

Building Business Performance on Green Business Strategy in South-South Nigeria

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Abstracts: The study examined the effect of the Green Business strategy on the Business performance of SMEs in South-South Nigeria. The general objective of this study was to investigate the effect of human resource planning on the organizational performance of Federal Medical Center Asaba. The specific objectives of the study were to (i) Ascertain the effect of the Green Innovation Strategy on Business performance among SMEs in Delta State, (ii) Determine the influence of the Environmental Orientation Strategy on Business performance among SMEs in Delta State and (iii) Evaluate the impact of Green Product Differentiation on Business performance among SMEs in Delta State. The target population of the study was 202 employees of selected SMEs in South-South Nigeria. The study adopted a descriptive research design method, and a simple random sampling procedure was used to select the sample size of 202 employees which was 100% of the target population. The questionnaire was used as a tool for collecting primary data. The reliability of the instrument was censured by the test-retest method, while the validity of the instrument was censured by seeking the opinion of research professionals in the field of management sciences. Collected data was analyzed by use of weighted averages and percentages then presented information of frequency tables and charts and hypotheses were tested by adopting multiple regression analysis to determine the effect between the dependent and independent variable. Findings from the study revealed that the dimensions of Green Business Strategy (Green Innovation Strategy, Environmental Orientation Strategy, and Green Product Differentiation) identified in this study is majorly determinant of business performance. The study concluded Green innovation is the integration of the internal intellectual capital of a business with the concept of sustainability. Green innovation is a solution to answer public concerns over global environmental issues. Therefore, for organizations to become more productive and remain in business, especially in this era of increased global competitiveness and growing complexity of the work environment, when they tend to imbibe the proactiveness of green business strategy.

Keywords: Green Business Strategy, Green Innovation Strategy, Business Performance, and SMEs.

1. INTRODUCTION

SMEs play a vital role in economic development as they have been the main source of employment generation and output growth, both in developing as well as in developed countries. SMEs are also the fastest-growing sector of most economies and are perceived to be more pliant and adaptable regarding structure and speed of response than larger enterprises (Kumar 2015). Small and medium-sized enterprises (SMEs) constitute the largest business entities in many countries, where governments show a keen interest in ensuring their competitiveness. This interest is usually channeled through policies and financial assistance toward the implementation of innovative and emerging technologies, especially in developing countries.

To compete and survive in a highly competitive global marketplace, it is important for manufacturing SME managers to resort to the utilization of green marketing practices to have a competitive edge over their rivals, as well as to improve business performance (Maziriri & Maramura, 2022). The environmental damage phenomenon is a challenge for businesses today, including for small and medium industries in developing countries, such as Nigeria. Green innovation is a solution to answer public concerns over global environmental issues. However, the Small and Medium Enterprises (SMEs) sector generally still focuses on achieving their economic performance.

Green innovation is a strategic step for SMEs to increase sustainability and financial performance in the global market.

The effect of green business practices requires an in-depth knowledge of customers' requirements as well as the ability to satisfy these requirements while contributing to environmental sustainability. According to Sharma, Iyer, Mehrotra, and Krishnan (2010), this is rooted in the fundamentals of what impact marketing has on society and the environment. Integrating environmental concerns and green strategies in corporate philosophy, and marketing policies and practices lead to sustainable growth. The increasing trend of adopting eco-friendly businesses, eco-friendly technologies, and services is creating new business opportunities presenting the strong potential for making a profit and satisfying stakeholders who have a significant influence on the availability of financial, human, and other resources of companies (Abayam & Uwameiya, 2019).

1.1. The Problem

In the face of drastic global climate change, the transition to a green economy is becoming increasingly important and it is understood as an opportunity to redesign and redefine business models, products and services, market approaches, forms of consumption, and production. Therefore, there is a need for changes in traditional business models that includes the transition to green business strategy in companies. This type of strategy differs from traditional strategy, which aims to create competitive advantages by generating value for the firm, while green business strategy focuses on reducing the environmental impact of processes or products.

When it comes to small and medium-sized enterprises (SMEs), green innovation should also be a reality as, on a smaller scale, they impact the environment largely unnoticed, both regionally and nationally. Consequently, due to awareness from customers, appeals from various stakeholders, and pressure from governments, this has eventually increased the responsibility of organizations, especially SMEs, to minimize their impact of industrial activities on the environment.

Although the impact of SMEs ends up going unnoticed, this sector of firms is one of the largest producers of industrial pollution, which has led governments and stakeholders to help these types of companies to reduce pollution and maintain economic balance. In addition, SMEs have limited resources for the growing market needs

Ming-Horng and Chieh-Yu, also underlined that large companies tend to find it easier to implement green innovation, unlike SMEs that have insufficient resources and weaker infrastructures. Due to a lack of resources and professionals, SMEs tend to have greater difficulty in implementing green innovation.

