



Green leadership techniques and sustainable business practices in selected deposit money banks in South-South Nigeria

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Abstract

This study examined the effect of green leadership techniques on sustainable business practices in selected deposit money banks in South-South Nigeria, with specific focus on three leadership proxies: green vision goal setting, green ethical decision-making, and employee engagement in green initiatives. The study adopted a descriptive survey research design. The population comprised 4,388 staff drawn from twelve deposit money banks operating in Bayelsa, Delta, and Edo States. Using Taro Yamane's formula, a sample of 367 respondents was determined through a multi-stage sampling technique, and data were obtained through a structured, five-point Likert-scale questionnaire that yielded an aggregate Cronbach's alpha of 0.784. A total of 318 properly completed copies of the questionnaire were retrieved and analysed using multiple regression analysis with the aid of SPSS version 25.0. Findings revealed that green vision goal setting had a significant positive effect on sustainable business practices ($\beta = 0.143$, $p = 0.041$) and that employee engagement in green initiatives similarly exerted a significant positive effect ($\beta = 0.157$, $p = 0.024$), while green ethical decision-making did not significantly influence sustainable business practices ($\beta = -0.031$, $p = 0.603$). The study concludes that articulating a clear green vision and actively engaging employees in sustainability programmes are more decisive levers of sustainable practice than the mere existence of ethical intent. It is recommended that bank management embed measurable green goals into strategic plans, deepen employee participation through training and incentives, and translate ethical commitments into enforceable, auditable practices.

Keywords: Green leadership, green vision goal setting, green ethical decision-making, employee engagement, Sustainable business practices, deposit money banks

Introduction

Sustainability has moved to the centre of organizational strategy as the world confronts climate change, resource depletion, and mounting environmental pressure. Within this shift, green leadership has emerged as a crucial mechanism for steering organizations toward sustainable business practices by embedding environmental considerations into decision-making and inspiring the adoption of practices that minimise ecological footprints (Dkhili, 2022; Omoye 2025) [10, 23]. This orientation is particularly consequential for the banking sector which, although not directly resource-intensive, exerts substantial influence on the wider economy through its financing and investment decisions. Banks that align their operations with green principles not only reduce environmental risk but also strengthen their reputation and competitive standing in an increasingly eco-conscious market (Luo, Chen & Tang, 2021) [20].

In Nigeria's South-South region, the imperative for green leadership is heightened by the area's rich natural-resource endowment and its accompanying environmental vulnerabilities, including pollution, deforestation, and climate risk. Banking institutions operating in the zone therefore carry a unique responsibility to model green leadership principles that align with global sustainable development goals (Akpan & Udo, 2023; Tom *et al.*, 2025) [4, 33]. Yet the transition toward sustainable business practice in Nigeria's banking sector remains slow, hindered by weak leadership commitment, inadequate regulatory frameworks, and limited internal capacity for green practice (Akhator & Okoh, 2022; Omoye *et al.*, 2026) [3, 5]. This gap between

aspiration and practice underscores the need for empirical evidence on how specific green leadership techniques shape sustainable outcomes within Nigerian deposit money banks. Beyond the immediate banking context, sustainable business practices such as green financing and energy-efficient operations have been shown to generate long-term financial and social benefits for organizations. Green leadership not only enhances operational efficiency but also builds trust and credibility among stakeholders, and organizations that prioritise sustainability gain a competitive edge in attracting environmentally conscious customers and investors (Choi & Yi, 2023, Omoye *et al.*, 2024) [11, 18]. In the banking sector specifically, this can translate into increased profitability and greater resilience in the face of environmental and economic uncertainty, reinforcing the case for treating green leadership as a strategic rather than peripheral concern.

The problem, however, is that the adoption of sustainable practices in the Nigerian banking sector has been slow, hampered by weak leadership commitment, inadequate policies, and insufficient knowledge of green practice. While global banking institutions progressively align their operations with sustainable development goals, banks in South-South Nigeria continue to face challenges embedding green leadership principles into daily operations, compounded by weak regulatory enforcement, limited employee engagement in green initiatives, and the absence of a clearly communicated environmental vision among leadership (Omoye *et al.*, 2024) [24]. These gaps constrain the sector's ability to contribute meaningfully to national and global sustainability efforts, and they motivate the empirical focus of this study.

