



**EFFECTS OF GREEN RECRUITMENT ON PERFORMANCE OF MICROFINANCE FIRMS IN NAIROBI CITY COUNTY,
KENYA**

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ABSTRACT

This research determined the effects of green recruitment on performance of microfinance firms in Nairobi city county, Kenya. The research was dictated by human capital theory. The positivism research philosophy, descriptive and explanatory research approach were used as it aimed to ascertain cause-and effect relationships between the study variables. The target audience comprised of the 13 MFIs in Nairobi city County, Kenya that are licensed by the CBK. Thus, the 13 MFIs in Kenya also formed the unit of analysis of the research while the unit of observation consisted of the senior-level, middle-level and junior-level employees in the 13 microfinance banks. The research employed Yamane formula and stratified random sampling technique to determine a sample size of 369 staff. The research data was obtained utilizing structured questionnaire which contained closed ended questions. The researcher performed a pilot study to assess the validity and reliability of the research questionnaire. The actual quantitative data that was gathered from the 369 employees was cleaned, edited, categorized, coded and analyzed through SPSS version 27 statistical software ready for analysis. The descriptive statistics comprised of percentages, means and standard deviation whereas inferential statistics consisted of correlation and regression analysis. Additionally, the study results were displayed in tables, charts and graphs since they are easily accessible and easy to interpret. Based on the OLS regression analysis, the research discovered that green recruitment had a significant effect on performance. The research recommended that microfinance institutions should regulate green recruitment practices as a strategy to improving performance.

Key words: Virtual Interviews, Green Credentials, Green Job Description, Recruitment

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INTRODUCTION

Business enterprises are pivotal in societies and constitute a fundamental component of the financial health of emerging economies. Jones, et al., (2000) contended that an organization's ability to attain and sustain high operational effectiveness and productivity is an important obstacle faced by management in nearly all institutions today. Green human resource management (GHRM) techniques are recognized as a crucial element for competitive advantage and improved performance, because they increase the firm's internal production and distribution efficiency of goods and services. The performance of an organization is liable upon the efficacy of its management and the optimal utilization of resources, including financial assets, personnel, and innovations, to attain strategic objectives (Ssekakubo, et al, 2011; Agha, et al, 2012). Performance is contingent upon the employees of institutions that constitute the team striving to attain predetermined goals and objectives (Almatrooshi, et al 2016; Mastrangelo, et al, 2014; Ganguly, 2010; Clarke, et al, 2011).

Performance within an institution has been measured differently by various scholars and theorists (Ashraf & Kadir, 2012). These authors indicated that public and private sector organizations can assess success by various approaches, contingent upon the goal of the measurement, the products or services offered, the customers, and the data at hand (Mahadevan, 2007). Richard, et al (2009) assert that organizational success can be quantified through three distinct firm success: financial success (quality, profit, resource application, and novelty); product market success (sales, market base, and earnings); and overall return on investment. AlDamoe (2012) asserted that organizational effectiveness is reflected in productivity, personnel efficiency, job happiness, market positioning, and innovativeness.

Organizational performance defines the level to which an entity fulfills its intended goals across many facets of its operations (Chen et al., 2022). It

includes the total efficacy and efficacy with which an entity employs its resources to realize desired results and provide value to its stakeholders. Agyabeng et al (2021) delineated that organizational performance can be evaluated across several areas, including financial success, operational performance, customer satisfaction, staff contentment, innovation, and social responsibility.

Green Human Resource Management (GHRM) practices signify the incorporation of environmental sustainability factors into several elements of HRM in firms (Ansari, Farrukh & Raza, 2021). It encompasses policies, procedures, and initiatives aimed at fostering a workplace culture that prioritizes environmental responsibility, sustainability, and stewardship. These practices encompass the full HRM lifecycle, including recruitment and selection, training and development, performance management, and staff engagement. It seeks to incorporate environmental sustainability into HRMSS strategies and practices, acknowledging the indispensable role of staff in attaining organizational sustainability goals (Song, Yu & Xu, 2021).

