

THE IMPACT OF GREEN SUPPLY CHAIN MANAGEMENT PRACTICES ON THE PERFORMANCE OF FOOD MANUFACTURING COMPANIES IN WESTERN PROVINCE, SRI LANKA

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ABSTRACT

In today's highly competitive business world, many companies have started adopting green supply chain practices and the demand for these practices is high. Among the manufacturing companies in Sri Lanka, food manufacturing companies hold a special place because of their high levels of resource consumption and waste production. These companies play a significant role in environmental impact by sourcing raw materials for production processes and distribution. The primary objective of this study is to examine the impact of green supply chain management practices on the performance of food manufacturing companies in the Western Province of Sri Lanka. Specifically, this study aimed to evaluate the impact of green purchasing, green manufacturing, eco-design, and reverse logistics on the performance of food manufacturing companies in this region. Four hypotheses are formulated to achieve these objectives. Data were gathered from 128 individuals across 22 food manufacturing companies in the Western Province using a structured questionnaire. This study examines green supply chain management practices as independent variables, specifically focusing on green purchasing, green manufacturing, eco-design, and reverse logistics. Organizational performance was the dependent variable, with dimensions of environmental performance, operational performance, and financial performance. The collected data were analyzed using SPSS version 21. The measurement scales were reliable, as indicated by the Cronbach's alpha coefficient for the dependent and independent variables. Pearson's correlation analysis revealed a significant and strong relationship between independent and dependent variables. According to the results of the multiple regression analysis, green purchasing, green manufacturing, and environmental planning had a significant positive effect on organizational performance, indicated by a positive coefficient value and a p-value of less than 0.05. Reverse logistics showed a negative impact, indicated by a negative coefficient value and p-value greater than 0.05. Overall, green supply chain practices significantly affect organizational performance. Future studies could extend this research by examining additional dimensions of green supply chain management, adopting qualitative or mixed methods, and incorporating comprehensive performance metrics across diverse sectors and provinces. This study is limited to food manufacturing companies in Western Province and focuses on environmental, operational, and financial performance.

Keywords: Eco-design, green manufacturing, green purchasing, organizational performance, reverse logistics