This article draws on a broader dissertation investigating five proxies of green leadership and their combined effect on sustainable business practices in selected deposit money banks in South-South Nigeria. For the purpose of a focused, journal-length discussion, the article restricts its research questions, objectives, hypotheses, and discussion of findings to the first three green leadership proxies examined in the original study, namely green vision goal setting, green ethical decision-making, and employee engagement in green initiatives, in relation to sustainable business practices. Findings from this restricted set of relationships are expected to offer policymakers, bank executives, and scholars practical and theoretical insight into which green leadership levers most reliably translate into sustainable outcomes within the Nigerian banking environment.

1. Significance of the Study

This study is significant as it highlights the critical role of green leadership in fostering sustainable business practices within the banking sector in South-South Nigeria. For policymakers and regulatory agencies, the findings offer empirical evidence on the importance of green leadership in driving environmental accountability, supporting the development of policies and frameworks that encourage banks to adopt green financing, ethical resource management, and eco-friendly operational practice. For bank executives, the study provides a comprehensive understanding of how green vision, ethical decision-making, and employee engagement can enhance sustainable business practices, thereby improving organizational performance, brand reputation, and long-term profitability.

For academic researchers, the study fills a gap in the literature regarding the relationship between green leadership and sustainable business practices in developing economies such as Nigeria, where research on the banking industry specifically remains limited relative to manufacturing and other sectors. For employees and other stakeholders within the banking sector, the study underscores the importance of engagement in green initiatives, encouraging staff to embrace green values and participate actively in achieving organizational sustainability objectives.

2. Scope of the Study

This study focused on examining the effect of green leadership on sustainable business practices within the banking sector in South-South Nigeria. The geographical scope covered selected deposit money banks operating in Bayelsa, Delta, and Edo States, chosen for their strategic economic importance and the increasing environmental challenges faced in the region. The study investigated green leadership practice within the sampled banks using three proxies discussed in this article: green vision and goal setting, green ethical decision-making, and employee engagement in green initiatives, examined in relation to sustainable business practices as the outcome variable. While the broader dissertation additionally examined green resource efficiency and advocacy for green policies, this article's conceptual and empirical scope is deliberately narrowed to the first three proxies to allow a more focused, journal-length treatment.

Research Questions

The study addressed the following research questions:

1. What is the effect of green vision goal setting on sustainable business practices in selected deposit money banks in South-South Nigeria?
2. How does green ethical decision-making influence sustainable business practices in selected deposit money banks in South-South Nigeria?
3. What is the effect of employee engagement in green initiatives on sustainable business practices in selected deposit money banks in South-South Nigeria?

Objectives of the Study

The broad objective of the study was to examine the relationship between green leadership and sustainable business practices in selected deposit money banks in South-South Nigeria. The specific objectives were to:

1. assess the effect of green vision goal setting on sustainable business practices in selected deposit money banks in South-South Nigeria;
2. evaluate the effect of green ethical decision-making on sustainable business practices in selected deposit money banks in South-South Nigeria; and
3. determine the effect of employee engagement in green initiatives on sustainable business practices in selected deposit money banks in South-South Nigeria.

Research Hypotheses

The following null hypotheses were formulated to guide the study:

H₀₁: Green vision goal setting has no significant effect on sustainable business practices in selected deposit money banks in South-South Nigeria.

H₀₂: Green ethical decision-making has no significant effect on sustainable business practices in selected deposit money banks in South-South Nigeria.

H₀₃: Employee engagement in green initiatives has no significant effect on sustainable business practices in selected deposit money banks in South-South Nigeria.

Literature Review

1. Conceptual Review

1.1 Green Vision Goal Setting

Green vision and goal setting denote the strategic foresight organizations adopt to align operations with environmental sustainability. A green vision is a clear, compelling declaration of an organization's commitment to environmental stewardship, while green goal setting translates that vision into specific, measurable, and time-bound sustainability targets (Zhang, Li & Liu, 2023) ^[36]. In banking, this can involve reducing the carbon footprint of operations, supporting green financing, and promoting energy efficiency. A clearly communicated green vision motivates employees and enhances their engagement in sustainability initiatives, thereby improving both organizational performance and environmental impact (Chen, Wang & Zhou, 2022) ^[7].