These practices also extend to talent acquisition and development, as institutions increasingly seek individuals with expertise in sustainable finance, environmental management, and social responsibility (Amjad et al., 2021). This strategic recruitment aligns the corporate objectives with the skills and values of its workforce, fostering a cohesive and environmentally conscious team. The integration of green principles into leadership development programs also ensures that sustainability becomes a top-down initiative, with leaders setting the tone for the organization's commitment to environmental responsibility (Towett, Sang & Kingori, 2022). Saha, Sarker and Ahmed (2020) indicated that Grameen bank in Bangladesh is a leading microfinance bank that has actively embraced GHRM practices to promote talent acquisition, retention, and development. By cultivating an inclusive and multicultural staff, they

seek to improve innovation, customer service, and overall organizational efficacy.

Microfinance banks (MFBs) in Kenya is essential in advancing financial inclusion, economic empowerment, and poverty alleviation nationwide. The sector has undergone substantial evolution over the years, driven by both government initiatives and the efforts of private institutions (Mwiti, 2022). One of the key milestones in the development of these banks was the establishment of the Microfinance Act (2006), which provided a legal framework for the parameter and supervision of microfinance institutions in the country. This legislation facilitated the expansion and formalization of the microfinance sector, oversight by the CBK, which ensures consumer protection and promotes financial stability (Karanja & Simiyu, 2022). CBK report (2022) noted that MFBs are 14 and are categorized into either large, medium or small depending on the banks' market shares.

Statement of the Problem

The success of Kenyan microfinance sector has been characterized by rapid growth and increasing competition, with many microfinance institutions seeking to expand their outreach and product offerings to underserved populations, especially in rural areas. Nevertheless, drawbacks such as high operating costs, restricted access to funding, governance issues, and competition from other financial institutions have impacted the performance of some microfinance banks (Mwiti, 2022). In addition, environmental conservation practices have increasingly become part of the discourse surrounding organizational performance, with participants stressing how crucial it is to integrate sustainable practices into microfinance operations (Anyona, 2023). This has resulted to a dual challenge among microfinance firms as strive to align their strategic objectives with achieving financial sustainability while also contributing to environmental conservation. Prioritizing financial objectives over environmental concerns has led to short-term gains but undermined the long-term sustainability of some microfinance banks. For

instance, Mukuru and Thuo (2023) outlined that majority of the small tier microfinance banks have neglected environmental considerations due to resource constraints and this has resulted in increased operational costs, reputational damage, and regulatory risks over time.

Moreover, failure to adopt environmentally sustainable practices has hindered the ability of some microfinance banks to access funding, attract investment, and compete in the market. For example, implementing of the GHRM practices in the HR strategies can enable these banks to attract top-talent employees who are more innovative and compete to improve the banks' performance. In addition, it also influences these banks' relations with their customer base, notably clients and financiers, who hope to demonstrate their dedication to corporate social responsibility and sustainability. Ignoring these expectations significantly contribute to eroding of trust and credibility, potentially leading to decreased client retention, reduced investor confidence, and reputational harm resilience (Kapukha & Makau, 2023).

Furthermore, a study by Ayiemba (2022) revealed that the challenge of resource constraints has resulted in lack of adequate training programs on environmental awareness and education of GHRM practices among employees. Thus, most employees fail to understand the importance of sustainability and the know how to incorporate green principles and eco-friendly practices into their daily work routines. These programs and avenues, according to Gichuhi (2022) have also created better opportunities for employee involvement and engagement in green projects or participating in decision-making processes linked to environmental conservation. This in return impact their morale, job satisfaction, and overall motivation, employee productivity and turnover rates.