1.2. Objectives of the Study

The general objective of the study is to investigate the effect of Green Business Strategy And Business Performance of SMEs In South-South Nigeria. The specific objectives are to:

- i. Ascertain the effect of Green Innovation Strategy on Business performance among SMEs in Delta State
- ii. Determine the influence of Environmental Orientation Strategy on Business performance among SMEs in Delta State
- iii. Evaluate the impact of Green Product Differentiation on Business performance among SMEs in Delta State

1.3. Research Hypothesis

The study formulated the following hypotheses:

Ho₁: There is no significant influence between green innovation strategy on Business performance.

Ho₂: There is no significant influence between environmental orientation strategies on Business performance.

Ho₃: There is no significant influence between green product differentiations on Business performance.

2. REVIEWED RELATED LITERATURE

2.1. Concept of Green Business Strategy

Green business strategy (GBS) is defined as a considerable and robust organizational propensity to include environmental concerns in the business plans of all organizational departments. Organizations that engage in environmentally responsible practices generate a variety of opportunities. As a result, enterprises receive various benefits and satisfy numerous stakeholders' needs. Several studies have demonstrated that green business methods boost firms' earnings and performance (Yousaf et al., 2021).

Multiple levels of advocacy for environmental protection. Numerous production aspects have an impact on the environment, particularly materials. The operational principles focus on the actual, day-to-day aspects of running a sustainable business, whilst the strategic principles are utilized largely to determine the business direction (Soderholm, 2020).

In addition, the literature indicates that firms can improve their performance by adopting green business methods. As a result of the company's efforts to preserve the environment in worldwide and domestic markets through green business strategies, regulatory pressure and stakeholder demand on the organization's product developer have also increased. Scholars have suggested that managerial perspectives on green business strategies have evolved. Before many decades, a green business strategy was considered a reactive or proactive approach to the organization. Later firms understood that developing and adopting a green business strategy would impact organizational innovation. Green business methods enable organizations to obtain innovative green services and goods (Yahya et al., 2022). The promotion of organizations is the result of a green business strategy. Organizations must remember that their green business strategy must match their green innovation strategies. Based on the above research, it can be concluded that a green business strategy has the potential to influence green innovation (Tariq et al., 2019).

Firms can prevent excessive market rivalry, bring diversification, increase the speed of new product development, decrease the risks associated with new product development, lower operating costs, and strengthen their market standing. In contrast, this can also improve operational synergy. Thus, external modification of the organization's operations can boost the firm's profitability; consequently, the organization's performance will be enhanced (Cho et al., 2019).

On the other side, the firm's production processes must also be environmentally responsible. The organizations' management perspective is switched from cost to profit center to meet environmental protection regulations. On the other hand, many firms are considering adopting the strategy of green innovation to reduce the environmental impact of their operations. Experts have proposed that innovation is essential for gaining a competitive edge in this context. It is also an efficient means of dealing with uncertainty. Organizations must enhance their approach to green innovation because they face various stakeholders' demands (Rui et al., 2021).

Consequently, enterprises must concentrate on the variables that can foster green innovation within the organization. Companies must discover the variables that can aid in the resolution of environmental issues. These must be expressed in a mission statement for the organization with two orientations, namely external environmental orientation, and internal environmental orientation. Internal environmental orientation focuses on the organization's interior characteristics, including internal standards, principles, and initiatives to demonstrate environmental commitment.

To address environmental challenges, organizations must develop "going green" policies. Since the previous two decades, enterprises have focused more on green practices and acquiring green capabilities. To promote green innovations within the firm, crucial business antecedents and drivers must be adopted. It comprises environmental factors of green practices, organizational determinants, technology determinants, government restrictions, supplier capabilities, business owner preferences, and customer concerns. Although many studies have examined the

influence of factors influencing green behaviors, very few have examined the impact of green innovation drivers (Baeshen et al., 2021).

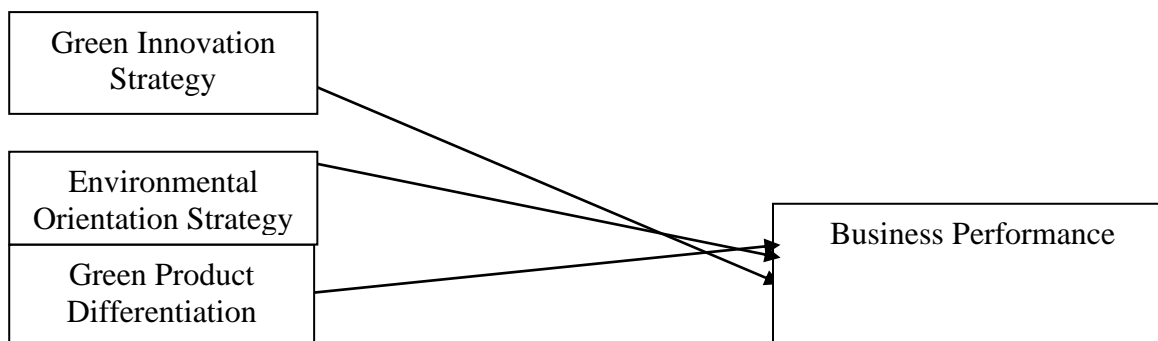
Enterprises will establish additional revenue sources by embracing green practices and innovation methods. If enterprises increase their revenue streams, they can enter new markets and differentiate their products from the competition. These firms will also be able to boost their financial performance and sales (Dangelico et al., 2015). In the age of globalization, these environmental measures are crucial for the survival of organizations. Most businesses are eager to adopt new technologies to dominate their respective industries.

