ABSTRACT

The purpose of this research is to address the emerging practice of sustainable supply chain management (SSCM) and examine the role of various enablers in contributing to business performance. A model is presented on the relationship among external business environment (EBE), internal business environment (IBE), sustainability initiatives (SUS) and business performance. Business performance has been measured across the dimensions of financial (FIN), operational (OPS), environmental (ENV), and social (SOC). Firstly, interpretive structural modeling (ISM) has been used to get an understanding of the association of various enablers. This was followed by structural equation modeling (SEM), based on survey data collected from 299 Indian mining industry practitioners from middle-level management to top management. Finally, analytic hierarchy process (AHP) has been used to arrive at relative weights of each of the performance dimension and the constituents therein. Results from data analysis support the causal linkages between EBE and IBE, between EBE and SUS and between IBE and SUS. IBE and SUS also influence business performance across the four dimensions. Managers need to understand these implications and accordingly put the right focus in creating favorable internal environment and wholeheartedly adopt sustainability initiatives. Operational performance has been given the highest weight and social performance the lowest. The findings of this study contribute to the theory and past research by suggesting that adopting sustainability initiatives can improve business performance. The study can provide useful insights to the practitioners of the mining industry in implementing SSCM in their organizations.

Keywords: Sustainable Supply Chain Management, Enablers, Interpretive Structural Modeling, Structural Equation Modeling, Analytic Hierarchy Process, Business Performance.