Further, existing research on GHR and organizational performance have been done globally, but there is a notable knowledge gap on related studies conducted in Kenya and particularly

in microfinance firms in Kenya. Studies by Mandago (2019); Amjad et al (2021); Towett, Sang and Kingori (2022) and Khaskhely et al (2022) focused on green HR practices and their effect on organizational and environmental sustainability but on other firms including state corporations, manufacturing firms and tea factories instead of microfinance firms. In addition, an analysis by Mwiti (2022) explored the influence of internal organizational elements on the profitability of MFBs in Nairobi City County, Kenya. This study assessed the effects of green recruitment on performance of microfinance firms in Nairobi city county, Kenya.

Research Objective

The research's examined the effects of green recruitment on performance of microfinance firms in Nairobi city county, Kenya. The research tested the subsequent null hypothesis:

- H_0 : Green recruitment has insignificant effects on performance of MFIs in Nairobi city county, Kenya.

LITERATURE REVIEW

Theoretical Review

Human Capital Theory

The economist Schultz (1961) proposed this notion. The theory focuses on how labor and human resources contribute to organizational performance and economic development. Human resources which mainly refer to employees in an organization are considered as an essential resource rather than cost and contributes to organizational effectiveness and performance (Khaykin, Lapinskas & Kochergina, 2020). The theory asserts that investments in human capital, encompassing the expertise, abilities, capacities, and other immaterial assets of persons, enhance economic output and organizational success (Chirat & Le Chapelain, 2020). Human capital encompasses both formal education and training as well as experiential learning and on-the-job skills development. It is also said to be portable and transferable across different contexts and industries, enabling individuals to

adapt to evolving labor market demands and organizational needs (Tonini, 2021).

The theory posits that individuals intentionally invest in education, training, and skill acquisition to augment their productivity and earning capacity over time. Such investments in human capital led to better individual productivity, efficiency, and performance, thereby increasing overall economic output and organizational effectiveness (Khaykin, Lapinskas & Kochergina, 2020). It also assumes that individuals and organizations expect to receive returns on their investments in human capital in the form of higher wages, career advancement opportunities, and enhanced organizational performance. Schultz (1961) refers to this as the interaction between supply and demand factors in the labor market, with individuals and organizations making decisions based on expected returns on human capital investments.

Moreover, other scholars like Becker (1996) who has contributed to this theory outlined that organizations serve a vital function in facilitating the acquisition, development, and utilization of human capital through effective HRM practices, including recruitment, training, performance management, and staff development initiatives. Becker also highlight the relevance of strategic HRM practices in leveraging human capital to achieve competitive advantage and sustainable success (England & Folbre, 2023). Organizations can effectively cultivate and leverage their human capital resources by investing in recruitment processes that attract skilled individuals, providing training programs that enhance employees' competencies, instituting performance management systems that integrate personal targets with organizational goals, and offering development opportunities that promote career growth and advancement (Wright, 2021).

In addition, critics (Zhou et al., 2022) of this theory argue that it tends to focus excessively on individual investments in human capital, overlooking broader structural factors such as social inequalities, institutional barriers, and labor market dynamics.

Raim et al (2021) also noted that the theory overgeneralizes the LINK between education, training, and labor market outcomes, failing to account for mismatches between individual skills and organizational needs. However, existing studies that have used this theory provide solid evidence that the theory is still relevant and is employed in the various fields mainly Human Resource, Finance, Economics and Hospitality. Karim et al. (2019) analyzed the influence of training and development on staff productivity. The research findings supported this theory by demonstrating that investments in staff training and development positively impact staff productivity.

Higher levels of productivity, job satisfaction, and effectiveness in their roles were demonstrated by employees who got training, which is steady with the theory's emphasis on the need of human capital investments for organizational success. Additionally, Sarto, Saggese, Vigano and Mauro (2019) research that explored the influence of employee experience and expertise on firm innovation in high-tech industries, revealed a positive connection between employee experience/expertise and firm innovation. This suggests that firms with a more experienced and knowledgeable workforce are more likely to innovate and adapt to technological advancements. It also supports the theory's claim that human capital investments boost an organization's capacity for innovation and competitiveness.