Well-articulated green goals also enable organizations to monitor progress, ensure accountability, and adapt to regulatory requirements (Kumar & Sharma, 2023) ^[17]. Organizations with strong green visions and ambitious sustainability goals tend to attract environmentally conscious customers and investors, a competitive edge that is especially significant for banks whose stakeholders increasingly demand environmentally responsible operations (Lee & Park, 2023) ^[18].

1.2 Green Ethical Decision-Making

Green ethical decision-making refers to the process by which leaders integrate environmental sustainability and ethical principles into organizational decision-making, balancing economic goals against ecological and social responsibilities (Jones & Singh, 2023) [15]. In banking, this may involve prioritising investment in renewable-energy projects while avoiding the financing of environmentally harmful industries. Organizations that embrace green ethical decision-making often build enhanced credibility and trust among stakeholders by demonstrating accountability and transparency (Taylor & Ahmed, 2022) [31].

Green ethical decision-making is also associated with innovation, as leaders who prioritise sustainable practice often encourage the development of eco-friendly products and services that differentiate the organization in the market (Martinez & Lopez, 2023; Akpomimie *et al.*, 2026) [5, 21]. Employees, in turn, are more likely to support sustainability initiatives when organizational decisions are perceived as both ethical and environmentally responsible (Johnson, Brown & Evans, 2023) [14], while adherence to green ethical principles helps organizations avoid regulatory penalties and attract sustainability-focused investors (Wilson & Peters, 2023) [35].

1.3 Employee Engagement in Green Initiatives

Employee engagement in green initiatives refers to the active participation and commitment of employees to an organization's sustainability efforts, including waste reduction, energy efficiency, and environmental conservation. Organizations that involve employees in sustainability activities record improved environmental outcomes alongside enhanced morale, loyalty, and productivity (Clark & Richards, 2023) [9]. Leadership is a key driver of this engagement: leaders who champion sustainability and create participatory opportunities for staff cultivate a stronger sense of ownership over green outcomes.

Organizational culture and workplace policy reinforce engagement, as organizations that communicate their sustainability vision clearly and consistently foster a culture in which employees view environmental responsibility as integral to their roles (Williams & Carter, 2023) [34]. Technology further enables engagement, with digital tools allowing organizations to track and share progress on sustainability efforts (Patel & Ng, 2023) [28], while engaged employees serve as ambassadors for the organization's green initiatives, strengthening its reputation with external stakeholders (Thompson & Evans, 2023; Omoye, 2024) [11, 32].

1.4 Sustainable Business Practices

Sustainable business practices integrate environmental, social, and economic considerations into business operations, minimising the negative impact of business activity on the environment while sustaining long-term economic viability and social equity. In the banking sector, sustainable business practices include eco-friendly operations, green financing, resource conservation, waste management, and adherence to environmental regulation. Transparent reporting and stakeholder engagement have become defining features of organizations committed to sustainability, positioning them as responsible entities in a competitive market.

2. Conceptual Framework

The conceptual framework, adapted for the three green leadership proxies discussed in this article, depicts green vision goal setting, green ethical decision-making, and employee engagement in green initiatives as independent variables that jointly influence sustainable business practices as the dependent variable, as illustrated in Fig 1.

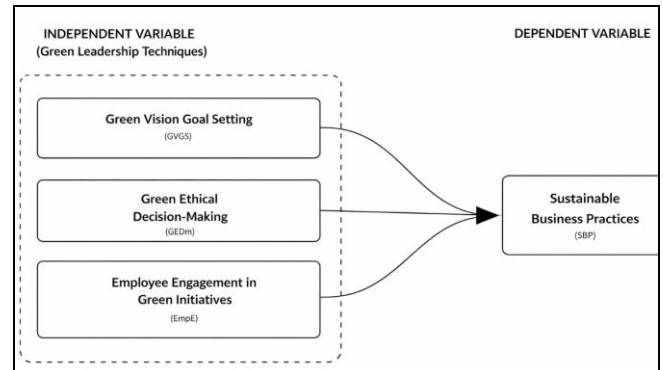


Fig 1: Conceptual Framework of Green Leadership Techniques and Sustainable Business Practices Source: Researcher's Conceptualization (2026) [5]

3. Theoretical Review

The study is anchored on two theories: Stakeholder Theory and the Resource-Based View (RBV).