Consequently, corporations have switched from a conventional to a green approach. They have adopted strategies including green competency and green business strategy. By implementing these green business methods, organizations can achieve green innovation within their enterprise (Alraja et al., 2022)

2.2. Green Business Strategy and Business Performance

Independent Variables

Dependent Variable



Source: Researcher Model (2023)

2.3. Green Innovation Strategy

GRIN is a term that refers to technological advancements that are used to manage the environment, prevent pollution, reduce waste, and conserve energy (Chen, 2008; Zhang et al., 2019). GRINs help businesses function better by reducing waste and costs for a sustainable environment (Abbas & Sağsan, 2019). Additionally, GRIN increases market positions, builds brands, spurs innovation, and attracts potential customers (Chandy and Tellis, 2000). GRIN is intrinsically linked to corporate environmental management and environmental goal attainment.

As a result, it is often considered that GRIN results in increased performance (Zailani et al., 2015). Few recent studies have revealed that GRIN is a key factor that directly affects sustainable business performance (Abbas & Sağsan, 2019; Shahzad et al., 2020). Numerous prior studies have demonstrated the effect of GRIN on performance (Gluch et al., 2009; Arfi et al., 2018).

Numerous organizational variables are examined concerning GRIN adoption, including human resource quality, top manager leadership skills, OS, and organizational culture (García-Machado & Martínez-Ávila, 2019; Jun et al., 2019). This study focuses on GAC, OS, and SHC, as these elements consistently have a greater impact on GRIN adoption (Zailani et al., 2015; Aboelmaged & Hashem, 2019).

Green innovation is the integration of the internal intellectual capital of a business with the concept of sustainability. Green innovation is a solution to answer public concerns over global environmental issues (Anik and Sulisty 2021). The concern for the environment forces entrepreneurs to maximize their internal capacity in creating environmentally friendly innovations, including small- and medium-sized industries. Green innovation reduces the

negative environmental impacts caused by their activities (Pacheco et al. 2018) and improves their business financial performance (Novitasari and Tarigan 2022; Przychodzen et al. 2020).

Nevertheless, there are still some research gaps in applying green innovation in the Small and Medium Enterprises (SME) sector, especially in developing countries, such as Indonesia. First, the SME sector generally still focuses on achieving its economic performance (Asadi et al. 2020; Neri et al. 2018), particularly in the short term. This condition causes SMEs to pay less attention to environmental issues. Adhering to economic goals is not enough to achieve permanent sustainability. SMEs need to improve the performance of social and environmental aspects to achieve long-term economic benefits (Neri et al. 2018). The development of green innovation is considered a win-win solution to overcome the conflict between economic development and environmental protection (Anik and Sulisty 2021; Marco-Lajara et al. 2022).

Second, green innovation is a strategic step for SMEs to increase product competitiveness in the global market. Many companies create green innovations to meet strict environmental regulations (Marco-Lajara et al. 2022). Currently, export destination countries, such as those in Europe and America, are increasingly tightening sustainability criteria for products permitted to enter their countries. In addition, SMEs are also asked to provide administrative data related to environmental, social, and corporate governance (Taherdangkoo et al. 2017). Green innovation is the most significant strategy to reduce resource demand and consumption in developing and implementing an effective environmental management system (Asadi et al. 2020). Entrepreneurs are motivated to create environmentally friendly designs and packaging as well as to implement a system focusing on environmental management to reduce waste and pollution (Marco-Lajara et al. 2022; Song and Yu 2018). Therefore, green innovation is SMEs' proactive reaction to strict government regulations (Taherdangkoo et al. 2017).

Green innovation has various designations, such as environmental innovation, eco-innovation, and sustainable innovation, however, even with various designations, there is one main objective: to contribute to the protection of environmental sustainability (Luo & Zhang, 2021; Luo et al., 2023). Green innovation involves new technologies, products, services, and business models, which have a positive impact on the environment ((Adams et al., 2016).

