# STRATEGIC INTEGRATION OF GREEN HUMAN CAPITAL DEVELOPMENT: A FRAMEWORK FOR ENHANCING SUSTAINABLE EMPLOYEE INNOVATIVENESS IN GLOBAL FOOD RETAIL SUPPLY CHAINS

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***Abstract***
*This study examines the relationship between strategic integration of green human capital development (GHCD) and employee innovativeness in the context of global food retail supply chains with selected Spar retail outlets in Lagos State as a case study. The research focuses on the roles of green performance management and appraisal and green compensation and rewards in fostering employee innovativeness. A quantitative research design was adopted, utilizing a survey method with a structured questionnaire. The study's population consisted of 122 employees of selected Spar retail outlets. Using the Taro Yamane (2004) sample size model, a sample size of 93 was determined. Data was collected via convenience sampling technique. The result of the hypothesis one shows t-value is 5.279, and the p-value (Sig.) is 0.000, which is highly significant (p < 0.05). The unstandardized coefficient of hypothesis two which is 0.687 with a standard error of 0.089, and a t-value of 7.680 with the corresponding p-value is 0.000, which is less than 0.05. This indicates that the relationship of the two hypotheses tested are statistically significant. The study concludes that green human capital development proxy with green performance management and appraisal and green compensation and rewards has significant relationship with employees' innovativeness. The findings provide practical recommendations for retail outlets to formally integrate green performance indicators into the standard performance management and appraisal systems for all employees by ensuring that objectives related to energy conservation, waste reduction, recycling initiatives, and resource efficiency are clearly defined, measurable, and weighted in the appraisal process.*

***Key words:*** *Employee Innovativeness, Green Compensation and Rewards, Green Human Capital, Green Human Resource Management, Green Performance Management and Appraisal*

## Introduction

As a result of the global imperative to achieve sustainability, organizations are confronted with the need to integrate environmental dimensions into their management strategies and practices (Lai & Stacchezzini, 2021; Shahzad et al., 2020). The concept

of green human capital, emphasizing the importance of sustainable human resources, becomes increasingly relevant in this context. Human resources that are not only skilled and competent but also environmentally conscious can be a primary force in shaping organizational sustainability (Dumont et al., 2017; Ren et al., 2018). Employee environmental awareness plays a crucial role in guiding organizations toward sustainable practices (Faraz et al., 2021). This awareness establishes the foundation for both individual and collective behavioral changes, which, in turn, can shape an organizational culture supportive of sustainability (Atichasari et al., 2023; Cheng & Yin, 2022; Kahpi et al., 2024; Rahmania et al., 2024). Furthermore, sustainable innovation serves as a catalyst for positive transformation, enabling organizations to develop environmentally friendly solutions while enhancing their competitiveness (Awan et al., 2019; Costa & Matias, 2020; Lăzăroiu et al., 2020). Additionally, the global economy is also facing unprecedented pressure to transition towards sustainability, driven by climate change, resource scarcity, and increasingly stringent regulations (He et al., 2023). Within this context, the food retail sector and its extensive supply chains stand out as major contributors to ecological footprints, grappling with immense challenges related to energy consumption, packaging waste, and colossal food losses (Belavina et al., 2015).

Consequently, achieving sustainable competitive advantage and mitigating environmental risk in this critical sector is contingent upon a strategic shift towards ecological responsibility (Khan et al., 2021). However, central to this green transformation is the realization that technical or process-based changes alone are insufficient; sustained environmental performance is fundamentally a human endeavor (Renwick et al., 2013). This places the focus squarely on Green Human Resource Management (GHRM), defined as the deliberate integration of environmental objectives into HR practices to cultivate a workforce that is skilled, motivated, and environmentally conscious (Ahmad, 2016). More specifically, this requires the development of Green Human Capital (GHC), the collective knowledge, skills, abilities, and values employees possess that are relevant to environmental sustainability (Jabbour et al, 2022). The strategic development of this GHC is now considered a vital intangible asset for organizational resilience (Malik et al., 2020).

