

Mediating Role of 'Investment Recovery' and 'Competitiveness' on the Impact of Green Supply Chain Management Practices over Firm Performance: An Empirical Study Based on Textile Industry of Pakistan

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Abstract : Purpose: The concept of GrSCM (Green Supply Chain Management) in the academic and research field is still thought to be in the development stage especially in Asian Emerging Economies. The purpose of this paper is to contribute significantly to the first wave of empirical investigation on GrSCM Practices and Firm Performance measures in Pakistan. The aim of this research is to develop a more holistic approach towards investigating the impact of Green Supply Chain Management Practices (Ecodesign, Internal Environmental Management systems, Green Distribution, Green Purchasing and Cooperation with Customers) on multiple dimensions of Firm Performance Measures (Economic Performance, Environmental Performance and Operational Performance) with a mediating role of Investment Recovery and Competitiveness. This paper also serves as an initiative to identify if the relationship between Investment Recovery and Firm Performance Measures is mediated by Competitiveness. Design/ Methodology/Approach: This study is based on survey Data collected from 272, ISO (14001) Certified Textile Firms Based in Lahore, Faisalabad, and Karachi which are involved in Spinning, Dyeing, Printing or Bleaching. A Theoretical model was developed incorporating the constructs representing Green Activities and Firm Performance Measures of a firm. The data was analyzed using Partial Least Square Structural Equation Modeling. Senior and Mid-level managers provided the data reflecting the degree to which their organizations deal with both internal and external stakeholders to improve the environmental sustainability of their supply chain. Findings: Of the 36 proposed Hypothesis, 20 are considered valid and significant. The statistics result reveal that GrSCM practices positively impact Environmental Performance followed by Economic and Operational Performance. Investment Recovery acts as a strong mediator between Intra organizational Green activities and performance outcomes. The relationship of Reverse Logistics influencing outcomes is significantly mediated by Competitiveness. The pressure originating from customers exert significant positive influence on the firm to adopt Green Practices consequently leading to higher outcomes. Research Contribution/Originality: Underpinning the Resource dependence theory and as a first wave of investigating the impact of Green Supply chain on performance outcomes in Pakistan, this study intends to make a prominent mark in the field of research. Investment and Competitiveness together are tested as a mediator for the first time in this arena. Managerial implications: Practitioner is provided with a framework for assessing the synergistic impact of GrSCM practices on performance. Upgradation of Accreditations and Audit Programs on regular basis are the need of the hour. Making the processes leaner with the sale of excess inventories and scrap helps the firm to work more efficiently and productively.

Keywords : economic performance, environmental performance, green supply chain management practices, operational performance, sustainability, a textile sector of Pakistan

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