When it comes to small and medium-sized enterprises (SMEs), green innovation should also be a reality as, on a smaller scale, they impact the environment largely unnoticed, both regionally and nationally (Adams et al., 2016). Consequently, due to awareness from customers, appeals from various stakeholders, and pressure from governments, this has eventually increased the responsibility of organizations, especially SMEs, to minimize the impact of industrial activities on the environment (Luo et al., 2008). Environmental legitimacy is an important point in explaining the relationships between institutional environments and green innovation (Mumtaz et al., 2018). Therefore, a firm acquires legitimacy when its environmental practices - operating methods, strategy, and outcomes-meet the objectives of all stakeholders.

In this regard, Arsawan et al. (2021) analyzed the role of environmental strategy and green innovation in SMEs, concluding that environmental strategy has significant effects on this type of green innovation for the achievement of environmental performance. The authors enumerate the benefits of innovation for SMEs, establishing that with "the green innovation strategy, firms can increase productivity and focus on improving products and processes that are environmentally friendly so that they can change existing operating methods and significantly reduce their negative impact on the environment" (Ming-Horng & Chieh-Yu, 2011). Ming-Horng and Chieh-Yu (2011) also emphasize that innovation is the use of new technical and administrative knowledge, which the adoption of green practices can be regarded as an innovation process.

Although the impact of SMEs ends up going unnoticed, this sector of firms is one of the largest producers of industrial pollution, which has led governments and stakeholders to help these types of companies to reduce pollution and maintain economic balance. In addition, SMEs have limited resources for the growing market needs (Castellacci & Lie, 2017; Gupta & Barua, 2018; Liang et al., 2022; Karimi, 2029; Yu et al., 2017 [8–14]. Therefore, SMEs are trying to implement green innovation practices but these may entail some obstacles, which Gupta and Barua (2018) identified as the following: management, organizational, and human resource barriers; technological

and green resource-related barriers; financial and economic barriers; weak external partnership and stakeholder engagement; lack of support from governments for green initiatives; market and customer-related barriers; and insufficient knowledge and information on green practices.

Ming-Horng and Chieh-Yu (2011) contributed significantly to the literature on green innovation in SMEs, and both Etzion (2007), González-Benito and González-Benito (2006) identified the main factors influencing the adoption of green innovation in these types of firms: (1) pressure from stakeholders, (2) environmental regulation, (3) the size of the company, (4) the characteristics of managers, (5) human resources, and (6) the sector of the company.

SMEs are smaller in size as compared to large companies and their impact on the environment ultimately goes unnoticed at both regional and national levels (Adams et al., 2016). Consequently, due to awareness from customers, appeals from various stakeholders, and pressure from governments, this ultimately increases the responsibility of SMEs to minimize the impact of their industrial activities on the environment (Ahmed et al., 2023). Thus, SMEs are trying to implement green innovation practices the implementation of these leads to gaining a competitive advantage over other companies (Chen & Huang, 2009; Arsawan et al., 2021; Mathiyazhagan et al., 2017). SMEs can reduce their costs and expenditures through funds and subsidies, and thus, they are more willing to participate in social, environmental, and green activities. Incentives and subsidies provide for green activities that significantly enhance green innovation and green practices in SMEs (Mathiyazhagan et al., 2017).

In this sense, it is important to note that the adoption of green innovation practices by SMEs may present some obstacles. For example, Wang and Li's research found that the adoption of green innovation in SMEs is greatly influenced by (1) the complexity, compatibility, and relative advantage of green innovation, (2) the quality of human resources, (3) organizational support, (4) government support, (5) consumer pressure, and (6) regulatory pressure. However, environmental uncertainty has no significant effect on the adoption of green innovation (Muangmee et al., 2021; Chen & Huang, 2009).

Environmental challenges have also highlighted the importance of small- and medium-sized enterprises (SMEs). SMEs also play a significant role in creating jobs, manufacturing value-added products, and driving innovations to local economies (OECD, 2017). Hence, SMEs are generally perceived as the backbone of the economy. On the other hand, SMEs often account for more than 60–70% of industrial pollution because these companies are numerous and less focused on environmental protection (Hillary, 2004). According to researchers' recommendations and policymakers, one of the most effective techniques for SMEs to reduce pollution while maintaining competitiveness is "GRIN" (Jun et al., 2019).

In comparison with large enterprises, SMEs are extremely resistant to technological change and more adaptive to market changes, while their organizational structure enables them to make quicker decisions (Pilar et al., 2018). SMEs have lately begun to embrace green innovation (GRIN) initiatives in response to stakeholder pressures (Jun et al., 2019). However, the adoption of GRIN in SMEs is still unknown (Aboelimged and Hashem, 2019). Innovation studies, particularly those focusing on SMEs, have attempted to explain and examine how to foster an atmosphere conducive to innovation and identify the key factors of organizational innovation. Still, the innovation process, the capabilities, and the resources inside a firm that fosters GRIN, as well as the relationship between the two, remain complex. While several organizational capabilities and factors exist, numerous studies have missed important capabilities in their research. A holistic and integrated approach is thus required to transform SMEs in emerging markets (Aboelimged and Hashem, 2019).

