

Impact of Sustainable Procurement Practices Inducing Supply Chain Management's Stewardship

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Abstract

The adoption of sustainable procurement strategies in supply chain management is becoming increasingly evident as a means of achieving environmental stewardship and long-term corporate performance. The impact of sustainable procurement methods on social responsibility, economic efficiency, and environmental performance is the main emphasis of this study's investigation of how to incorporate them into supply chain management. It looks at important tactics such as life cycle assessment, green purchasing, and supplier evaluation and selection, highlighting the advantages and difficulties of each. This research provides useful insights for companies looking to improve their sustainability performance by identifying key drivers of the adoption of sustainable procurement through a thorough literature review and analysis. The results indicate that although sustainable procurement techniques can result in notable enhancement in sustainability outcomes, their effective execution necessitates a comprehensive approach.

Keywords: Sustainable procurement, Supply chain management, Environmental performance, Green purchasing, Supplier Evaluation.

1.1 Introduction

In order for raw materials to be transformed into finished goods and delivered to the final consumer, supply chain management, or deals with a system of procurement. The movement of materials, information, and financial capital must be managed. Activities that fall under this broad category of supply chain management include demand planning, sourcing, production, inventory control and storage, transportation or logistics, and returning excess or defective goods. Buying products and services with the least amount of adverse effects on the environment and society over the course of their lifecycle is known as sustainable procurement, sometimes referred to as green procurement or environmentally responsible procurement. This strategy promotes resource efficiency, waste reduction, and lower carbon footprints by incorporating environmental, social, and economic considerations into purchase decisions. It promotes supplier variety, upholds fair labor standards, and helps out local communities.

1.2 Review of Literature

Wong, E (2024) Investigates the specific problems and potential for implementing sustainable buying methods in the fashion sector. The rapid pace of fashion production, along with complex worldwide supply chains and differing environmental and social norms, creates considerable challenges.

Wang, Q (2021) Examine the measures and indicator that are currently in use to evaluate how well supply chains are using sustainable procurement strategies. Tan offers a thorough analysis of the several metrics and indicators used to evaluate the influence and efficacy of sustainable procurement programs.

1.3 Research Gap

The literature evaluation highlights a research gap pertaining to the necessity of doing additional investigation into the pragmatic obstacles and prospects associated with the adoption of sustainable buying methods while pervious research has emphasized the significance and benefits of sustainable procurement a thorough examination of the particular obstacles and tactics that apply to this particular business is lacking.

1.4 Objectives Of The Study

- To study about the various strategies followed by firm.
- To study about sustainable procurement process in supply chain management.
- To analyze the various frameworks implemented in shaping the procurement strategies.

1.5 Research Methodology

Instrumental Design: Five question were created for each element of the structured questionnaire using Likert’s five-point rating system.

Data Collection Method: The study collected primary and secondary data on the variables influencing information collected through company employee and employer through questionnaire.

Study population: The total population is 1750.

Sample size and sampling technique: The sample size of the study is 150 respondents. The method of easy simple random sampling was employed to gather the data.

Data Analysis: Descriptive analysis were used to analysis is applied to create a contingency table from the frequency distribution and represent the collected data for better understanding.

Chart Analysis is applied for better understanding of the percentage analysis and it is done via bar charts.

Environmental impact towards product and services based on procured company

Particulars	Frequency	Percent
Strongly agree	17	11.3
Agree	26	17.3
Neutral	51	34
Disagree	32	21.3
Strongly disagree	24	16
Total	150	100

Table No.1.1 Environmental impact towards product and services based on procured company