This theory pertains to this research as it validates the link between organizational performance and investments in human capital. The theoretical presumptions and Becker's contributions to the theory highlight how GHRM procedures, such as green recruitment, green training, and green appraisals, can improve organizational efficiency and competitive advantage when they are in line with the organization's sustainability goals. The study investigated how Kenyan MFBs' organizational effectiveness is affected by green recruitment.

Empirical Literature Review

Green Recruitment and Performance

Hassan (2022) research the influence of HRM procedures on the present success of microcredit sector in Bangladesh. The indicator of HRM procedure was capital structure and the research concentrated on the financial health of MFBs. The research adopted an exploratory research approach and used a sample of 8 mid-level microcredit firms. The results revealed that there is no written record regarding the mid-level microcredit firms' philosophy on recruitment and selection. However, these firms pledge to advance optimal employment equality practices to eradicate prejudice and foster workplaces where individuals are treated equitably and with dignity. The results also showed that increased paycheck, additional benefits and talent acquisition were the key factors that attracted new employees in the selected micro-credit firms. Additionally, these factors were found to positively influence employee productivity and firm success. The research concluded that the firm's HRM strategy directly influences the types of personnel it aims to recruit and select. However, the research's results are not applicable to the Kenyan sector due to the differing economic conditions between Bangladesh and Kenya. In addition this research creates a contextual gap as it fails to show or discuss on green recruitment which is a key area of focus in the current research.

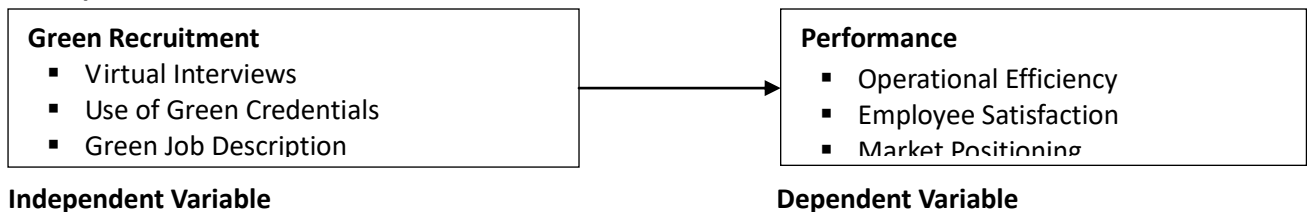
Emelia, Eugene, Samuel and Osumanu (2022) researched the influence of HRM practices including recruitment and selection, training and development on job contentment of SMEs in Ghana. The research adopted a survey approach to obtain primary data from staff, which was subsequently analyzed utilizing structural equation modeling, along descriptive statistics. The research found that recruitment and selection, training and development had positive and significant association with job satisfaction. The results also showed that recruitment and selection, training and development less significant impact on job contentment. Additionally, motivation was found

not to mediate these relationships. This research presents a contextual gap since it's expected that the objective for implementation of green recruitment in SMEs in their HRM strategies can differ from that of microfinance banks mainly because SMEs often prioritize cost reduction and compliance with environmental regulations, while microfinance banks may focus more on enhancing their corporate social responsibility image and attracting socially conscious investors.

Anyona (2023) researched the effects of GHRM practices on success of selected staff in Nairobi city county government of Kenya. The GHRM practices assessed included green staff participation, green staff compensation, green staff training and green recruitment. The analysis was underpinned by the RBV, outcomes theory, human capital theory and stakeholder theory. It also employed a descriptive research approach and utilized a sample of 384

responders obtained from 1318 population size. Data was obtained via structured surveys and analyzed in determining descriptive and inferential statistics. The outcomes suggested that green recruitment favorably and substantially impacted staff productivity; nevertheless, the beneficial statistically significant effect of green training on staff efficiency was greater than that of green recruitment. Thus, the report advocated that county government management build more cohesive strategies and procedures for training and recruitment in the HRM framework. There was a conceptual and contextual gap in this research since employee performance is just one aspects in the broader context of organizational performance. In addition, this research concentrated just on the Nairobi City County government, whereas the current research encompasses a broader scope, targeting Kenyan MFBs.