2.4. Small and Medium-Sized Enterprises

SMEs belong to the group of businesses that do not fall into the group of large enterprises. The other variants of businesses in this category are small businesses; small and medium firms; and micro, small and medium enterprises (MSMEs). The names vary from one country to the other but are interchangeable in concept. Although scholars universally adjudge this class of businesses as the backbone of the economy, researchers are yet to find a

universal definition for it. Berisha and Pula (2015) cited a study by the International Labor Organization, which identified 50 definitions of small businesses in 75 countries with remarkable ambiguity in the terminology used.

The business strategy sets a pattern of objectives, purposes, and goals for the business. To develop a sustainable strategy, business leaders must have a culture of sustainability in the value chain of the organization. The sustainability culture should begin with a mission statement that balances the financial and social performance and also seeks to achieve high performance in terms of both of these areas (Galpin et al., 2015).

Small businesses are vital to the achievement of sustainable development (SD) through integrating various resources, uniting stakeholders for a common goal, and striving to work efficiently in a competitive environment (Li & Nguyen, 2017). Small business owners and managers can achieve SD through the collaboration of information and innovation to gain competitive advantage, economies of scale, and higher profitability that may enhance their business sustainability. Virakul (2015) examined SD to identify the relationships and implications for business organizations to ensure the integration of community and stakeholder concerns into economic and ecological paradigms. Small business leaders should integrate SD strategy elements into the decision-making process to improve performance and provide long-term benefits to current and future stakeholders (Shields & Spellman, 2015). SME business owners should integrate sustainable development strategy to sustain their businesses

3. THEORETICAL REVIEW

3.1. Institutional Theory

Institutional theory is one theoretical perspective frequently used in studying green innovation (Li et al. 2022). This theory assumes that institutional pressure requires entrepreneurs to adapt organizational development strategies to the requirements of external institutions. It is undeniable that companies have faced many environmental pressures from various stakeholders (Agudo-Valiente et al. 2017; Garcés-Ayerbe et al. 2019). A business will seek to increase its legitimacy with external isomorphic factors, such as obligations, normalization, and imitation (Qi et al. 2021). Pressure from external institutions encourages SMEs to formulate and implement a company's green innovation strategy (Li et al. 2022).

In the SMEs' context, green innovation is a proactive action for SMEs to meet sustainability performance. The dynamic global environment requires SMEs to maximize the potential of human resources to develop green innovation (Anik & Sulisty 2021). Green innovation includes environmentally friendly product design, pollution prevention, waste recycling, energy-saving technology, and environmental management (Galindo-Martín et al. 2020). The "green" label is an incentive to open new market opportunities, consequently intended to increase performance (Li et al. 2022; Marco-Lajara et al. 2022). Thus, green innovation is a win-win solution to balance economic, social, and environmental performance (Anik & Sulisty 2021).

3.2. Empirical Studies

Yaseen et al. (2022) discuss Green marketing practices to enhance business performance by competitive advantage as mediating in SMEs in Malaysia. A quantitative approach was used to obtain data from a survey (questionnaire) consisting of 33 items with a five-point Likert scale. The unit of analysis was small and medium companies in Malaysia. The respondents in this paper were the managers of departments. Smart PLS 3.2.9 was used to analyze the results. The findings of the path analysis of partial least squares (PLS) support variables in their hypothesized direct relationships with business performance. The analysis results suggest that CA partially mediates the relationship between GMP and BP. The paper provides many suggestions that are helpful both for researchers and policymakers to undertake more research in this area as well as to enhance the CA and BP of institutions in the future.

Anyahie et al. (2020) in their study examined the impact of green marketing practices on organizational performance, adopting a descriptive and quantitative design. The study used a structured questionnaire to obtain data from 162 marketing managers and brand ambassadors of different organizations in Rivers State. Statistical

Package for social sciences (SPSS) version 23.0 was utilized for data analysis. Findings from the study revealed that organizations who strategically carry out green marketing practices by producing and making available green products and services enjoyed high probability and sustained business performance in the market than their competitors, as consumers are beginning to be environmentally conscious and sensitive to green products and services, which gives them extra value and satisfaction, organizations are also realizing the need to embrace the green business culture to continue to provide customers and consumers with the desired value. The study recommended among other things that organizations should adopt and see green marketing practices as a business norm and part of their corporate social responsibility.

Rustiarini et al. (2022) carried out research in Indonesia on Does Green Innovation Improve SME Performance? The study aimed to holistically identify the antecedents and consequences when implementing green innovation in SMEs. The study also analyzed the role of green innovation as a mediator in the relationship between intellectual capital, sustainability performance, and financial performance. The survey was conducted on 336 SMEs in Bali, Indonesia. The questionnaire was directly distributed to owners or managers of SMEs over three months. This study proved that intellectual capital positively increased green innovation, SME sustainability, and financial performance. Green innovation was also considered as a mediating variable in the relationship between intellectual capital, sustainability performance, and financial performance. Thus, the implementation of green innovation directs entrepreneurs to fulfill not only social and environmental responsibilities but also encourages SMEs to achieve their economic benefits.

