

The mediating roles of agility on the impacts of sustainability on the performance of the oil and gas supply chains

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Abstract

This study investigates the relationships between agility and sustainability and the individual and combined impacts of both agility and sustainability on the performance of the oil and gas enterprises. This predicated upon the fact that whilst agility or sustainability has been corrected with organisational performance, there is no empirical study current that investigates the influence of agile practices on the extent to which organisations could translate sustainability practices into sustainability performance or overall organisational performance including the traditional financial measures and operational performance objectives. In particular, it is not clear if agility servers as an effective mediator or moderator of sustainability. This is significant given that sustainability has now become an important competitive objective. A survey of the oil and gas industry in the UK was carried out with a resulting response of 311 participating organisations. The oil and gas industry was chosen because of the impacts of its operations and products on the global carbon footprint. Using a structural equation modelling (SEM), the result indicates that agile practices are enablers of sustainable supply chain practices and that these capabilities play an important role in mediating the impacts of sustainability practices on competitive bases of profitability, flexibility, innovation, quality, speed and proactivity. These results also suggest that agile capabilities are necessary conditions for maximizing the impacts of implementation of sustainability practices on sustainability performance. In other words, the results show that enterprises with highly agile supply chains can benefits more from their efforts in implementing sustainability practices to improve overall organisational performance.

Keywords: *Supply chain agility, Sustainable supply chain practices, Competitive performance objectives, Sustainability performance measures, Oil and gas industry*

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