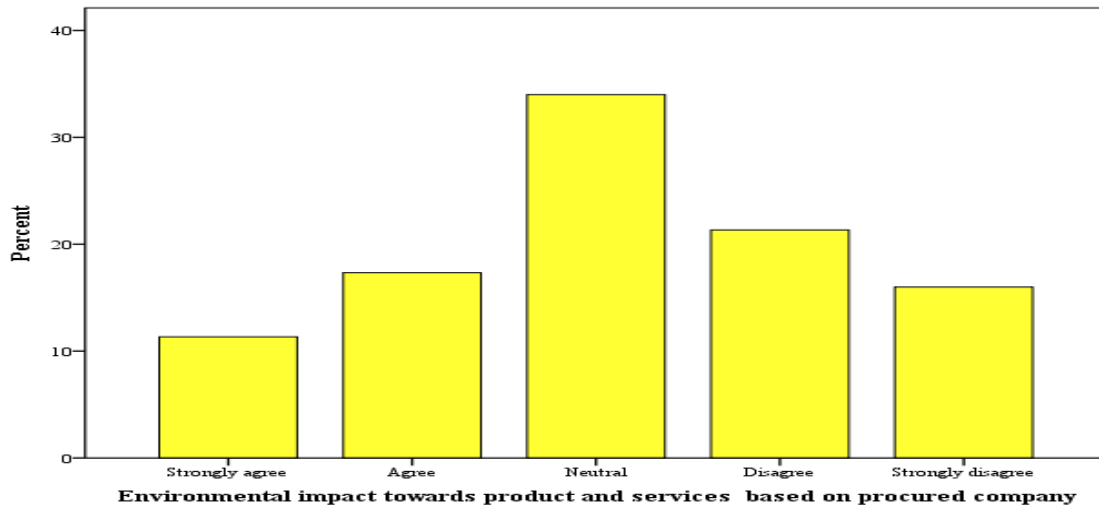


Fig No.1.1 Environmental impact towards product and services based on procured company

Inference: From the above table, it is inferred that 11.3% of respondents are strongly agree 17.3% of them are agree 34% of them are neutral, 21.3% of them are disagree, 16% of them are strongly disagree.

Prioritize suppliers sustainable sourcing with various methods

Particulars	Frequency	Percent
Strongly agree	15	10
Agree	54	36
Neutral	45	30
Disagree	21	14
Strongly disagree	15	10
Total	150	100

Table No 1.2 Prioritize suppliers sustainable sourcing with various methods

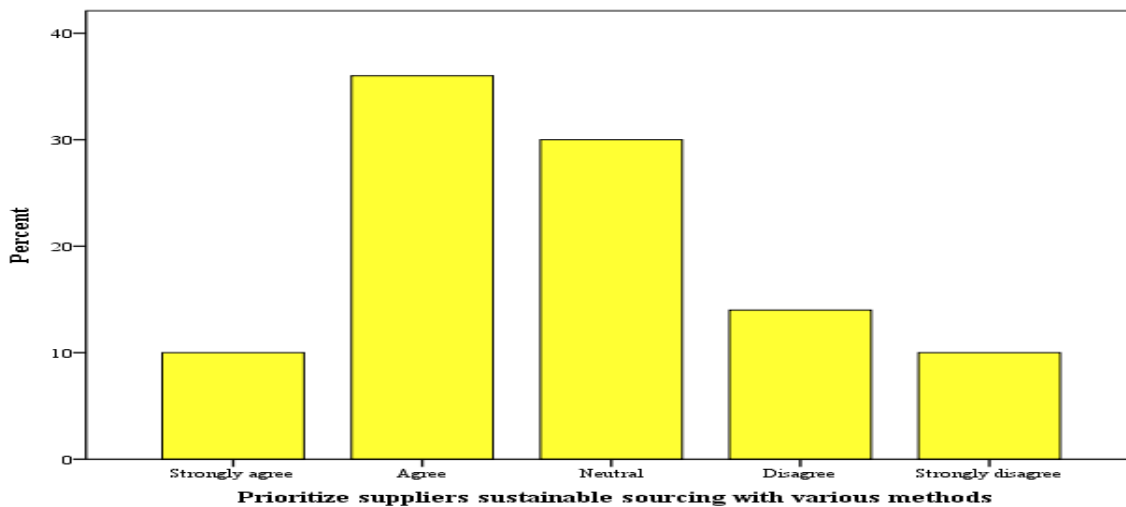


Fig No 1.2 Prioritize suppliers sustainable sourcing with various methods

Inference: From the above table, it is inferred that 10% of respondents are strongly agree 36% of them are agree, 30% of them are neutral, 14% of them are disagree, 10% of them are strongly disagree.