Stakeholder Theory: Introduced by Freeman (1984) [12], Stakeholder Theory emphasises the interconnectedness of organizations with employees, customers, investors, suppliers, governments, and the environment, holding that businesses have a moral obligation to address the interests of all stakeholders rather than shareholders alone. Applied to this study, the theory underscores the importance of green leadership in engaging stakeholder concerns about sustainability; banks that adopt green leadership principles are better positioned to engage employees, customers, and regulators in green initiatives, thereby enhancing stakeholder satisfaction and long-term trust.

Resource-Based View (RBV): Popularised by Barney (1991) [6], RBV holds that resources which are valuable, rare, inimitable, and non-substitutable enable organizations to build sustained competitive advantage. Extended to sustainability, RBV emphasises the strategic value of green resources such as environmentally friendly technologies, sustainable supply chains, and a skilled, green-competent workforce (Müller, Hoffmann & Becker, 2022) [22]. For this study, RBV implies that banks must cultivate green competencies and integrate sustainability into core operations to translate green leadership into a durable competitive edge. Green leaders, in this view, play a pivotal role in fostering a culture of innovation, encouraging the adoption of green technologies, and building employee competencies in sustainability, which in turn reduces operational costs and enhances resilience against environmental risk.

Taken together, Stakeholder Theory and RBV offer complementary lenses for interpreting the findings of this study: Stakeholder Theory foregrounds the external and relational dimension of green leadership, explaining why vision and engagement resonate with stakeholder expectations, while RBV foregrounds the internal, resource-based dimension, explaining why the effective

operationalisation of ethical intent, and not its mere declaration, is what ultimately shapes sustainable outcomes.

4. Empirical Review

Peters, Johnson and Fischer (2023) [29] found that a well-communicated green vision was a critical driver of sustainability improvements among German firms, a finding corroborated by Ahmed, Khan and Hussain (2023) [2] in Pakistan, where clear green vision statements were significantly linked to organizational sustainability. However, Lin and Chang (2022) [19], comparing Chinese and Japanese firms, observed that inconsistent implementation sometimes diluted the practical impact of an otherwise clear green vision, suggesting that follow-through matters as much as articulation.

On ethical decision-making, Garcia and Lopez (2023) [13] reported that ethical leadership significantly fostered sustainable routines among Spanish SMEs, while Kumar and Rajan (2023) [16] found that in Indian pharmaceutical firms, ethical green policies existed on paper but did not translate into practice due to weak enforcement mechanisms, indicating that the mere presence of ethical guidelines may not guarantee sustainable outcomes.

Regarding employee engagement, Chen, Zhang and Liu (2023) [8] demonstrated that engaged employees played a pivotal role in driving green innovation in China's automotive industry, and Adebayo and Oluwaseun (2023) [1] found that employee involvement in sustainability efforts directly improved environmental responsibility outcomes among Nigerian oil and gas firms. Conversely, Smith and Taylor (2022) [30] found that in UK hospitals, institutional bureaucracy sometimes limited the translation of employee engagement into tangible environmental outcomes, underscoring the need for enabling organizational structures. Further afield, Zhang, Li and Liu (2023) [8] found that green vision in organizational leadership was significantly linked to sustainability practices across a sample of corporate firms, while Choi and Yi (2023) [34] reported that green leadership generally, encompassing vision and ethics, was positively associated with organizational sustainability in a study of financial institutions. Johnson, Brown and Evans (2023) [14] similarly found that employee perspectives on green ethical decision-making shaped perceptions of organizational sustainability, even where the direct statistical link to practice was weaker than expected, reinforcing the theme that ethical intent and operational translation do not always move together.

5. Gap in Literature

Although a considerable body of research links green leadership dimensions to sustainability outcomes, most of the reviewed studies are situated in manufacturing, automotive, or Western financial contexts, with comparatively limited empirical attention to the Nigerian banking sector, particularly the South-South region, where environmental vulnerability and economic significance intersect. This article addresses that gap by isolating the effects of green vision goal setting, green ethical decision-

making, and employee engagement in green initiatives on sustainable business practices among deposit money banks operating in South-South Nigeria.