Conceptual Framework



Independent Variable

Dependent Variable

Figure 1: Conceptual Framework

METHODOLOGY

This research utilized descriptive and explanatory research approach. The researcher also employed the holistic research approach, so as to obtain comprehensive findings and draw relevant conclusions and recommendations. The target audience was made up of 13 MFIs in Nairobi city county licensed by the CBK (2021) (See Appendix III). These 13 MFIs in Nairobi county formed unit of analysis for this research whilst the unit of observation consisted of senior-level, middle-level and junior-level employees in the 13 MFIs. To establish the proper sample size for this study, the Yamane (1967) formula and stratified random sampling technique were employed. The total employees in microfinance institutions in Kenya were less than 10,000 that is why the study

considered to use Yamane (1967) formula to get a population of 369 employees.

In order to collect source data from the chosen sample of 369 employees, this study used structured questionnaires. There were eight components in the structured questionnaire, which are sections A through H. Section A contained bio data. Whereas, section B-H consisted of questions regarding green recruitment, green training, green appraisals, green performance, organization competitiveness, regulatory policies and framework on performance respectively. A 5-point Likert rating scale was also used in the questionnaire, which included closed-ended questions, in order to acquire quantitative data. The Likert scale consisted of five markers which include, strongly disagrees,

disagrees, moderately agrees agree and strongly agrees. It is considered an effective tool for evaluating the insight, conduct and values of the respondents since it incorporates scales that assist in translating qualitative replies into numeric values (South *et al.*, 2022).

The quantitative information gathered from questionnaires was cleaned, revised, coded, categorized, and loaded into SPSS version 27 so that it could be analyzed. The statistical program SPSS version 27 was employed to produce both descriptive and inferential statistics. Inferential statistics, which were used to ascertain the connection between independent factors, mediating variables, moderating variables, and dependent variables, included regression analysis and Pearson correlation, whereas descriptive statistics included percentages, means, and standard deviation. The multiple regression analysis was adopted to test the research hypothesis and determine the effect of green recruitment have a statistically considerable influence on performance of Kenyan MFIs.

FINDINGS

Response Rate

The researcher distributed a total of 369 questionnaires to the participants. Out of the 369

distributed questionnaires, 315 were fully filled and returned, whereas 54 remained unfilled, leading to an 85% response rate. A 50% response rate is considered fair, a 60% response rate is regarded good, and a response rate of more than 70% is considered great, as per Mugenda & Mugenda (2003). As a result, the 85% response rate obtained during data collection was sufficient for this study.

Descriptive Statistics

The descriptive statistics illustrate the fundamental elements of the data utilized in the investigation. The research intended to ascertain the impacts of green recruitment on the performance of MFIs in Nairobi City County, Kenya. The actual results from the questionnaire evaluated the degree of agreement on a 5-point Likert scale on several statements on green recruitment in relation to staff productivity. The response means were evaluated as follows: (5.00-4.21) showed strong agreement, (4.20-3.41) marked agreement, (3.40-2.61) suggested neutrality, (2.60-1.81) signified disagreement, and (1.80-1.00) signified significant disagreement (Norman, 2010).

Green Recruitment Practices

The responders were requested to specify level to which they understand the Green Recruitment practices on success of MFIs in Nairobi City County, Kenya as displayed in table 1.

Table 1: Green Recruitment Practices

	N	Mean	Std.Dev.
Incorporating technology-driven interviews in recruitment procedures has improved the pace of hiring and recruitment of new employees.	315	4.2857	.70097
The use of technology-driven interviews reduces carbon emissions associated with transportation to and from interview locations.	315	4.2857	.70097
The inclusion of green credentials e.g., environmental certifications attracts environmental- conscious investors.	315	4.4286	.49566
The emphasis on use of green credentials in recruitment decisions attracts environmental- conscious customers.	315	4.2857	.70097
The institution has clearly defined green job descriptions to help reduce paper usage and promote remote options.	315	3.7143	.70097
The green recruitment policies align with the banks objective on environmental responsibility.	315	4.0000	.00000
Valid N (listwise)	315		