The ultimate measure of effective GHC development is sustainable employee innovativeness, the generation, promotion, and realization of novel ideas, processes, and products that simultaneously enhance economic returns and reduce ecological footprints across the supply chain (Wang & ZafirKhan, 2024; Lawal & Olawoyin, 2021). Foreign and local research confirms that GHRM practices, such as green training and green compensation, positively influence firm-level green innovation and employee green behavior, a relationship often strengthened by factors like strong

leadership and an innovative organizational culture (He et al., 2023; Lawal & Olawoyin, 2021; Samola, 2022). Furthermore, studies are increasingly highlighting the importance of integrating GHC not just within the firm, but across the entire supply chain (GSCM), with internal and external green integration proving to be a key driver of green innovation performance (Zhang et al., 2024; Úbeda-García et al., 2022). Despite the recognized significance of GHC and employee innovativeness for a sustainable food supply chain, a substantial research gap exists regarding the strategic integration framework that successfully translates GHC development efforts into measurable, sustainable innovativeness, particularly when considering the complexities of global food retail supply chains that span various regulatory and economic environments. Specifically, in emerging markets like Nigeria, food retail outlets contend with unique infrastructural, political, and economic vulnerabilities that intensify the need for internal innovation to manage food waste and operational strains (Lawal & Olawoyin, 2021). Therefore, this study aims to conceptually and empirically establish a framework for the strategic integration of Green Human Capital Development practices, such as green training, compensation, and involvement to enhance sustainable employee innovativeness across diverse food retail supply chain contexts. This research is grounded in the Natural Resource-Based View (NRBV) and the Social Exchange (SET) theories, seeking to provide a robust model for practitioners and policymakers aiming to leverage human capital as a core source of green competitive advantage.

**Statement of Problem**

The global food retail sector faces escalating pressure from regulatory bodies, consumers, and stakeholders to mitigate its significant environmental footprint across complex, international supply chains, particularly regarding food waste, carbon emissions, and resource depletion (Kumar et al., 2020; Shen et al., 2020). Addressing these challenges necessitates a shift from traditional supply chain management to Green Supply Chain Management (GSCM), where environmental considerations are integrated into all processes, from sourcing to consumption (Adomako, 2020). Despite the consensus on the importance of GSCM, a critical gap exists in the strategic integration of the "human element" specifically, Green Human Capital Development (GHCD) as a primary driver for achieving deep, continuous sustainability improvements. Research confirms that Green Human Resource Management (GHRM) practices positively influence an organization's environmental and social performance (Al-Swidi et al., 2021; Longoni et al., 2018). However, the literature reveals several unresolved issues, especially within the food retail context such as inadequate strategic frameworks for integration**,** while the positive correlation between GHRM and GSCM is acknowledged, there is a lack of a clear, comprehensive strategic framework that explicitly guides global food retail supply chains on how to effectively and consistently develop and leverage Green Human Capital to drive environmental performance across

all cross-border stages from agricultural suppliers to final retail outlets (Longoni et al., 2018; Renwick et al., 2013). This omission results in fragmented, inconsistent, and often short-term 'green' initiatives (Hong et al., 2019).

More so, the implementation of green practices in global food retail supply chains is fraught with significant economic, organizational, and technical barriers, including high initial investment costs, lack of financial incentives, technological limitations, regulatory fragmentation across regions, and internal resistance to change (Kasim & Ismail, 2012; Majumdar & Sinha, 2017). The specific challenges of developing and deploying the necessary green competencies, skills, and values, that is, Green Human Capital across a geographically dispersed and culturally diverse workforce in this sector remain largely underexplored. In addition, employee innovativeness is critical for developing the novel eco-initiatives such as waste reduction processes, green logistics, sustainable packaging required for long-term sustainability (Jeronimo et al., 2020; Siyambalapitiya et al., 2018). While Green HRM has been linked to green innovation and pro-environmental employee behavior (Chaudhary, 2020; Tang et al., 2018), the specific mechanisms through which the strategic integration of GHCD practices such as green training, green compensation, and green performance management directly and most effectively translates into sustained employee innovativeness within the highly complex, cost-sensitive, and regulated environment of global food retail supply chains requires empirical clarification.

