Sustainability in the Textile Industry: A Quantitative Analysis of the Role of Supply Chain Disclosure and Supply Chain Complexity

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Abstract

Sustainability has become an important issue on corporate agendas and firms are increasingly being held responsible for not only their own actions, but also the actions of other firms in the supply chain. In line with this, firms aiming to be more transparent about their sustainability practices started to voluntarily reveal their supplier lists to the public, which might include information such as the company name, product type, location, factory demographics (e.g. gender distribution, firm size), audit reports and sustainability grading of suppliers. This exploratory study aims to investigate the impact of the extent of supply chain disclosure on firm performance, by focusing on the textile industry. The role of supply chain complexity as an antecedent of supply chain disclosure is also examined by focusing on its two dimensions: horizontal complexity (i.e. the number of suppliers) and spatial complexity (i.e. geographical spread of suppliers). Data is collected from secondary sources using supplier lists published on company websites and ORBIS database. Hypotheses are tested via hierarchical regression analysis. The results suggest that supply chain disclosure has a positive impact on financial performance. The findings also indicate that supply chain complexity has a negative impact on the extent of supply chain disclosure.

Keywords
Supply chain disclosure, supply chain complexity, sustainability, textile, secondary data

Biography
Melek Akın Ateş, Ph.D. is currently Assistant Professor of Purchasing & Supply Management at Sabanci Business School, Sabanci University. She holds undergraduate degrees in Business Administration and International Trade and Finance from Izmir University of Economics, Turkey where she graduated as the Valedictorian. Afterwards, she pursued a masters in Supply Chain Management at Rotterdam School of Management (RSM), Erasmus University, in the Netherlands. She got her PhD from RSM on the topic of “Purchasing and supply management at the purchase category level: Strategy, structure and performance”. Her main research areas are strategic purchasing, buyer-supplier relationships, sustainable sourcing, purchasing and innovation, and supply chain complexity. She was awarded the Best Student Paper Prize at the Decision Sciences Conference in 2011, the Chris Voss Highly Commended Award at the EurOMA/POM World Conference in 2012, and was a finalist for Chan Hahn Best Paper Award at the Academy of Management Conference in 2014. Her work has appeared in Journal of Supply Chain Management (JSCM), Journal of Purchasing & Supply Management (JPSM), International Journal of Operations and Production Management (IOPM), and International Journal of Production Research (IJPR). She was a recipient of the JPSM Best Reviewer Award in 2017 and she is currently one of the Guest Editors of the IPSERA 2021 Conference Special Issue of JPSM. Melek Akın Ateş currently is the Academic Director of the Undergraduate Program in Management at Sabanci Business School, Sabanci University, and is also the Secretary General at the European Decision Sciences Institute (EDSI) since 2021.