Methodology

The study adopted a descriptive survey research design, considered suitable for collecting first-hand information on the influence of green leadership proxies on sustainable business practices without manipulating the variables under study. The population comprised 4,388 employees across twelve deposit money banks operating in Bayelsa, Delta, and Edo States of South-South Nigeria, selected for their notable involvement in corporate social responsibility and sustainability initiatives.

Using Taro Yamane's formula at a 95% confidence level and a 5% margin of error, a sample size of 367 respondents was determined. A multi-stage sampling technique was employed: purposive sampling was used to select banks with visible sustainability practices, stratified sampling categorised employees into managerial, supervisory, and operational strata, and simple random sampling was applied within each stratum to select respondents.

Data were collected using a structured questionnaire measured on a five-point Likert scale (Strongly Agree = 5 to Strongly Disagree = 1). The instrument was subjected to face and content validation by research-methods experts in the Department of Business Administration, Delta State University, Abraka. Reliability was established through a pilot study of 50 respondents drawn from non-participating microfinance banks, yielding an aggregate Cronbach's alpha of 0.784, with the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy at 0.570 ($p < 0.05$), indicating acceptable internal consistency and sampling adequacy. Out of the questionnaires distributed, 318 were properly completed and returned, representing a valid response rate of 86.65%.

Data were analysed using descriptive statistics (frequencies, means, and standard deviations) and inferential statistics (multiple regression analysis) with the aid of SPSS version 25.0. The regression model estimated for the original five-construct study was specified as:

$$SBP = \beta_0 + \beta_1GVGS + \beta_2GEDm + \beta_3EmpE + \varepsilon$$

where SBP is Sustainable Business Practices (dependent variable); GVGS, GEDm, and EmpE are Green Vision Goal Setting, Green Ethical Decision-Making, and Employee Engagement, the three predictors discussed in this article; β_0 is the intercept; β_1 , β_2 , β_3 are coefficients; and ε is the error term.

Results and discussion

1. Response Rate and Respondent Profile

Of the 367 copies of the questionnaire administered, 318 were properly completed and returned, representing a valid response rate of 86.65%, while 49 copies (13.35%) were discarded owing to incompleteness or invalid filling. This high return and usability rate strengthens the credibility of the data used for analysis.

Table 2: Demographic Profile of Respondents

Characteristic	Frequency	Percent (%)
Gender		
Male	149	46.9
Female	169	53.1
Age		
Below 25 years	40	12.6

25 – 34 years	99	31.1
35 – 44 years	93	29.2
45 – 54 years	65	20.4
55 years and above	21	6.6
Educational Qualification		
NCE/OND	71	22.3
B.Sc./B.Ed./HND	176	55.3
Postgraduate Degree	71	22.3
Job Position		
Operational Level	191	60.06
Supervisory Level	62	19.50
Managerial Level	65	20.44

As shown in Table 2, female respondents (53.1%) slightly outnumbered male respondents (46.9%), reflecting a relatively balanced and inclusive gender participation within the sampled banks. The workforce was largely youthful to middle-aged, with respondents aged 25–34 years (31.1%) and 35–44 years (29.2%) constituting the two largest age brackets. In terms of educational attainment, the majority (55.3%) held a first degree or its equivalent, while postgraduate degree holders and NCE/OND holders each accounted for 22.3% of the sample. By job position, operational staff formed the largest group (60.06%), followed by managerial (20.44%) and supervisory (19.50%)

staff, indicating that the data captured perspectives predominantly from front-line employees who directly implement green practices, complemented by managerial insight into strategic green vision and decision-making.

2. Descriptive Statistics of Study Variables

Table 3 presents the aggregate mean and standard deviation of responses for each of the three constructs discussed in this article, based on five-point Likert-scale items (Strongly Agree = 5 to Strongly Disagree = 1), with a benchmark mean of 3.00 taken as the threshold for agreement.