## Objectives

This study aims to address these critical gaps by developing and empirically testing a strategic framework for the integration of Green Human Capital Development (GHCD), focusing on its tangible contribution to enhancing sustainable employee innovativeness across the various nodes of the global food retail supply chain, thereby contributing to the achievement of Sustainable Development Goals (SDG 12: Responsible Consumption and Production).

## Literature Review

### Green Human Capital Development

Current literature repeatedly highlights the imperative of green human capital and sustainable innovation in the setting of organizational sustainability (Awwad Al-Shammari et al., 2022; Singh et al., 2020; Zhang et al., 2022). Nevertheless, an all-inclusive thoughtful of how employee environmental consciousness relates with green human capital and how sustainable innovation arbitrates this relationship remains incomplete. Organisational workers with high environmental responsiveness are more probable to accept and endorse environmentally friendly practices in their work, thereby widening the horizon of green human capital within the organization (Pratiwi

et al., 2025). Employee Environmental Awareness (EEA) serves as an underpinning for the development of capabilities and skills that support sustain invention, as people who are cognizant of environmental matters are more likely to contribute innovative ideas that support organizational sustainability. Consequently, connecting EEA with green human capital and sustainable innovation not only offers a thorough understanding of how these factors interrelate, but also reveals their influence on general organizational performance.

The concept of Green Human Capital Development (GHCD) is a pivotal and evolving area within strategic human resource management, deeply intertwined with an organization's pursuit of environmental sustainability and long-term competitive advantage. It fundamentally refers to the process of enhancing the knowledge, skills, abilities, and values of the workforce to enable and drive pro-environmental and sustainable practices within the organization and the wider economy. GHCD is increasingly recognized as a vital mechanism for organizations to foster a culture of ecological stewardship and build resilience against environmental challenges, such as climate change (Shahzad et al., 2025). Furthermore, Green Human Capital (GHC) is often viewed as a strategic and hard-to-imitate intangible resource, which, when developed, contributes directly to superior environmental and organizational performance (Hunjra et al., 2023).

Green Human Capital Development is the holistic process of creating a workforce that is competent and motivated to contribute to organizational and societal sustainability goals. This involves knowledge acquisition whereby the employees gain a deeper understanding of environmental issues, regulations, and sustainable business models. More so, in terms of skill enhancement, developing "green skills" such as eco-design, waste management, energy efficiency, and the ability to implement green technology also has to do with GHC (Wang et al., 2024). This development is typically executed through various Green Human Resource Management (GHRM) practices, which include green recruitment, green training and development, green performance management, and green compensation (Renwick et al., 2016).

**Dimensions of Green Human Capital Management (GHCM)**

**Green Performance Management and Appraisal (GPMA)**

The concept of Green Performance Management and Appraisal (GPMA) is a critical and strategic component of Green Human Resource Management (GHRM) that involves systematically measuring, evaluating, and rewarding employee contributions towards an organization's environmental sustainability goals. It serves as the primary mechanism for translating abstract corporate environmental visions into tangible, accountable, and reinforced employee behavior. Green Performance Management (GPM) is the strategic process of creating an abstract vision of a green workplace,

setting measurable environmental key performance indicators (eKPAs) for employee performance, and establishing monitoring mechanisms to ensure employees implement and manage these green goals in their daily activities (Milliman and Clair, 2017; Nisar et al., 2021). Green Performance Appraisal can be defined as the extent to which certain employees engage in behavior (actions and activities) and produce results with respect to greening over a certain period of time (Anton, 2016). While Pavitra (2017) states that the Green Performance Appraisal is an assessment of employee performance on how well they are making progress towards a green environment, the dimensions of the green performance appraisal consist of strategic focus, measurability, and completeness.

