

Sustainable Supply Chain Management Practices In Malaysian Non-Manufacturing Sectors

Hak Kenn Wong¹ and Mehran Doulatabadi²
^{1,2}MBA Center
Xiamen University Malaysia
43900 Sepang, Selangor, Malaysia
¹mba1908011@xmu.edu.my
²doulat@xmu.edu.my

Synopsis:

The emerging economies, including Southeast Asia and most part of emerging Asia have been experiencing rapid economic growth for the past several decades. As a result, industrial and commercial development are evident across all Asian developing countries. Rising standard of living and improving healthcare have enabled the exponential growth of human population. Hence, this rapid growth and development has increased pressure on mother nature's finite resources. Therefore, sustainability practices have enjoyed a renewed interest in recent years where societies and business communities are putting pressures on organizations in achieving the triple bottom line (TBL) objectives.

The sustainable supply chain management (SSCM) practice has gained acceptance among the manufacturing sector with its adoption of ISO 14001 environmental management systems with positive environmental and economic outcomes. However, there is still a lack of research in the area of non-manufacturing companies in Malaysia, particularly in the small and medium-sized enterprises (SMEs) sector. Nevertheless, SMEs are the backbone of every country and contributed a substantial portion to its overall GDP growth.

The purpose of this study is to fill the research gap in studying the drivers and barriers of SSCM implementation in the non-manufacturing sector within Malaysia. In order to gain a better understanding on their challenges in SSCM implementation, semi-structured interviews were conducted on selected respondents from different industries and sectors. Thematic analysis and cross-case analysis were used to further analyze, compare and contrast the different drivers and barriers obtained from findings.

Within the organization, top management is the most important factor as it shapes organizational culture and leading the organization towards sustainability practices and awareness. However, top management support and financial constraints are the top internal barriers. It has a causal relationship as well with the lack of management support in terms of resource allocation leading to challenges in securing adequate funding for further SSCM activities.

Keywords: Sustainable supply chain management, small and medium-sized enterprises, Practices, Malaysia.