Pinem & Listyorini (2023) conducted research in Indonesia on Green Business Strategy: Optimization of Green Products towards Export Opportunities of SMEs Products. Determining the relationship between green product distinctiveness, environmental orientation (EO), green business strategy (GBS), green product innovation (GPI), and financial performance (FP) was the objective of this study. The survey-based data was acquired from employees of Indonesian SMBs. The study employed a quantitative research methodology. The study's questionnaire was constructed using a 5-point Likert scale. In this study, the usable response rate was 69.88%. The study employed a structural equation modeling (SEM) strategy using PLS to analyze the study's data. A green business strategy, environmental focus, and product differentiation were found to have a positive and statistically significant effect on green innovation. Additionally, green innovation has a good impact on economic success. In addition, the results confirmed the mediating role of green product innovation. These findings will aid policymakers and academics in their future research endeavors.

Bugwandin & Bayat (2022) carried out an article on a sustainable business strategy framework for small and medium enterprises. The objective of the study was to formulate a business strategy to assist SMEs achieve sustainability. A mixed methodology approach was used in this empirical study. A target population of 488 000 SMEs was considered with a sample size of 384 expected respondents. A total of 200 responses (> 52% of the target sample size) were obtained from the questionnaire within a capped period of 30 days. The Social Package for Social Sciences software was used for the quantitative aspect. In particular cross-tabulations, central tendencies, and group difference techniques were used to analyze the data. In addition, the grounded theory was employed on a target of 20 individuals who were interviewed to investigate opinions towards strategy development and sustainability in KZN, and NVivo software was used for the qualitative aspect. The core element of 'Strategy' and the sub-elements of 'Change', 'Purpose', and 'Leadership' were investigated. It was found that 'Change', 'Purpose', and 'Leadership' were the main contributors towards achieving sustainability. Furthermore, a systems thinking model was used successfully to indicate the interdependencies to purport the goal of achieving sustainability. Ultimately it was found that 'Strategy', 'Change', 'Purpose', and 'Leadership' were required to achieve a 'sustainable business strategy'. The study recommended that due cognizance should be taken by leaders, from the perspectives of 'Change', 'Purpose', and 'Leadership', to formulate a strategy that sustains the business.

Rodrigues & Franco (2023) examined a study on Green Innovation in Small and Medium-Sized Enterprises (SMEs): A Qualitative Approach. The study aimed to understand how small and medium-sized enterprises (SMEs) adhere to green innovation activities in the management of their business. To answer the objective, the qualitative approach (case study) was used with recourse to interview three SME owner-managers as data collection. From a

content analysis, the results obtained showed that green innovation is a focus of concern for managers but its operationalization has not proved easy. So two of the SMEs studied here have only implemented measures to recycle the waste produced by their daily activity, although they consider their transition to a green and sustainable business model to be important. The current macroeconomic scenarios reveal the urgent need for SMEs to change their traditional business models to a more sustainable model that involves their managers' commitment to sustainable development objectives, supported by the green and circular economy, which requires reduction, reuse, and recycling that, as has been shown, still falls far short of expectations. This means that all business stakeholders must understand the reason for adopting green innovation.

Abanyam. & Uwameiye (2019) carried out a study that sought to ascertain the green business best practices for enterprise sustainability in South-South Nigeria. The population for the study was 23,985 managers of registered enterprises in the six states of South-South Nigeria. A multistage sampling technique was adopted in this study. Taro Yamane formula was used to determine a sample of 393 respondents; a proportionate sampling technique was used to select managers of business enterprises in the six states of South-South. A structured questionnaire with 61 items, was used for data collection. It was found in this study that the developed green business product, promotion, and distribution best practices would enhance enterprise sustainability. Based on the findings of the study, it was recommended amongst others that business enterprises need to develop systems and structures within their business that satisfy the requirements of green business practices while still achieving strategic business goals.

3.3. Tools and Methodology

The survey research design approach was used for this study's research because it helped the researchers assess the range of opinions on the sampled objects. The survey method was chosen because it is appropriate for responding to research inquiries on quantitative issues. The Statistical Package for Social Sciences (SPSS) version 23.0 was used to do multiple regression analysis on the data collected from the field by administering structured questionnaires to 200 personnel of the SMEs in South-South Nigeria. However, 186 questionnaire sets were returned and correctly completed, totaling 159. As a result, it may be assumed that 97.0% of the questionnaire sets were returned and used in the research. This supports Mugenda and Mugenda's (2003) assertion that a response rate of 50% or more is sufficient for data analysis.