**Green Compensation and Rewards**

Green Compensation and Rewards is a financial and non-financial reward system that aims to attract, retain and motivate employees to contribute to green environmental goals (Bagaskara et al., 2024). The dimensions of green compensation and rewards are: bonuses on competence; behavioral and technical; recognition for green environmental performance and incentives for acceptance of green environmental behavior. Ahmad (2016) conceptualized green compensation and reward as the process where a firm should praise and appreciate the efforts of employees in gaining sustainable advantage and give them incentives and rewards, in the way organization will achieve sustainable advantage and employees will also be motivated. Organisations set reward systems to recognize their employees' performances and to motivate them to keep high standards of productivity or service. Rewards can be monetary, non-monetary and psychological.

From the context of employees' motivation, GHRM models place green rewards and compensation as the motivational aspect of GHRM practices such as green recruitment and green training. This concept is the mechanism that translates environmental policies into actionable, rewarded behaviors (Ahmad, 2016; Renwick et al., 2013). From broader scope, the green rewards and compensation practice goes beyond mere cash bonuses to include non-cash rewards and benefits associated with environmental activities, such as free public transport, rebates on energy-efficient goods, or recognition programs for environmental leadership (Beck-Krala & Klimkiewicz, 2018).

**Employee Innovativeness**

The concept of employee innovativeness often used interchangeably with Innovative Work Behavior (IWB) is a cornerstone of modern organizational success, recognized globally as the primary driver of competitive advantage in turbulent markets (Lin et al., 2023). Employee Innovativeness is perceived as a multi-stage process involving a set of distinct, intentional behaviors by an employee to generate, promote, and realize novel and useful ideas within a work role, group, or organization (Scott & Bruce, 1994; De

Jong & Den Hartog, 2008). Employee innovativeness refers to the engagement of employees in innovative work behaviors that involve generating, promoting, and realizing new ideas (Janssen, 2000) to improve products, services, or processes within an organization (De Jong & Den Hartog, 2008). It is broader than just creativity; it encompasses the entire innovation process starting from problem recognition, idea generation, mobilization of support, to the implementation of ideas (Anderson et al., 2014).

Contemporary research indicates that employee innovativeness is vital for continuous innovation, organizational success, and competitive advantage (Wang & Chen, 2022). It involves a deliberate engagement where employees identify opportunities for improvement and explore new solutions, often relying on their technical and operational knowledge (De Jong & Den Hartog, 2008). The innovative potential of an organization largely depends on the knowledge, skills, and abilities of its employees. Moreover, fostering a culture that supports employee innovativeness includes empowering employees, providing resources, and creating forums for idea exchange and collaboration. However, topical studies have also connected employee well-being with innovativeness, proposing that supportive workplace environments that promote employee wellness and engagement lead to higher levels of innovative behavior (Elsamani et al., 2023). Additionally, innovativeness research spans multiple levels: individual, organizational, and market, emphasizing the complexity and context-specific nature of employee innovation (Wang & Chen, 2022).

## Theoretical Review

### The Natural Resource-Based View (NRBV)

The Natural Resource-Based View (NRBV) is a critical theoretical lens for the strategic integration of Green Human Capital Development (GHCD) because it explains how a firm can achieve a Sustainable Competitive Advantage (SCA) by developing unique, environment-related resources and capabilities. The NRBV, an extension of the traditional Resource-Based View (RBV) developed by Hart (1995), argues that a firm's long-term competitive advantage stems from its relationship with the natural environment. NRBV highlights three unified strategic capabilities as asserted by Khan and Ansari (2024). This comprises pollution prevention designed to purposely minimize waste, emissions, and resource consumption through continuous improvement and operational efficiency; product stewardship to effectively manage the environmental impact of products throughout their entire lifecycle, from raw material sourcing (supply chain) to disposal; and finally sustainable development to create long-term value by integrating economic, environmental, and social concerns, often through visionary eco-strategies and stakeholder management.