Field Data (2025)

In table 1 above, on the facet of whether incorporating technology-driven interviews in recruitment procedures has improved the pace of hiring and recruitment of new employees, the use of technology-driven interviews reduces carbon emissions associated with transportation to and from interview locations, the inclusion of green credentials e.g., environmental certifications attracts environmental-conscious investors and the emphasis on use of green credentials in recruitment decisions attracts environmental-conscious customers, it was observed that a most of responders strongly concurred with the statement, yielding a mean of 4.2857, 4.2857, 4.4286 and 4.2857 with a

variance of 0.70097, 0.70097, 0.49566 and 0.70097 respectively. On the statement of the institution has clearly defined green job descriptions to help reduce paper usage and promote remote options and the green recruitment policies align with the banks objective on environmental responsibility, most of the responders concurred with a mean of 3.7143 and 4.0000 with a variation of 0.70097 and 0.00000.

Organizational Performance

The responders were asked to specify the level to which they undertake success of MFIs in Nairobi City County, Kenya as is given in table 2 below.

Table 2: Organizational Performance

	N	Mean	Std.Dev.
The institution's process operations efficiency has increased in the last five years	315	4.1429	.35048
There has been an improvement in resource utilization efficiency towards environmental sustainability in the last 5 years.	315	4.8571	.35048
There is a noticeable rise in employee performance due to the use of GHRM practices	315	4.2857	.70097
Employee satisfaction and empowerment has improved in the last 5 years.	315	4.1429	.35048
Use of GHRM practices has improved product offerings that resonates with the target market and sets it apart from competitors.	315	3.1429	.99132
Market positioning attributed to use of GHRM practices has increased in the last 5 years.	315	3.2857	.70097
Valid N (listwise)	315		

Field Data (2025)

In table 2 above, on the facet of whether there has been an improvement in resource utilization efficiency towards environmental sustainability in the last 5 years and there is a noticeable rise in employee performance due to the use of GHRM practices, most of responders expressed strong concurrence with the claim, yielding a mean of 4.8571 and 4.2857 with a variance of .35048 and 0.92729. On the facet of whether the institution's process operations efficiency has increased in the last five years and employee satisfaction and empowerment has improved in the last 5 years, most of responders expressed strong concurrence with the claim, yielding a mean of 4.1429 and

4.1429 with a variance of .35048 and .35048 respectively. On the aspect of whether use of GHRM practices has improved product offerings that resonates with the target market and sets it apart from competitors and market positioning attributed to use of GHRM practices has increased in the last 5 years, most of responders expressed strong concurrence with the claim, yielding a mean of 3.1429 and 3.2857 with a variance of 0.99132 and 0.70097.

Inferential Statistics

Correlation Analysis

Correlation analysis was done for this research to

ascertain the connection inherent between the green recruitment practices and success of MFIs in Nairobi City County, Kenya. Pearson moment correlation was carried out at 5% significance level. The correlation is significant if the $p < 0.05$. However, the association is insignificant in cases where the $p > 0.05$ (Verbeek, 2012). According to Cooper and Schindler (2008), correlation coefficients indicate

magnitude and direction of relationships. Hence, a adverse correlation reflects an inverse connection whereby an intensification in one variable leads to a decline in the other one. A favourable connection signifies a direct relationship whereby a growth in one variable leads to an improvement in the other variable. The results were demonstrated in Table 3.

Table 3: Correlation Analysis

		Green Recruitment	Organizational Performance
Green Recruitment	Pearson Correlation	1	-.102
	Sig. (2-tailed)		.071
	N	315	315
	Sig. (2-tailed)	.000	.000
Organizational Performance	Pearson Correlation	-.102	1
	Sig. (2-tailed)	.071	
	N	315	315
	Sig. (2-tailed)	.000	.000

Field Data (2025)

The link between green recruitment against success of MFIs in Nairobi City County, Kenya was negative and weak at -0.102 but insignificant at 0.071 ($p > 0.05$). These implied that as Microfinance Institutions in Nairobi City County employ more green recruitment practices, their performance decline. These results contradict with those of

Anyona (2023) who proposed that green recruitment had a favourable and substantial effect on staff productivity.

