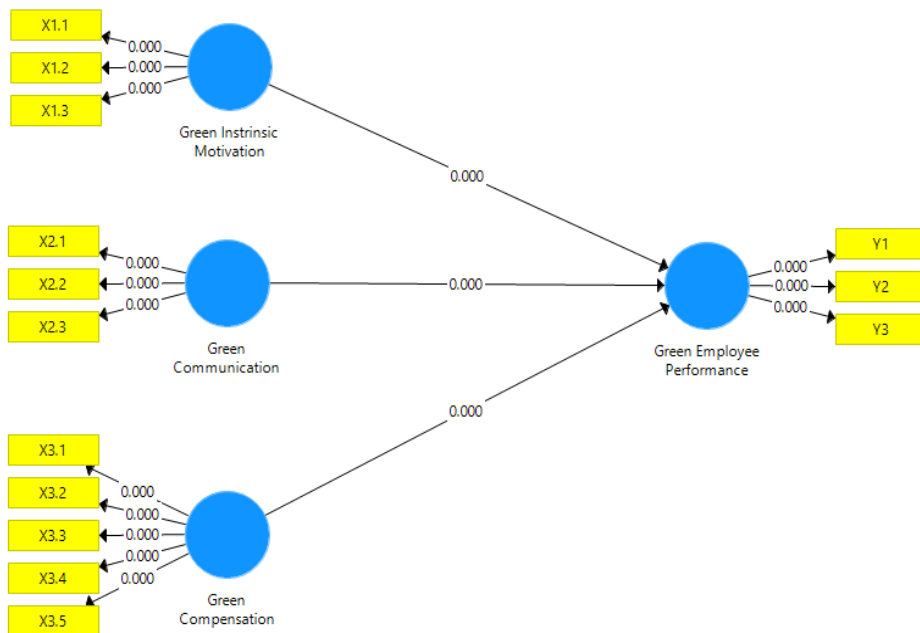


Figure 1: Path Coefficient P Test

Source: Primary data processed using SmartPLS 4.0, 2024

## DISCUSSION

### **Green intrinsic motivation has a positive and significant influence on green employee performance.**

The first finding is that employees are comfortable in carrying out their environmentally friendly duties. It can be seen from the results of the descriptive analysis of this research that indicator X1.2: "I enjoy implementing environmentally friendly ideas in my work" has the highest average, meaning that employees feel happy and enjoy implementing environmentally friendly ideas in their work. Their work tends to show better performance in terms of environmental practices. GIM includes factors that encourage employees to adopt environmentally friendly behaviour at work. These include environmental awareness, personal values, organizational support, and incentives related to sustainability (Junsheng et al., 2020). When employees feel motivated to contribute to the company's environmental efforts, they are more likely to take actions such as reducing waste, saving energy, and using resources more efficiently (Rizvi & Garg, 2021). These behaviours lead to improved performance in achieving environmental targets, operational efficiency and corporate reputation. Intrinsic motivation can increase employee engagement, job satisfaction, and loyalty to the company because employees feel that they are contributing to a goal that is greater than mere financial gain (Russell et al., 2020). GIM has a positive impact in creating a sustainable work culture throughout the organization, which will influence green employee performance (Yu et al., 2020). When employees feel encouraged to behave in an environmentally friendly manner, this can create a work environment where sustainability values are reflected in every aspect of daily activities. This can inspire better collaboration between teams, innovation in creating more environmentally friendly solutions, and increased individual growth and sustainable career development (O'Donnell et al., 2020). Green intrinsic motivation can lead to an improvement in a company's image in the eyes of the public and stakeholders (Beltramino et al., 2023). Greenly motivated employees tend to be able to spread positive messages about their company's sustainable practices to the wider community (Kessler et al., 2021).

### **Green communication has a positive and significant influence on green employee performance.**

The second finding is that green communication is very useful in company activities. It can be seen from the results of the descriptive analysis of this research that indicator The highest average means that employees who feel that the information they receive about environmentally friendly practices in the organization is very useful tend to have a higher level of awareness and a stronger commitment to carrying out their environmental responsibilities. Effective green communication not only disseminates information about environmentally friendly practices but also builds awareness and deep understanding among employees about the importance of sustainable actions (Potoski & Callery, 2018). By providing a clear understanding of the company's vision and goals regarding sustainability, as well as providing feedback regarding employee efforts in implementing green practices, green communication can motivate employees to actively participate in sustainable initiatives (Avdeeva et al., 2022). This can improve employee performance in achieving company sustainability targets (Samaila et al., 2022). Apart from that, transparent green communication can also strengthen employees' sense of trust and commitment to the company, create a work culture that focuses on sustainability and increase productivity and creativity in creating innovative solutions to environmental challenges (Samola, 2022). Green communication also involves building closer relationships between employees and management. Through open and transparent communication about environmental issues, employees feel heard and valued in their contribution to the company's sustainability (Kalogiannidis, 2020). This can create a stronger emotional bond between employees and the company, increasing loyalty, job satisfaction and employee retention (Saputra et al., 2025).