Pham and Le (2024) opined that in the context of the global food retail supply chain, Green Human Capital (GHC) with the collective knowledge, skills, abilities, and commitment of employees relates to environmental sustainability which is the VRIN resource that operationalizes the NRBV strategies. According to NRBV, only resources that are Valuable, Rare, Inimitable, and Non-substitutable (VRIN) can generate sustained competitive advantage **(**Bashtannyk et al., 2025).

**Social Exchange Theory (SET)**

Social Exchange Theory (SET) provides a powerful and fundamental framework for explaining the strategic integration of Green Human Capital Development (GHCD) and its ultimate impact on enhancing sustainable employee innovativeness across global food retail supply chains. Social exchange theory posits that social behavior is the result of an exchange process where individuals aim to maximize benefits and minimize costs (Blau, 1964). In the workplace, SET is applied to the employee-employer relationship, suggesting that when an organization invests in employees, the employees feel a reciprocal obligation to repay that investment with positive attitudes and discretionary behaviors that benefit the organization. The key mechanism is the 'norm of reciprocity', which states that people should help those who have helped them and should not injure those who have helped them (Gouldner, 1960).

In the context of food retailer supply chain industry, employees reciprocate this investment by engaging in discretionary, high-cost behaviors that are not strictly mandated by their contract. This reciprocation manifests as employees actively generate, promote, and implement new, eco-friendly ideas, processes, or products (Paillé et al., 2022). This is a high-cost behavior as it requires extra time, effort, and risk-taking. In addition to this, employees voluntarily engage in pro-environmental actions such as turning off lights, promoting recycling, educating colleagues and other voluntary engagement that go "above and beyond" their formal role (Aboramadan, 2022). Furthermore, in the context of global food retail supply chain, organization's investment in GHCD such as training a supply chain manager in sustainable logistics is repaid when the manager develops a green Innovation such as a new low-emissions delivery route or a zero-waste packaging system. The reciprocity of the manager's Green Innovative Work Behavior (GIWB) directly enhances the firm's environmental performance and sustainable competitiveness in the supply chain (Nisar et al., 2021).

**Methodology**

This study espouses quantitative technique to evaluate the consequence of strategic integration of green human capital development on sustainable employee innovativeness in selected Spar retail outlets in in Victoria Island, Surulere, Ikoyi, Tejuosho, ilupeju and Opebi in Lagos state. Cross-sectional survey method was

considered through a self-administered questionnaire in order to determine the views and disposition of target respondents about the effect of strategic integration of green human capital development on sustainable employee innovativeness. The 93 questionnaires derived from the population of 122 employees of selected Spar retail outlets in Lagos state through Taro Yamane sample size determination model were used for analysis. Convenience sampling technique was also adopted while Standard multiple regression was also used for the analysis.

To determine the validity of the instrument, content validity was adopted. The instruments were authenticated by the researcher's superior researcher who have more wealth of knowledge on the subject matter. It ensured that the instruments represent the entire range of possible items to be tested in the study. The reliability of the research instrument was also tested using Cronbach's Alpha under the internal consistency method. The test-retest method was used to assess the internal consistency of the questionnaire. The reliability for each of these variables was also determined using Cronbach's alpha coefficient, with the least value for each variable starting from 0.7 and above.

## Data Analysis and Discussion of Findings

### Test of Hypotheses

### Hypothesis 1

$H_o$: there is no significant relationship between green performance management and appraisal and employees' innovativeness in selected Spar retail outlets in Lagos state.

