

# THE ROLE OF LEADERSHIP STRATEGY AND GREEN HRM ON EMPLOYEE PERFORMANCE THROUGH SUSTAINABLE WORK CULTURE IN THE FURNITURE INDUSTRY OF CIREBON, WEST JAVA, INDONESIA

Dwiki Fatur Rizki<sup>1</sup>, Henndy Ginting<sup>2</sup>, Hary Febriansyah<sup>3</sup>

<sup>1</sup>Doctor of Science in Management, School of Business and Management, Institut Teknologi Bandung, Indonesia, Indonesia; <sup>1</sup>meubelandalan@gmail.com; <sup>2</sup>Doctor of Science in Management, School of Business and Management, Institut Teknologi Bandung, Indonesia, Indonesia; <sup>2</sup>meubelandalan@gmail.com; <sup>3</sup>Doctor of Science in Management, School of Business and Management, Institut Teknologi Bandung, Indonesia, Indonesia; <sup>3</sup>meubelandalan@gmail.com;

**Background:** The furniture industry in Cirebon, West Java, represents one of Indonesia's most labour-intensive sectors, relying heavily on human resources to sustain productivity and competitiveness. However, increasing global attention to sustainability demands that organisations integrate environmental and social considerations into management practices. In this context, leadership strategy and Green Human Resource Management (Green HRM) play essential roles in shaping a sustainable work culture that enhances employee performance. Despite extensive research on each variable separately, empirical studies combining leadership, Green HRM, and sustainability culture in Indonesia's furniture industry remain limited—creating an opportunity for this research to fill that gap.

**Purpose:** The purpose of this study is to examine the role of leadership strategy and Green Human Resource Management (Green HRM) in enhancing employee performance through the mediating effect of a sustainable work culture within the furniture industry of Cirebon, West Java, Indonesia. This research aims to identify how transformational and participative leadership styles, alongside environmentally conscious HRM practices, contribute to building a sustainability-oriented organisational environment. By integrating both quantitative and qualitative approaches, the study seeks to provide empirical evidence and contextual insights that advance theoretical understanding and offer practical guidance for implementing sustainable people and knowledge management strategies in labour-intensive industries.

**Methodology:** This study employed a mixed-methods approach combining quantitative and qualitative analyses to explore the influence of leadership strategy and Green Human Resource Management (Green HRM) on employee performance through sustainable work culture in the furniture industry of Cirebon, West Java. The quantitative phase involved distributing a Likert-scale questionnaire to 100 employees of Agung Jaya Putra Furniture, analysed using SPSS for validity, reliability, and regression testing. The qualitative phase included in-depth interviews with leaders and senior employees, analysed using NVivo through open and axial coding. This sequential explanatory design integrated statistical evidence with contextual insights to ensure comprehensive understanding and validity.

**Finding:** The findings indicate that both leadership strategy and Green Human Resource Management (Green HRM) have a significant positive effect on employee performance, with sustainable work culture acting as a partial mediator. Quantitative analysis using SPSS revealed that transformational and participative leadership styles enhance employee motivation and engagement, while Green HRM practices—such as green recruitment, training, and sustainability-based appraisal—promote environmental awareness and responsibility. Qualitative insights from NVivo further confirmed that these practices collectively nurture a sustainability-oriented culture, fostering collaboration, innovation, and adaptability. Overall, the integration of leadership and Green HRM strengthens employee performance and organisational sustainability.

**Limitation:** This study has several limitations that should be acknowledged. First, the research was conducted in a single organisation—Agung Jaya Putra Furniture—located in Cirebon, which limits the generalisability of the

findings to other regions or industries. Second, the cross-sectional design captures relationships at one point in time, preventing causal inferences about long-term effects. Third, self-reported data from questionnaires may introduce social desirability bias. Lastly, the sample size of 100 employees, though adequate for regression analysis, may not fully represent the diversity of experiences within Indonesia's broader furniture sector or other labour-intensive industries.

**Originality:** This study offers originality by integrating \*leadership strategy\*, \*Green Human Resource Management (Green HRM)\*, and \*sustainable work culture\* into a single conceptual and empirical framework within Indonesia's furniture industry context—a sector rarely examined in sustainability-oriented HR research. Unlike previous studies that explored these constructs separately or in modern corporate settings, this research applies a mixed-method approach to reveal how leadership and Green HRM jointly cultivate sustainability values and influence employee performance. By focusing on Agung Jaya Putra Furniture in Cirebon, the study contributes a novel perspective on human-centered sustainability in labour-intensive manufacturing industries.

**Keywords:** Leadership Strategy, Green Human Resource Management, Sustainable Work Culture, Employee Performance, Furniture Industry.