Company regularly monitors evaluates supplier sustainability

Particulars	Frequency	Percent
Strongly agree	19	12.7
Agree	25	16.7
Neutral	36	24
Disagree	35	23.3
Strongly disagree	35	23.3
Total	150	100

Table No 1.3 Company regularly monitors evaluates supplier sustainability

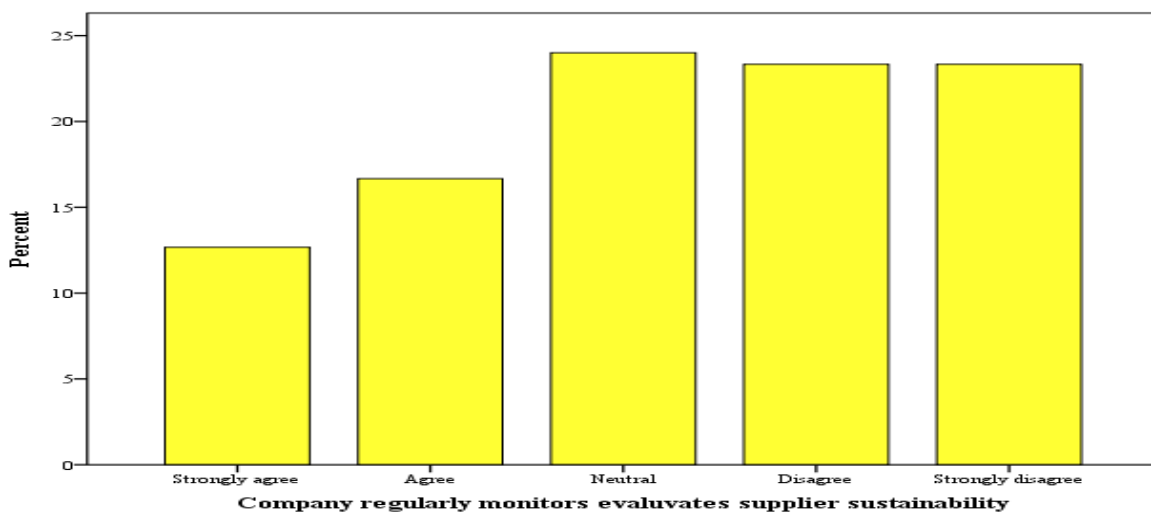


Fig No 1.3 Company regularly monitors evaluates supplier sustainability

Inference: From the above table, it is inferred that 12.7% of respondents are strongly agree 16.7% of them are agree 24% of them are neutral, 23.3% of them are disagree, 23.3% of them are strongly disagree.

Organization engages to partnership promote best practices

Particulars	Frequency	Percent
Strongly agree	22	14.7
Agree	31	20.7
Neutral	35	23.3
Strongly disagree	27	18
Disagree	35	23.3
Total	150	100

Table No 1.4 Organization engages to partnership promote best practices

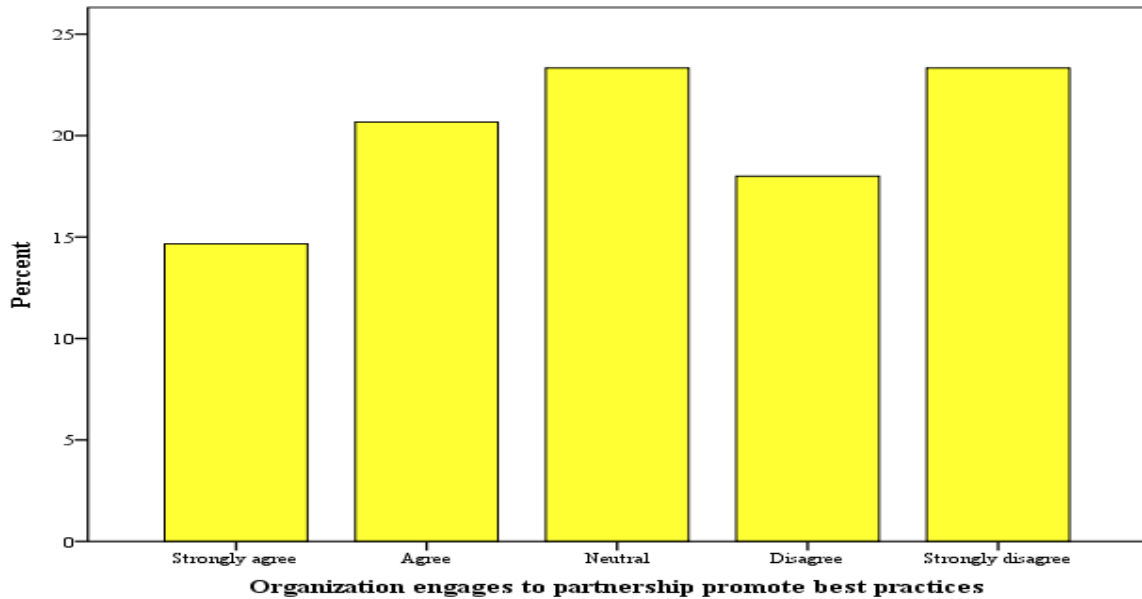


Fig No.1.4 Organization engages to partnership promote best practices

Inference: From the above table, it is inferred that 14.7% of respondents are strongly agree, 20.7% of them are agree, 23.3% of them are neutral, 18% of them are disagree, 23.3% of them are strongly disagree.