Table 1: Model summary of Green Performance Management and Appraisal and Employees' Innovativeness in selected Spar retail outlets in Lagos state.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 1 | .484[a] | .234 | .226 | 1.04406 |

a. Predictors: (Constant), Green Performance Management and Appraisal

Table 1 presents the model summary of the relationship between green performance management and appraisal and employees' innovativeness in selected Spar retail outlets in Lagos state. The R-value of 0.484 indicates a moderate positive correlation between green performance management and appraisal and employees' innovativeness. The R Square (0.234) suggests that approximately 23.4% of the variance in employees' innovativeness can be explained by green performance management and appraisal. The Adjusted R Square (0.226) accounts for the number of predictors in the model, confirming that the explanatory power remains stable even when adjusted for model

complexity. The standard error of the estimate (1.04406) indicates the average distance that the observed values fall from the regression line. Although the null hypothesis states that there is no significant relationship between green performance management and appraisal and employees' innovativeness, the moderate R-value and R Square imply that green performance management and appraisal contributes meaningfully to predicting employees' innovativeness. To confirm significance, the ANOVA table and p-values would be examined, but the current summary suggests a potentially significant relationship, leading to a possible rejection of the null hypothesis, depending on the outcome of the significance test.

Table 2: ANOVA[a] of Green Performance Management and Appraisal and Employees' Innovativeness

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 1 | Regression | 30.373 | 1 | 30.373 | 27.864 | .000[b] |
| | Residual | 99.196 | 91 | 1.090 | | |
| | Total | 129.570 | 92 | | | |

a. Dependent Variable: Employees' Innovativeness

b. Predictors: (Constant), Green Performance Management and Appraisal

Table 2 presents the ANOVA result for the regression model assessing the relationship between green performance management and appraisal and employees' innovativeness of selected Spar retail outlets in Lagos state. The F-statistic is 27.864 with a p-value (Sig.) of .000, which is less than 0.05. This indicates that the model is statistically significant, meaning that green performance management and appraisal has a significant effect on employees' innovativeness. Given this result, we reject the null hypothesis which states that there is no significant relationship between green performance management and appraisal and employees' innovativeness. The findings support the conclusion that green performance management and appraisal contribute significantly to explaining variations in the employees' innovativeness in selected Spar retail outlets in Lagos state.

Table 3: Coefficients[a] of Green Performance Management and Appraisal and Employees' Innovativeness in selected Spar retail outlets in Lagos state

| Model | | Unstandardized Coefficients B | Std. Error | Standardized Coefficients Beta | T | Sig. |
|---|---|---|---|---|---|---|
| 1 | (Constant) | 2.498 | .370 | | 6.752 | .000 |
| | Green performance management | .453 | .086 | .484 | 5.279 | .000 |

a. Dependent Variable: Employees' Innovativeness

Table 3 presents the coefficients of the regression model evaluating the effect of green performance management and appraisal on the employees' innovativeness of selected Spar retail outlets in Lagos state. The unstandardized coefficient (B) for green performance management and appraisal is 0.453 with a standard error of 0.086, indicating that for every one-unit increase in green performance management and appraisal, employees' innovativeness increases by 0.453 units, holding other factors constant. The t-value is 5.279, and the p-value (Sig.) is 0.000, which is highly significant ($p < 0.05$). This result confirms that green performance management and appraisal is a significant predictor of employees' innovativeness. The standardized beta coefficient of 0.484 also indicates a moderate positive effect. Therefore, the null hypothesis is rejected, and it can be concluded that green performance management and appraisal has a statistically significant and positive impact on the employees' innovativeness of selected Spar retail outlets in Lagos state.

**Hypothesis 2**

$H_o$: there is no significant relationship between green compensation and rewards and employees' innovativeness of selected retail outlets in selected Spar retail outlets in Lagos state.

Table 4: Model summary of Green Compensation and Rewards and Employees' Innovativeness of selected retail outlets in selected Spar retail outlets in Lagos state.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|---|---|---|---|---|
| 2 | .627[a] | .393 | .387 | .92228 |

a. Predictors: (Constant), Green Compensation and Rewards

Table 4 presents the model summary of the regression analysis examining the relationship between green compensation and rewards and employees' innovativeness of selected retail outlets in selected Spar retail outlets in Lagos state. The R value is 0.627, indicating a moderately strong positive correlation between the two variables. The R Square value is 0.393, meaning that approximately 39.3% of the variation in green compensation and rewards can be explained by green compensation and rewards. The adjusted R Square of 0.387 confirms the stability of the model when adjusted for the number of predictors. The standard error of the estimate is 0.92228, showing the average deviation of the predicted values from the actual values. These findings suggest that green compensation and rewards account for a significant proportion of the variance in employees' innovativeness.