Regression Coefficients

Table 4 exhibits the regression constant values that enabled the research in ascertaining the influence between the research variables.

Table 4: Regression Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients		t	Sig.
		B	Std. Error	Beta			
1	(Constant)	3.343	.184			18.188	.000
	Green Recruitment	-.334	.070	-.387		-4.788	.000
	Green Performance Management	.027	.065	.032		.425	.671

a. Dependent Var: Organizational Performance

Field Data (2025)

The research performed regression analysis to ascertain the connection between green recruitment practices and the organizational success of MFIs in Nairobi City County. A regression equation was formulated as follows.

$$Y (\text{Organizational performance}) = 3.343 - 0.334X_1 + e$$

Based on the findings, in the absence of the independent variables (green recruitment), organizational success results to 3.343 which is statistically substantial at p -value of $0.000 < 0.05$.

HO₁. Green recruitment practices have insignificant effects on organizational performance MFIs in Nairobi City County, Kenya

Table 4, the findings infer that a unitary rise in green recruitment practices would result to 0.334 decline in organizational performance. The results further demonstrate that the p-value fell beneath the threshold of significance level ($0.000 < 0.05$), indicating that it was adverse and statistically substantial. Accordingly, hypothesis HO_1 was rejected. These outcomes support the findings by Hassan (2022) who examined the influence of HRM procedures on the present success of microcredit sector in Bangladesh and found that these factors positively influence employee productivity and firm performance. This finding contradicts those by Emelia, Eugene, Samuel and Osumanu (2022) who sought to ascertain the impact of HRM practices including recruitment and selection on job satisfaction of SMEs in Ghana and found that these HRM practices had less significant impact on job satisfaction

CONCLUSIONS AND RECOMMENDATIONS

The goal of the study was to ascertain the link between Green Recruitment Practices and performance. The research's results on the association between green recruitment practices and organization performance revealed mixed findings. Depending on the correlation analysis, the study found out that was negative and weak but insignificant correlation. These implied that as Microfinance Institutions in Nairobi City County employ more green recruitment practices, their performance decline. The multiple regression results suggested that the p-value fell beneath the threshold of import level, indicating that it was favorable and statistically significant. This suggests that GHRM serve a central role in an organization's sustainable development initiatives by facilitating the achievement of sustainability objectives, thereby improving overall efficiency. GHRM plays a

crucial role in an organization's sustainable development initiatives by facilitating the achievement of sustainability objectives, consequently improving overall performance, employee happiness, and customer loyalty, which assure enduring success. This is congruent with the human resource theory which affirms that there is an association between investments in human capital and organizational success thus contribution to the theory also underscore that green recruitment aligned with the organization's performance objectives, can ultimately enhance organizational success and competitive edge.

In view of the objective, regression results aimed to ascertain the link between green recruitment practices and success of MFIs in Nairobi City County, Kenya, and it came to a conclusion that green recruitment practices exhibited a negative and statistically significant effect indicating that green recruitment practices is a significant predictor of performance amongst microfinance institutions and must be considered for improved organizational performance.

The study recommended that MFIs in Nairobi City County in Kenya should regulate green recruitment practices as a strategy to improving performance. Microfinance institutions should aim to have a limit in technology-driven interviews in recruitment procedures to enhance improved pace of hiring and recruitment of new employees, check on the inclusion of green credentials that attracts environmental- conscious investors, and adoption of green recruitment policies that align with the banks objective on environmental responsibility.

Recommendations for Further Research

This research documented the effects of green recruitment practices on success of MFIs in Nairobi city county, Kenya. Further research can be done in a different sector such as non-financial sector.

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