Table 3: Descriptive Statistics of Study Variables

Construct	Aggregate Mean	Std. Deviation	Remark
Green Vision Goal Setting (GVGS)	3.75	1.15	Agree
Green Ethical Decision-Making (GEDm)	3.78	1.11	Agree
Employee Engagement in Green Initiatives (EmpE)	3.77	1.14	Agree

All three constructs recorded aggregate means above the 3.00 benchmark, indicating general agreement among respondents. Green Ethical Decision-Making recorded the highest aggregate mean (3.78), followed closely by Employee Engagement in Green Initiatives (3.77) and Green Vision Goal Setting (3.75), suggesting that respondents perceived all three green leadership dimensions as being fairly well practised within their banks, with comparable and moderate response dispersion across constructs ($SD \approx 1.11-1.15$).

3. Correlation Analysis

To assess the strength and direction of association among the study variables prior to regression, and to screen for potential multicollinearity, a Pearson correlation matrix was computed for the three predictors and the dependent variable, as shown in Table 4.

Table 4: Correlation Matrix of the Study Variables

Variable	GVGS	GEDm	EmpE	SBP
GVGS	1.000			
GEDm	-0.023	1.000		
EmpE	0.002	-0.024	1.000	
SBP	0.038	-0.035	0.054	1.000

The correlation coefficients among GVGS, GEDm, and EmpE are all very weak (r ranging from -0.024 to 0.002), indicating that the three predictors are largely independent of one another and are therefore unlikely to introduce multicollinearity into the regression model. Correlations between the predictors and Sustainable Business Practices are similarly weak in magnitude ($r = 0.038$ for GVGS, $r = -0.035$ for GEDm, and $r = 0.054$ for EmpE), consistent with

the modest but statistically significant standardized effects later confirmed by the regression analysis.

4. Multicollinearity Diagnostics

Tolerance and Variance Inflation Factor (VIF) statistics were examined to further confirm the absence of multicollinearity among the three predictors. As a rule of thumb, a Tolerance value above 0.10 and a VIF value below 10 indicate that multicollinearity is not a concern. Table 5 presents the results.

Table 5: Tolerance and Variance Inflation Factor (VIF)

Variable	Tolerance	VIF
GVGS	0.998	1.002
GEDm	0.997	1.003
EmpE	0.999	1.001

All three predictors recorded Tolerance values close to 1.000 (0.997–0.999) and VIF values close to 1.000 (1.001–1.003), well within acceptable thresholds. This confirms that multicollinearity is not a threat to the reliability of the regression estimates reported in this article, and that the coefficients for GVGS, GEDm, and EmpE can each be interpreted independently.

5. Regression Results

Dependent variable: Sustainable Business Practices (SBP). The underlying model was estimated with five predictors ($R = 0.176$; $R^2 = 0.231$; Adjusted $R^2 = 0.016$; $F(5, 312) = 2.006$, $p = 0.038$; Std. Error of the Estimate = 0.504); Table 6 reports only the coefficients for the three predictors discussed in this article, green vision goal setting (GVGS), green ethical decision-making (GEDm), and employee engagement (EmpE), in line with H_{01} to H_{03} .

Table 6: Summary of Multiple Regression Results

Variable	B	Std. Error	Beta	t	Sig.	Decision
(Constant)	4.431	0.505		8.775	0.000	
GVGS	0.143	0.056	0.043	0.771	0.041	H ₀₁ rejected
GEDm	-0.031	0.059	-0.029	-0.520	0.603	H ₀₂ accepted
EmpE	0.157	0.058	0.055	0.987	0.024	H ₀₃ rejected

Note: Coefficients are drawn from the five-predictor model estimated in the original study; only the three predictors within the scope of this article (GVGS, GEDm, EmpE) are shown.

6. Discussion of Findings

Green Vision Goal Setting and Sustainable Business Practices

The result shows a positive and statistically significant effect of green vision goal setting on sustainable business practices ($B = 0.143$, $p = 0.041$), leading to the rejection of H₀₁. This indicates that banks in South-South Nigeria that articulate clear, documented environmental aspirations are more likely to align their operations with sustainability. The finding is consistent with Peters, Johnson and Fischer (2023) and Ahmed, Khan and Hussain (2023) [2, 29], who found that a well-communicated green vision catalysed sustainability improvements in Germany and Pakistan respectively. It also nuances Lin and Chang (2022) [19], who cautioned that vision without consistent implementation can dilute practical impact, suggesting that Nigerian banks should pair vision statements with operational follow-through.