Table 5: ANOVA[a] result of Green Compensation and Rewards on Employees' Innovativeness

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| 2 | Regression | 50.165 | 1 | 50.165 | 58.976 | .000[b] |
| | Residual | 77.405 | 91 | .851 | | |
| | Total | 127.570 | 92 | | | |

a. Dependent Variable: Employees' Innovativeness

b. Predictors: (Constant), Green Compensation and Rewards

Table 5 presents the ANOVA result testing the effect of green compensation and rewards on the employees' innovativeness of the selected Spar retail outlets in Lagos state. The F-value is 58.976 with a p-value (Sig.) of 0.000, which is less than 0.05. This indicates that the model is statistically significant, and that green compensation and rewards significantly predict employees' innovativeness.

Table 6: Coefficients[a] result of Green Compensation and Rewards on Employees' Innovativeness

| | | Unstandardized Coefficients | | Standardized Coefficients | | |
|---|---|---|---|---|---|---|
| Model | | B | Std. Error | Beta | T | Sig. |
| 2 | (Constant) | 1.396 | .398 | | 3.506 | .001 |
| | Green compensation and rewards | .687 | .089 | .627 | 7.680 | .000 |

a. Dependent Variable: Employees' Innovativeness

Table 6 presents the coefficients result for the regression analysis between green compensation and rewards and employees' innovativeness of selected Spar retail outlets in Lagos State. The unstandardized coefficient (B) is 0.687 with a standard error of 0.089, and a t-value of 7.680. The corresponding p-value is 0.000, which is less than 0.05, indicating that the relationship is statistically significant. This result implies that for every one-unit increase in green compensation and rewards, there is an associated 0.687 unit increase in employees' innovativeness, assuming other variables are held constant. The standardized coefficient (Beta) of 0.627 also indicates a strong positive effect, further supporting the conclusion that green compensation and rewards significantly enhance employees' innovativeness. Given the significance level, we reject the null hypothesis and conclude that there is a significant relationship between green compensation and rewards and the employees' innovativeness of selected Spar

retail outlets in Lagos state.

**Conclusion and Recommendations**

Based on the results, the conclusion for the study shows that green performance management and appraisal has a statistically significant and positive impact on the employees' innovativeness of selected Spar retail outlets in Lagos state. Succinctly put, the study concludes that implementing green performance management and appraisal practices effectively enhances the innovativeness of employees in the selected Spar retail outlets. Furthermore, as regards the results of hypothesis two, the conclusion for the study is green compensation and rewards have a statistically significant and positive impact on the employees' innovativeness of selected Spar retail outlets in Lagos state. In essence, the study concludes that rewarding employees for environmentally friendly practices is a highly effective strategy for significantly boosting their innovativeness within the retail setting.

Based on the findings and conclusion, the study recommends that

1. Spar retail outlets should formally integrate green performance indicators into the standard performance management and appraisal systems for all employees by ensuring that objectives related to energy conservation, waste reduction, recycling initiatives, and resource efficiency are clearly defined, measurable, and weighted in the appraisal process.
2. The management should invest in training programs designed to equip employees with the knowledge and skills necessary to identify and pursue green innovation opportunities.
3. Management of Spar retail outlets should implement a direct and transparent financial incentive such as bonuses, profit-sharing, or commission structures based on measurable outcomes from employee-generated green innovations, such as verifiable reductions in electricity consumption, water use, or waste disposal costs structure tied to specific green achievements and innovative ideas.
4. Beyond financial compensation, management of Spar retail business should also utilize non-monetary rewards to celebrate and reinforce a culture of green innovativeness. These may include Green Innovation Champion awards, extra vacation days, preferential parking, or career advancement opportunities such as promotions and leadership roles in sustainability projects for top contributors.

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