Company utilizes sourcing framework to promote decisions

Particulars	Frequency	Percent
Strongly agree	16	10.7
Agree	24	16
Neutral	45	30
Disagree	38	25.3
Strongly disagree	27	18
Total	150	100

Table No 1.5 Company utilizes sourcing framework to promote decisions

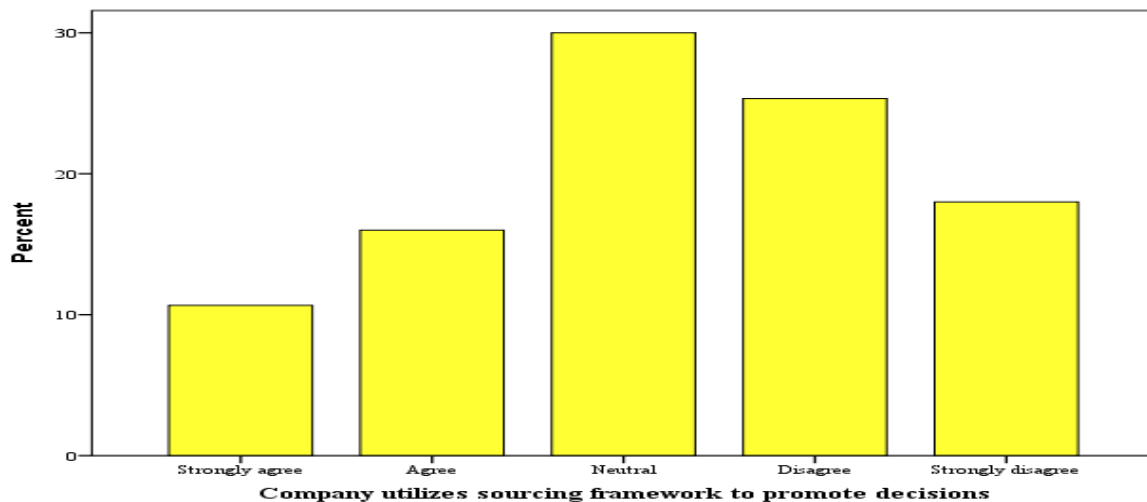


Fig No 1.5 Company utilizes sourcing framework to promote decisions

Inference: From the above table, it is inferred that 10.7% of respondents are strongly agree 16% of them are agree 30% of them are neutral 25.3% of them are disagree, 18% of them are strongly disagree.

Procurement promotes fair competition among supplier

Particulars	Frequency	Percent
Strongly agree	9	6
Agree	39	26
Neutral	39	26
Disagree	26	17.3
Strongly disagree	27	24.7
Total	150	100

