

Transforming green logistics practice into benefits: a case of 3PLs

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Abstract— In the 21st century, the sustainable practices have become an essential for a firm to create profit while preserving the environment. The need to implement green logistics practices have been recognized as a major impact in logistics industry. Previous literature asserts that green initiatives have improved efficiency and effectiveness but what and how green logistics practice can enhance competitive advantage are yet discovered. This research attempts to fill in these research gaps by investigating environmental concerns and green logistics practices in a case study of 3PL, and further, examine its role in adding green value and enabling green logistics services which are transformed into benefits for 3PLs and value for customers/society and planet.

Purpose – The pressure on sustainable environment to embrace green has become significant to preserve environment while a firm is creating a profit. This paper aims to investigate the green logistics practices adopted by a logistics firm and further examine their roles in adding value and enabling green services which are transformed into benefits for logistics service providers and value customers/society and planet.

Design/methodology/approach – A case study research involving an international third party logistics (3PLs), operating in Malaysia, with data collected through a face-to-face semi-structured interview with the manager.

Findings – The findings reveal that the 3PLs has shown a more proactive attitude on green logistics practices in terms of green distribution, green warehouse, internal environmental management and green purchasing. Even the current level of green logistics practices is partially involved, the company has put much efforts in research and development (R&D) to consider green logistics. The company has achieved some economic benefits e.g. through fuel efficiency, route and warehouse optimization and some value of environment/society by avoiding any activities that cause unnecessary carbon emissions (CO₂).

Research limitations/implications – The research focuses on one international 3PLs operating in Malaysia – findings may differ in other 3PLs.

Originality/value – The study contributes to a practical understanding of green logistics practice and provide insights into a better understanding of the links between green logistics practices and environmental and economic performance.

Keywords - *Green logistics practices; Environmental performance; Economic performance; Third-party logistics; Sustainability.*

BIOGRAPHY

Noorliza Karia is an Associate Professor of Logistics and Operations and Chair of the Department of Operations at the Universiti Sains Malaysia (USM). She received her PhD in Logistics from University of Hull, UK, MBA from USM and Bachelor of Science in Production and Operations Management from University of Denver, Colorado, USA. She has gained industrial experiences in production planning, supply management, assembly and mass production in manufacturing industry. She is the Chartered Member of the Chartered Institute of Logistics and Transport, United Kingdom. Associate Professor Dr. Noorliza has published her works in high quality journals and conferences. Her research interests center on logistics, operations and quality, resource and capabilities, halal logistics and service, competitive advantage, sustainability and innovation.

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