Table 1: Reliability Statistics
Reliability test for all items in Questionnaire

| Variables | Numbers of Items | Alpha (a) value |
|--|------------------|-----------------|
| Green Innovation Strategy (GIS) | 4 | 0.810 |
| Environmental Orientation Strategy (EOS) | 4 | 0.714 |
| Green Product Differentiation (GPD) | 4 | 0.812 |
| Business Performance | 4 | 0.717 |

Source: Output of Pilot Survey Data, 2023

3.4. Data Presentation and Analysis

SME employees in South-South, Nigeria received the questionnaire as mentioned before. Two hundred and two (202), in all, copies of the questionnaire were distributed. One hundred and ninety-six (196), or 97.03%, of those copies were recovered and correctly filled, while six (6.0%) were not, and were returned. This answer met Cooper and Schindler's (2014) criteria, which state that a response rate of 50% is sufficient for analysis and reporting, a rate of 60% is acceptable, and a rate of 70% or more is exceptional. This response was excellent and representative of the population. Consequently, a total of 106 respondents—representing 97.03% of the sample size of 200—will be chosen for the study as the sample.

Table 2: Response from Distributed Questionnaire (Personal Information of Respondents)

| Variables | Frequency | Percentage (%) |
|------------------------|------------|----------------|
| Gender | | |
| Male | 78 | 39.80 |
| Female | 118 | 60.20 |
| | 196 | 100 |
| Marital Status | | |
| Married | 89 | 45.41 |
| Single | 98 | 50 |
| Divorced | 9 | 4.59 |
| | 196 | 100 |
| Age | | |
| 18-25 years | 87 | 44.39 |
| 26-35 years | 66 | 33.67 |
| 36-45years | 31 | 15.82 |
| 45 and Above | 12 | 6.12 |
| | 196 | 100 |
| Work Experience | | |
| 0-5years | 107 | 54.59 |
| 6-10years | 49 | 25 |
| 11-15years | 34 | 17.35 |
| 16 and above | 6 | 3.06 |
| | 196 | 100 |

Field Survey, 2023.

It is clear from Table 2, which details the demographics of selected SMEs employee that this table aimed to identify the respondents' gender. It was determined that 39.80% of respondents were women and 60.78% of respondents were men. Despite there being more male replies than females, this demonstrated that respondents were equally spread throughout the gender spectrum. Additionally, of the 196 respondents, 89 are married (45.41%); 98 are single (50%); and 9 are divorced (4.59%). Age distribution revealed that 87 (44.39%) were between the ages of 18 and 25, 66 (33.67%) were between the ages of 26 and 35, 31 (15.82%) were between the ages of 36 and 45, and the remaining 12 (6.12%) were 45 years of age or older. The respondents' work experience also showed that 107 (54.59%) had experience in the 0–5 year range, 49 (25%) had experience in the 6–10 year range, 34 (17.35%) had experience in the 11–15 year range, and 6 (3.16%) had experience in the 16 year and above range.

3.5. Analysis of Research Questions

This phase examined each research question, examined respondents' replies, and gathered the study's results for proper analysis. The use of descriptive statistics was employed in this. The measures of green; Green Innovation Strategy, Environmental Orientation Strategy, Green Product Differentiation, and Green Product Distinctiveness, and the dependent variable, business performance for this study, are presented below. Descriptive statistics were used to properly and thoroughly describe the independent variables.

| | N | Minimum | Maximum | Mean | Std. Deviation |
|------------------------------------|-----|---------|---------|-------|----------------|
| Green Innovation Strategy | 196 | 12 | 20 | 16.89 | 1.941 |
| Environmental Orientation Strategy | 196 | 12 | 20 | 16.05 | 2.156 |
| Green Product Differentiation | 196 | 12 | 20 | 16.28 | 1.858 |
| Business Performance | 196 | 11 | 20 | 16.12 | 2.016 |
| Valid N (listwise) | 196 | | | | |

Source: SPSS Output, 2023.

The descriptive statistics, which include the minimum, maximum, mean, and standard deviation values of the various variables employed in this study, are displayed in Table 3 above. Green Innovation Strategy, Environmental

Orientation Strategy, Green Product Differentiation, Green Product Distinctiveness, and Business Performance of the SMEs in South-South, Nigeria, were described separately as the independent variables used in the study that serve as measures of Green Business strategy. The Green Innovation Strategy descriptive data showed a mean of 16.89, a standard deviation of 1.941, and a difference between the highest and minimum values of 8. Given that the mean value is higher than the standard deviation value, it follows that there is a significant variety in employee remuneration. Similar to the dependent variable, Environmental Orientation Strategy has a minimum value of 12 and a maximum value of 20, which results in a mean and standard deviation of 16.05 and 2.156, respectively, in the descriptive statistics. Since the mean value of 16.18 is higher than the standard deviation of 2.162, it is implied that recruiting and selection are key activities that affect how well hospitals function. Additionally, the descriptive data for Green Product Differentiation revealed a mean of 16.28, a standard deviation of 1.858, and a difference of 8. Since the mean value of 16.28 is higher than the standard deviation of 1.858, it is implied that Green Product Differentiation is one of the key predictors that directs the efficient performance of hospitals. This is also represented in the variety of hospital performances. Additionally, the descriptive statistics for firm survival showed a mean of 16.12, a standard deviation of 2.016, and a difference of 9.0 between the highest and minimum values. Given that the mean value is higher than the standard deviation, this suggests that there is a significant amount of variance in business performance.

