

GREEN SUPPLY CHAIN MANAGEMENT & ORGANIZATIONAL PERFORMANCE OF SME's IN KARACHI

BY

FAISAL FIDA

65662

A thesis submitted to the Business Studies Department, Bahria Business School, Bahria University Karachi Campus, in partial fulfillment of the requirements for MBA Degree



SPRING, 2021

BUSINESS STUDIES DEPARTMENT

BAHRIA BUSINESS SCHOOL

Bahria University Karachi Campus

APPROVAL FOR EXAMINATION

Candidate's Name:

Faisal Fida

Registration No.:

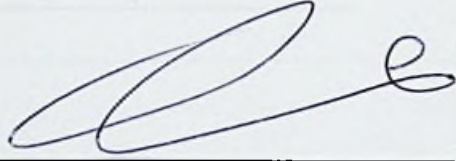
65662

Thesis Title:

Green supply chain management & organizational performance
of SME's in Karachi

I hereby certify that the above candidate's thesis has been completed to my satisfaction and, to my belief, its standard is appropriate for submission for examination. I have also conducted plagiarism test of this thesis using HEC prescribed software and found similarity index at ___ that is within the permissible limit set by the HEC for the MBA thesis. I have also found the thesis in a format recognized by the Business Studies Department.

Supervisor's Signature:

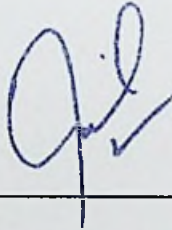


Date:

Supervisor's Name:

Muhammad Muntaz Khan

HoD's Signature:



Date:

Dedication

I dedicate my thesis work to my friends and family. A special feeling of gratefulness to my loving parents, Fida Muhammad and Bibi Zatoon whose encouragement character and push for persistence reverberate in my ears. My spouse Nagina Faisal and my daughter Amna Zahra being there for me throughout the entire master degree program. All of you are very special and have been my best cheerleaders who never left my side.

I dedicate this work and give special thanks to my wonderful friends Labib Chauchan and Shaikh Abubakar Nazir who have supported me throughout the process and always being there for me throughout the entire duration of the degree program. I will always appreciate all they have done for me.

Acknowledgement

I would like to express my sincere gratitude to my supervisor Prof. Mumtaz Khan for the continuous support of my MBA study and research, for his persistence, motivation, eagerness, and immense knowledge. His guidance helped me in all the time of research and writing of this thesis. I could not have imagined having a better supervisor and mentor for my MBA study.

Besides my supervisor, I would like to thank the rest of my dissertation-1 supervisor Dr. Danish Iqbal Godil and thesis coordinator Dr. Mubashir Ali Khan for their encouragement, guidance and insightful comments.

Abstract

Purpose:

The purpose of this research is to explore relationship between green supply chain management (SCM) systems and business performance of company. More precisely, the current study investigates the outcome of green SCM exertions on corporate functioning of small and middle enterprises (SMEs) using more organization's aspects.

Methodology & Design:

The research model which relate green SCM systems with business performance using three factors i.e. workers job satisfactions, operating efficiency and relational efficiency as moderating variable. Statistical analysis were based on data gathered, by means of survey questionnaires, from small and middle enterprises (SMEs) located mostly in Karachi, Pakistan. Validity and reliability of variables were tested using PLS-SEM analysis technique using smartPLS software version 3.2.8. Structural equation modeling was employed to test hypothesis linking green supply chain management (SCM) systems and business performance.

Findings:

The current study found statistical insignificance and negative connection between green SCM systems application and employee job satisfaction. Moreover statistical significance direct relationship of green SCM systems application with operational efficiency and relational efficiency has been evidenced. Statistical significant direct relationship found between workers job satisfaction and operation efficiency, similar relationship exist between operational efficiency and relational efficiency. Also, significant direct relationships found between green SCM systems application and firm corporate performance owing to mediating role of workers job satisfaction, operational efficiency and relational efficiency. The result shows that firm's corporate/business functioning will be enhanced when there is boosts workers job satisfaction, operational efficiency and operational efficiency.

Limitations:

The research had several drawback. The biggest drawback this research could have is the COVID-19 pandemic. Another is the time constraint, the data was collected within a month duration. Moreover small sample size is another constraint. Financial constraint is also effect this research, all the data was collected using free platforms and social media tools. In this study quantitative design was used. The variable used here may also be considered limited. The research has used a five-point Likert scale questionnaire for the collection of data. Data and statistics have been extracted only from the Pakistan and target population is taken from the cosmopolitan city of Karachi.

