

Adoption of Green Practices in Supply Chain Management among Manufacturing SMEs: Awareness, Willingness and Challenges

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Green Supply Chain Management (GSCM) is an emerging concept that attempts to incorporate principles of sustainability into SCM. Although the current global community has recognized the proactive need for ecological management, adoption of GSCM practices in Sri Lanka is still in its infant stages. Given that Small and Medium Scale Enterprises (SMEs) in the manufacturing sector account for about 20% of industrial establishments in the country it is inevitable that they would have a considerable impact on the environmental quality. Therefore, the paper aims to explore the efforts made by manufacturing SMEs in the Western Province, Sri Lanka to adopt green practices in SCM. Data were collected using a questionnaire survey responded by 342 manufacturing SMEs in the Western Province, Sri Lanka. Data reflected the degree to which their organizations work with suppliers and customers to improve environmental sustainability of the supply chain. A descriptive statistical analysis was conducted to examine the steps taken by the selected manufacturing firms to adopt green practices in SCM. The findings of the study revealed that 97% of the SMEs did not have a written policy on GSCM, while 65% confirmed that the firm has a GSCM scheme in place. Majority of the firms were identified to have adopted green practices to comply with regulations while contradicting to literature; pressure from customers, suppliers and competitors played an insignificant role. Green initiatives were highlighted in terms of efficient use of resources, occupational health and safety and labourforce welfare. The primitive nature of the manufacturing SMEs in GSCM was identical in terms of the limited scope of application and adoption of green practices. It further revealed the need for education in terms of green practices which led to the development of a GSCM manual for manufacturing SMEs in the Western province of Sri Lanka.

Keywords: Green practices, Green Supply Chain Management (GSCM), Manufacturing sector, Small and Medium Enterprises (SMEs)

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