Theoretical implication: This finding supports Goal-Setting Theory, which holds that clear and committed goals have a motivational effect on performance. For deposit money banks, articulating a specific green vision provides direction and focus that translates into more sustainable operational choices, reinforcing the relevance of vision-driven leadership in embedding sustainability within the sector's core strategy.

Green Ethical Decision-Making and Sustainable Business Practices

The analysis produced a negative, non-significant coefficient ($B = -0.031$, $p = 0.603$), so H₀₂ is accepted. This suggests that ethical decision-making, on its own, does not significantly drive sustainable business practices among the sampled banks, a somewhat surprising outcome given the expectation that ethical frameworks guide organizational behaviour. This contrasts with Garcia and Lopez (2023) [13], who found that ethical leadership significantly fostered sustainable routines in Spanish SMEs, but aligns with Kumar and Rajan (2023) [16], who observed that ethical green policies in Indian pharmaceutical firms existed without translating into practice due to weak enforcement.

Theoretical implication: The result tempers Stakeholder Theory's expectation that ethical responsibility toward stakeholders necessarily drives performance, indicating instead a gap between ethical intent and operational implementation within the banks studied. Ethical decision-making, without accompanying structural or operational support, may not by itself be sufficient to drive measurable sustainability outcomes in the Nigerian banking context.

Employee Engagement in Green Initiatives and Sustainable Business Practices

Employee engagement in green initiatives exerted a significant positive effect on sustainable business practices ($B = 0.157$, $p = 0.024$), leading to the rejection of H₀₃. This

affirms that involving employees in green-related activities meaningfully enhances sustainability outcomes, corroborating Chen, Zhang and Liu (2023) [8] in China's automotive sector and Adebayo and Oluwaseun (2023) [8] in Nigeria's oil and gas industry. As Smith and Taylor (2022) [30] caution, however, sustained impact requires enabling structures, since institutional bureaucracy can otherwise blunt the benefits of engagement.

Theoretical implication: This finding aligns with Social Exchange Theory, which holds that employees who perceive organizational support for sustainability reciprocate with greater commitment and participation. Empowering employees and involving them in environmental practice can therefore serve as a catalyst for institutionalising sustainability, underscoring the critical role of internal stakeholders alongside leadership in driving green outcomes.

Conclusion

Based on the findings relating to the first three green leadership proxies examined, the study concludes that green leadership plays a meaningful but uneven role in shaping sustainable business practices among deposit money banks in South-South Nigeria. Green vision goal setting and employee engagement in green initiatives both significantly and positively influence sustainable business practices, whereas green ethical decision-making, though conceptually important, did not exert a statistically significant effect within the sampled banks. This implies that the existence of ethical intentions alone is not sufficient to drive sustainability unless it is reinforced by clear, actionable goals and active employee participation. Banks seeking to strengthen their sustainability performance must therefore move beyond policy declarations toward vision-driven, participatory approaches that translate green intent into measurable practice.

Contribution to knowledge

1. The study unveils the nuanced effect of green leadership dimensions, particularly green vision goal setting and employee engagement, on sustainable business practices, providing fresh empirical evidence from the under-researched deposit money banking sector in South-South Nigeria.
2. By isolating three constructs of green leadership within a single analytical framework, the article offers a compact, replicable model that future scholars and practitioners can adopt to evaluate sustainability strategies within financial institutions.
3. The findings enrich theoretical discourse by affirming the relevance of Goal-Setting Theory and Social Exchange Theory, alongside Stakeholder Theory and the Resource-Based View, in explaining how green leadership behaviours drive, or fail to drive, organizational sustainability outcomes.

Recommendations

1. Bank management should consistently embed green vision goal setting into core strategic and operational plans, setting measurable sustainability objectives that every department is required to align with, in order to enhance institutional sustainability performance.
2. Employees at all levels should be actively involved in green initiatives through targeted training, incentive schemes, and participatory decision-making, to boost commitment to environmentally responsible action and strengthen the implementation of sustainable business practices.
3. Leadership should move beyond broad statements of ethical commitment and develop practical, enforceable frameworks — including compliance monitoring, transparent reporting, and environmental risk assessment — that translate green ethical decision-making into measurable sustainability outcomes.

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