3.6. Multiple Regression Analysis of Measures of Green Business Strategy and Business Performance

Table 4: Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | T | Sig. |
|-------|------------|-----------------------------|------------|---------------------------|-------|------|
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | .028 | .013 | | 2.154 | .025 |
| | GIS | .008 | .003 | .006 | 2.667 | .004 |
| | EOS | .034 | .016 | .031 | 2.125 | .019 |
| | GPD | .012 | .006 | .011 | 2.000 | .044 |

a. Dependent Variable: BP

Table 5: Model Summary^b

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate | Durbin-Watson |
|-------|-------------------|----------|-------------------|----------------------------|---------------|
| 1 | .981 ^a | .962 | .961 | .398 | 1.938 |

a. Predictors: (Constant), Green Innovation Strategy, Environmental Orientation Strategy, and Green Product Differentiation

b. Dependent Variable: BP

Table 6: ANOVA^a

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|----------|-------------------|
| 1 | Regression | 768.784 | 4 | 192.196 | 1212.444 | .000 ^b |
| | Residual | 30.277 | 191 | .159 | | |
| | Total | 799.061 | 195 | | | |

a. Dependent Variable: BP

b. Predictors: (Constant), GIS, EOS, GPD

Source: SPSS Output, 2023.

4. DISCUSSION OF FINDINGS

The outcomes of the multiple regression analysis showed how the SMEs in South-South, Nigeria, benefited from green business strategy in terms of business performance. Employee remuneration, recruitment and selection, and employee training and development are the three factors used to quantify green business strategy. These three factors have a statistically significant beneficial impact on the business performance of SMEs in South-South, Nigeria. With a regression coefficient of ($\beta=0.006$) and a P-value of ($P=0.004,0.05$), the result supported the H1 test result, which showed that employee remuneration did have a substantial impact on business performance. Because the determined p-value of 0.004 is less than 0.05(5%), it is significant. Furthermore, it indicates that the degree of confidence (confidence interval) is 99.6% higher than the required threshold of 95%. Since there is a substantial relationship between green innovation strategy and Business performance, we accept the alternative hypothesis and reject the null hypothesis (H_0).

The results also supported the H2 test result, which showed that environmental orientation strategy does have a substantial impact on business performance ($\beta=0.031$; $P=0.019<0.05$). Because it is less than 0.05(5%), the estimated p-value of 0.019 is significant. Additionally, it indicates that the degree of confidence (confidence interval) exceeds the required threshold of 95% by 98.1%. Consequently, we reject the null hypothesis and embrace the alternative one.

Additionally, the results confirmed the H3 test finding that Green Product Differentiation does have a substantial impact on business performance ($\beta=0.011$; $P=0.044<0.05$). The computed p-value of 0.044, which is less than 0.05 (5%), is noteworthy. As a result, the research rejected the null hypothesis and supported the alternative hypothesis.

4.1. Summary of Findings

About the indicators of Green Business Strategy (Green Innovation Strategy, Environmental Orientation Strategy, and Green Product Differentiation), this study assessed the effects of HRP on business performance at the SMEs in South-South Nigeria. This study gives comprehensive information about previous research in the field. The study's variables might be understood thanks to the conceptual framework. Green business strategy concepts and their numerous components— Green Innovation Strategy, Environmental Orientation Strategy, and Green Product Differentiation —were covered in great detail. The study also offered insight into how SMEs tend to survive as well as numerous cues that can boost business success across a range of industries. As a result, the study further connected the performance of organizations from various economies and the dimensions of green business strategy. To have a better understanding, empirical reviews of the works of many writers were done.

Conclusion

Green innovation is the integration of the internal intellectual capital of a business with the concept of sustainability. Green innovation is a solution to answer public concerns over global environmental issues. Therefore, for organizations to become more productive and remain in business, especially in this era of increased global competitiveness and growing complexity of the work environment, when they tend to imbibe the proactiveness of green business strategy. Emphasis should be on skill gaps and not on sentiment when selecting employees for training.

Recommendations

1. The implementation of green innovation directs entrepreneurs to fulfill not only social and environmental responsibilities but also encourages SMEs to achieve their economic benefits.
2. Business enterprises need to develop systems and structures within their business that satisfy the requirements of green business practices while still achieving strategic business goals.
3. It is also recommended that the government, as a major player in the Nigerian SMEs, should lead the campaign to change the support in form empowerment for SMEs to grow and remain competitive.

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