

IMPACT OF GREEN SUPPLY CHAIN MANAGEMENT PRACTICES ON ECONOMIC SUSTAINABILITY IN APPAREL INDUSTRY. (SPECIAL REFERENCE TO KATUNAYAKE EXPORT PROCESSING ZONE, SRI LANKA.)

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ABSTRACT

Currently, the world is facing significant environmental issues, including climate change, resource depletion, and increasing hazards and emissions. Sustainable solutions are essential for addressing these challenges. In the context of the Sri Lankan apparel industry, which consumes substantial amounts of materials, water, and electricity for air conditioning, adapting Green Supply Chain Management (GSCM) practices is crucial. However, not all apparel organizations in Sri Lanka utilize environmentally sustainable practices. Additionally, most studies on GSCM practices have been conducted in developed countries rather than in developing ones. This study aimed to assess how GSCM practices impact the economic pillars of sustainability. This research utilized variables such as green purchasing, green manufacturing, green distribution, and eco-design under GSCM practices as independent variables. This study presents a new approach to the Sri Lankan apparel industry and analyzes whether such practices affect the dependent variable of economic sustainability. To test the hypothesis that GSCM practices impact economic sustainability, an online survey was conducted among managerial-level employees using a sample size of 232 employees in apparel manufacturing organizations in the Katunayake Export Processing Zone, Sri Lanka. Managers provided information and opinions on how their companies engaged with suppliers and customers to improve the green concept and sustainable practices to protect the environment. Respondents were selected based on their positions in the organization. The results were analyzed using correlation and multiple regression analyses to assess the impact of GSCM practices on economic sustainability. However, some sub-hypotheses showed results opposite those hypothesized. These results suggest that GSCM practices are important for today's business. Therefore, the implementation of GSCM practices in the apparel industry is recommended.

Keywords: sustainability, economic sustainability, green supply chain, apparel industry