Organizational Culture and Performance: Mediating Role of Sustainable Supply Chain Management Practices

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Abstract
The concept of sustainable supply chain management (SSCM) has received increasing recognition in both theory and practice. Current dependency on the oil and gas industry for economic development and social activities necessitates research into the sustainability of the industry’s supply chains. Previous studies on SSCM practices in the industry have paid little attention to context dependent factors that either enable or hinder progress towards sustainability in a supply chain. Our aim is to address this gap by exploring the relationship between organizational culture and SSCM practices, as well as the resultant effect of this interaction on performance outcomes. Specifically, this study examines SSCM as one possible explanatory mechanism through which an organization’s culture influence its performance. A survey of 192 oil and gas companies was conducted. The data collected was analyzed using structural equation modelling. The results provide evidence that SSCM practices mediate the culture-performance relationship. Thus, managers should ensure that SSCM is embedded in their organizational culture in order to achieve greater sustainability performance. For instance, organizations could pursue characteristics of the culture that enable innovation and risk-taking, and aim at increasing long-term value, rather than short-term economic benefits.

Keywords
Organizational culture, Sustainability, Supply Chain Management, Oil and Gas, Performance Outcomes

Biographies
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