Recommendations:

Analysis had shown insignificant negative relationship between application of green SCM habits and employee job satisfaction so, the human resource (HR) managers should seek steps to motivate workers to their assigned task. It is also recommended that first line managers take deep interest in activities related to application of green SCM at production floor as this application has direct significant influence on operational efficiency which also effected business performance of the firm. First line managers are also responsible for involvement in green initiative as operational efficiency play mediating role between application of green SCM systems and corporate performance of organization. Moreover it is recommended that supply chain managers should actively share responsibility of application of green SCM systems because they are main player to implement green agenda. Also green SCM systems has significant positive effect on relational efficiency of firm which further effected firm business performance.

Keywords

Supply chain management (SCM), Small and medium enterprises (SMEs),
Business performance (BP), Corporate Performance (CP)

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION	1
1.1 Introduction	1
1.2 Background	1
1.3 Problem Statement	7
1.4 Research Objectives	8
1.5 Research Questions	9
1.6 Significance of the Study	10
1.7 Research Scope.....	10
1.8 Structure of Thesis.....	10
CHAPTER 2: LITERATURE REVIEW	11
2.1 Resource Dependence Theory (RDT)	11
2.2 Organizational performance (OP)	11
2.3 Relational Efficiency:.....	12
2.4 Operational Efficiency	13
2.5 Employee Job Satisfaction:	13
2.6 Green SCM Implementation:	14
2.7 Development of Research Hypotheses	15
2.8 Business performance, GSCM practices and Employee job satisfaction:.....	16
2.9 Business performance, GSCM practices and Operational efficiency:	16
2.10 Business performance, GSCM practices and Relational efficiency:.....	17
2.11 Conceptual Framework	18
CHAPTER 3: RESEARCH METHODOLOGY	20
3.1 Introduction	20
3.2 Types and Approaches of Research:	20
3.3 Research Design	21
3.4 Strategies of Research	21
3.5 Survey research	22
3.6 Research Population	22
3.7 Size of Sample & Sampling Technique	23

3.8 Probability Sampling:.....	23
3.9 Unrestricted Sampling	23
3.10 Restricted Sampling	24
3.11 Research Instrument	24
3.12 Data Collection.....	25
CHAPTER 4: RESULTS	26
4.1 Respondent Profile	26
4.2 Measurement Model.....	27
4.2.1 Outer Loadings	27
4.2.2 Construct Reliability & Validity.....	29
4.2.1 Discriminant Validity	30
4.4 Structural Model.....	33
4.4.1 Hypothesis Testing Using Path Analysis.....	33
4.4.2 Predictive Relevance.....	35
4.5 Summary of Hypotheses Testing	35
CHAPTER 5: DISCUSSION.....	37
5.1 Discussion	37
5.1.1 Hypothesis-1: Workers job satisfaction is playing mediating role between green SCM implementation and corporate performing of organization	37
5.1.2 Hypothesis-2: Workers job satisfaction is playing mediating role between green SCM implementation and Operational Efficiency	38
5.1.3 Hypothesis-3: Workers job satisfaction and Operational Efficiency are playing mediating role between green SCM implementation and Business Performance.....	38
5.1.4 Hypothesis-4: Workers job satisfaction and Operational Efficiency are playing mediating role between green SCM implementation and Relational Efficiency	38
5.1.5 Hypothesis-5: Workers job satisfaction, Operational Efficiency and Relational Efficiency are playing mediating role between green SCM implementation and Business Performance.....	38

5.1.6 Hypothesis-6: Operational efficiency is playing mediating role between application of green SCM systems and company's corporate functioning	39
5.1.7 Hypothesis-7: Operational efficiency is playing mediating role between application of green SCM systems and Relational Efficiency (RE)	39
5.1.8 Hypothesis-8: Operational efficiency and Relational Efficiency are playing mediating role between application of green SCM systems and Business Performance (BP). 39	
5.1.9 Hypothesis-9: Mediating role of Relational Efficiency between green SCM systems Application and Business Performance	39
CHAPTER 6: Recommendations and Conclusion	40
6.1 Recommendations	40
6.2 Limitations of the Research.....	41
6.3 Future Research.....	41
6.4 Conclusion.....	42
References	44
APPENDIX.....	56