### **Green compensation has a positive and significant influence on green employee performance.**

The third finding, with the existence of green compensation, the company has encouraged employee retention. It can be seen from the results of the descriptive analysis of this research that



indicators tend to feel more appreciated and motivated to stay (retention) at the company. Green compensation encourages employees to adopt environmentally friendly behaviour, improving their performance in achieving environmental targets, and in turn, creating a greater positive impact on corporate sustainability (Ojo et al., 2022). Compensation does not only focus on material or financial rewards but also includes recognition and appreciation of employee contributions to company sustainability (Das & Dash, 2024b). This can create a more inclusive and collaborative work environment, where employees feel valued for their efforts in implementing sustainable practices (Zhang & Sun, 2021). By feeling recognized and encouraged to behave greenly, employees tend to be more involved and motivated to improve their performance in environmental practices (Mousa & Othman, 2020). Green compensation is not only a tool to encourage behavioural change, but also a means to build a corporate culture that focuses on sustainability, which ultimately strengthens employee performance in achieving the company's sustainable goals (Rawashdeh, 2018).

## CONCLUSION

Based on the research results explained in the previous description, it can be concluded that Green Intrinsic Motivation, Green Communication, and Green Compensation have a positive and significant impact on Green Employee Performance.

This research is limited to batik SMEs in Indonesia; however, this research can be expanded by adopting research in other fields on other SMEs. This expansion can be from the side of the object and subject, even if seen from the advantages of this research is starting from the development of social cognitive theory so that it can be further developed as research in the future by strengthening indicators of intrinsic motivation, organizational communication, awards and recognition, as moderators in this research model, such as theoretical and practical recommendations on the implications of this research.

## IMPLICATIONS

### Theoretical implications

Theoretical implications are that organizations need to apply theory motivation intrinsic with way

more specific and measurable. First, the organization must integrate the theory of self-determination which emphasizes the creation of tasks in a challenging and satisfying environment, which can fulfil the need for employees will competence, autonomy, and connectedness (Juliyando & Saputra, 2023). Second, the theory of communication organization ensures that the message about practice practice-friendly environment is delivered clearly and comprehensively, so employees understand the purpose, benefits, and relevance of action environment the (McGaughey, 2021). Lastly, theory rewards and recognition are a must applied in the development system of fair and innovative rewards. System This must acknowledge and appreciate the contribution of the employee to the initiative environment so can increase motivation intrinsic and involvement in effort continuity organization (Ledyandini et al., 2020).

### Practical implications

Practical implications from findings are that organizations can strengthen sustainability strategies. First, the organization need to integrate activities in a challenging and satisfying environment to work every day, like project cycle internal reset or reduction program waste, as well as provide training related issues environment. Second, the organization must ensure information about the practice environment is delivered clearly through various channel communications and sessions regular discussions to increase the understanding employees. Lastly, organizations need to develop a system of fair and innovative awards, such as give award open, incentives finances, and opportunities for development careers for active employees in an initiative environment. Steps this will create a culture more work-friendly environment and empower employees to contribute to continuity.

## ACKNOWLEDGEMENT

We would like to thank the Kemendikbudristekdikti Indonesia, LLDikti Region V & VI, Faculty of Economics, Mercu Buana University, Yogyakarta, Indonesia, and Faculty of Business and Economics, Slamet Riyadi University, Surakarta, Central Java, Indonesia, who have approved the collaborative joint research "Payung" with the number: 93/C.05/H.2/V/2024.

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## PERFORMANSE INDONEŽANSKIH BATIK MSP: ANALIZA ZELENE INTRINZIČNE MOTIVACIJE, ZELENE KOMUNIKACIJE I ZELENE KOMPENZACIJE

Globalizacija nameće važnost ekološke svesti i održivosti kako bi se postigla konkurentska prednost, uključujući i MSP (mala i srednja preduzeća) Batik Jogjakarta u Indoneziji, koja su obavezna da primene ekološki prihvatljive poslovne prakse. Ova studija ima za cilj da analizira efekat zelene intrinzične motivacije, zelene komunikacije i zelene kompenzacije na performanse zaposlenih. Da bi se odgovorilo na ciljeve istraživanja, korišćena je metoda slučajnog uzorkovanja sa tehnikom kvotnog uzorkovanja, a prikupljanje podataka obavljeno je putem Google Forms. Model koji se koristi je Model strukturnih jednačina (SEM). Za testiranje hipoteza korišćen je alat za analizu sa rho testom, test validnosti putem testa konvergentne validnosti i faktora opterećenja, test diskriminantne validnosti sa Fornell-Larcker kriterijumom, test pouzdanosti sa Kronbah alfa koeficijentom, kompozitnom pouzdanošću i AVE, a svi testovi su sprovedeni korišćenjem SmartPLS softvera verzije 4. Na uzorku od 158 ispitanika, rezultati su pokazali da zelena intrinzična motivacija i zelena komunikacija imaju pozitivan i značajan efekat na performanse zaposlenih u domenu ekologije. Međutim, zelena kompenzacija nije dokazana kao značajna. Praktične implikacije ovih nalaza ukazuju na važnost jačanja strategija održivosti kroz integraciju izazovnih ekoloških aktivnosti u svakodnevni rad, unapređenje komunikacije i razvijanje inovativnih sistema nagrađivanja kako bi se stvorila ekološki prihvatljivija radna kultura i osnažili zaposleni da doprinesu održivosti.

**Ključne reči:** Zelena intrinzična motivacija; Zelena komunikacija; Zelena kompenzacija; Performanse zaposlenih u domenu ekologije.