Table No 1.6 Procurement promotes fair competition among supplier

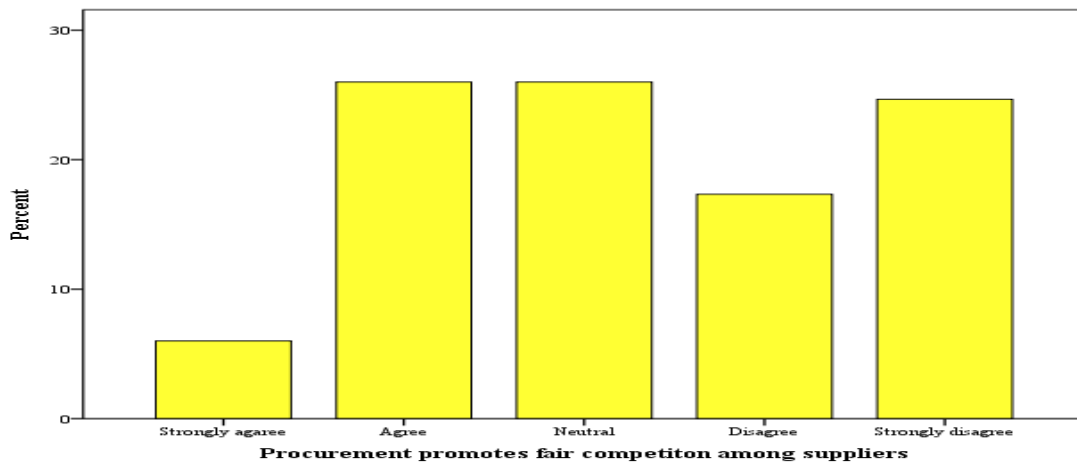


Fig No 1.6 Procurement promotes fair competition among supplier

Inference: From the above table, it is inferred that 6% of respondents are strongly agree, 26% of them are agree 26% of them are neutral, 17.3% of them are disagree, 24.7% of them are strongly disagree.

Chi-Square Tests

Null hypothesis

H0: There is no significant association between the invest significantly on research and development.

Alternative hypothesis

H1: There is significant association between the firm effectively implements retrenchment strategies.

Summary of the chi-square

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Invest significantly on research and development.	150	100.0%	0	0.0%	150	100.0%
The firm effectively implements retrenchment strategies.						

Table No 1.7 Summary of the chi-square

	Value	DF	Asymptotic. Sig. (2-sided)
Pearson Chi-Square	37.208	16	.002
Likelihood Ratio	36.592	16	.002
N of Valid Cases	150		

Table No 1.8 Test Statistics

Inference: From the above table 1.8, the significant value is $P=.002$ which is less than 0.05 . So, alternative hypothesis is accepted, it reveals that there is significant association between invest significantly on research and development and the firm effectively implements retrenchment strategies.

Correlation

Null hypothesis

H0: There is no relationship between Company actively seeks supplier ethical labour practices.

Alternative hypothesis

H1: There is relationship between Supplier improve sustainability practices.

Correlation

		Company actively seeks supplier ethical labour practices	Supplier improve sustainability practices
Company actively seeks supplier ethical labour practices	Pearson Correlation	1	.017
	Sig. (2-tailed)		.837
	N	150	150
Supplier improve sustainability practices	Pearson Correlation	.017	1
	Sig. (2-tailed)	.837	
	N	150	150

Table no 1.9 correlation

Inference: From the above table 1.9, it is inferred that, $r=.017$ (r value lies between -1 to +1),hence it is clear that there is positive correlation relationship between company actively seeks supplier ethical labour practices and supplier improve sustainability practices. So, Alternative hypothesis is accepted.

1.6 Suggestion

- Creating standardized processes and transparent protocols it guarantees that during the procurement process, all stakeholders are in agreement.
- Despite fluctuations in the economy, the company may preserve agility, strengthen its competitive position, and sustain long-term growth by taking a proactive and methodical approach to retrenchment.
- Successful market development activities that grow into new geographic areas while maintaining a customized strategy for each market through a number of strategic actions.
- By swiftly modifying business plans, streamlining processes, and reallocating resources, the

company effectively weathers storms and seizes fresh chances.

- Through a methodical examination of supplier performance, market trends, and internal requirements, you can potentially make informed informal decisions that improve cost efficiency.
- I would advise giving top priority to vendors and goods that support your environmental objectives by reducing waste and encouraging the usage of renewable resources.
- I propose that support the preservation of natural resources and the welfare of future generations.
- Frequent evaluations encourage ongoing enhancements to the environmental performance of your supply chain.
- Purchase from local vendors to reduce transportation emission and support local economics.
- I suggest that maintain clear and honest reporting on procurement practices and their environmental and social impacts.

1.7 Limitations of the study

- Suppliers may resist adopting sustainable practices due to increased costs required changes in operations.
- Difficult to collect the primary data because of hectic production time.
- Supply chain efficiency may be impacted by the availability or lead times of sustainable materials and products.

1.8 Conclusion

I have examined sustainable procurement strategies in this project. These methods involve incorporating socially and ecologically conscious approaches into their purchase procedure. By putting in place strong frameworks, procurement can be approached in an organized manner, guaranteeing that operational procedures and strategic objective are in line. By using these practices, business can lessen their negative effects on the environment, increase resource efficiency, and foster strong relationships with all of their stakeholders including customers, suppliers, and the community. If modern firms want to succeed in the long run, they must implement diversified and sustainable procurement strategies.

1.9 REFERENCE

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