

THE IMPACT OF ORGANIZATIONAL MOTIVES ON THEIR PERFORMANCE WITH MEDIATING EFFECT OF SUSTAINABLE SUPPLY CHAIN MANAGEMENT

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ABSTRACT

Competition in the trade market is a regular phenomenon thus paving way for sustainable Supply Chain Management. This emerging concept in today's world is due to increase of the foreign competitors entering the market. Now an organization not only focuses on its motives and profit, it needs to work for the betterment of the environment and the social performance. Sustainable Supply Chain Management helps the organization to compete these challenges. SSCM is a practical concept designed to fulfill the current generations' needs while not compromising the future generations' needs. This study analyzes the relationship of instrumental, relational and moral motives of the organization on the environmental, social and financial performance with the involvement of Sustainable Supply Chain Management. The aim of this study is to examine the mediating effects of sustainable supply chain management in an organizations' motive and its performance. The data is collected in "Questionnaire" survey method. Structural Equation Modeling is used to examine the relationship of organizational motive and organizational performance with the mediating effect of sustainable supply chain management. Finding of this study show the SSCM practices significantly mediate the relationship of organizational motives and organizational performance. Every organization implements SSCM practice to enhance the overall performance of the firm.

Keywords: Instrumental Motive; Relational Motive; Moral Motive; Sustainable Supply Chain Management(SSCM); Financial Performance; Environmental Performance; Social Performance.

1. INTRODUCTION

Industrial development has accelerated in the last few years and markets are increasingly becoming interconnected. Competition in the market create difficult situation for every organization. Every organization tries to excel in such situation thus leading to unsustainability. This unsustainability creates unacceptable environmental and social issues in the economy such as global warming, industrial accident, labor condition, ozone depletion and much more. Sustainable development is necessary to overcome this situation. Recently 'sustainability' has attracted attention and become the global concern of every organization, government and media. Sustainable Development has become the global challenge of every organization. Many organizations deal with sustainability for survival.

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Organizations concerned for the better future search for different operations to achieve the SSCM objective and show the responsibility of the environmental, social, economic and financial performance (Chaabane, Ramudhin, & Paquet, 2012; Crum, Poist, Carter, & Liane Easton, 2011). SSCM defines the management of capital flow, material and information as well as collaboration of Supply Chain partners, taking into account the environmental, economic and social dimensions, based on stakeholder and customer requirements (Seuring, Sarkis, Müller and Rao, 2008). For achieving the goal of Sustainable Supply Chain Management, the organization should manage the intra and inter organization relationship and manage its optimal resources and increase the efficiency of the operation and fulfill the customer needs and better match with the supply and demand and design the more competitive model of business.

SSCM deals with the firms' internal practices such as process design, product design and external concern of collaboration with supplier and customer (Seuring & Müller, 2008). Many groups or stakeholder (supplier, government, customer, distributor and the community well-wisher) also effect the firms' operation that is not under company control. Every group has its own interest and it is difficult to satisfy all groups so the firm collaborates with some groups to make the supply chain more sustainable. Rational motive of the firm deals with the stakeholder theory. Firm acts for the wellbeing of different groups as well as work for its own benefit. To earn profit is the first and foremost objective of the firm by enhancing the image of the firm in customers' mind and also increase the market share. That is the motive that relates the instrumental motive to the SSCM. The main objective of business entity is to maximize the shareholder wealth and show environmental, social and economic responsibility. Third motive is the moral motive, focused on the wellbeing of others. This enhances the firms' overall performance by positive reputation of the firm. Moral motive is different from the rational motive due to its genuine concern to the environment or intrinsic high order value. This concern is not due to the external pressure (Paulraj, Chen, & Blome, 2017).

This study explores why an organization engage with SSCM practices. It further explores links between the organizational motive and SSCM practices and the organizations' first and foremost objective of profit maximization. Is SSCM practice beneficial for the organization (instrumental motive) because it deals with the multiple stakeholder interests (relational motive)? Is the organization engaged with SSCM practice because they inspire to do right thing (moral motive)? Does the organization engage in any practices that show the impact on the performance? Many studies have concluded that the SSCM practices impact the environmental and financial performance but the lack in the social performance. Many researchers focus on the environmental dimension and neglect the social dimension. Some researcher say social focus is also included and detail analysis (Ahi & Searcy, 2013) and social dimension is less researched than the environmental dimension (Seuring & Müller, 2008). The effect of SSCM practices on the social performance has been unexplored. Is there any link between the SSCM practice and the social performance? Answers of these questions contribute the valuable contribution in the literature. Specifically this study examines the relation to the SSCM and its effect on the environmental, social and financial performance.

2. LITERATURE REVIEW

Sustainability has been defined by Workers Establishment Characteristic Database (WECD) in 1987 as development that fulfills the need of present generation without compromising the need of future generation and keeping its focus on the environment. In this definition the broad scope of sustainability defines and gives the starting point to incorporate sustainability in the business core

strategies. Using the resources in efficient manner and not the degradation or waste of the human, natural, physical and intellectual capital is sustainability (Costanza, Daly, & Bartholomew, 1991). Kenan-Flagler Business School (2010) states that a firm should create profit without harming the resources like people and plants.

The SSCM is the integration of two terms Supply Chain Management and Sustainable Development. SCM is the integrated process of link between upstream and downstream and adding value in chain (Chavez, Fynes, Gimenez, & Wiengarten, 2012). SCM defines the perspective of internal and external (Chatzoglou, Diamantidis, Vraimaki, Vranakis, & Kourtidis, 2011) The SCM is the integration of main three dimension services, product and information movement for the supplier to end users and improve the efficiency level of total cost and customer satisfaction (Atilgan, McCullen, Atilgan, & McCullen, 2011). Sustainable Development manage the three dimensions; environment, social and economic (Newport, Chesnes, & Lindner, 2003). The evaluation of the SD is the tool for assessing the social, economic and environmental dimension (Burritt & Schaltegger, 2012). Economic dimension focus on the efficient use of resources, cutting cost and processing time reduction (Figueredo & Tsarenko, 2013; Piotrowicz & Cuthbertson, 2009). Environmental dimension lowering the negative impact of the business activity on the environment, they have a sub group: natural resources utilization, emission and waste and recycling. Social dimension does not directly incorporate into business performance measurement system. Social dimension measures the health and safety, noise emission and impact on employee.

Sustainable Supply Chain practices are defined as the firms' inter and intra-organization practices for dealing with suppliers, internal operation and customers to achieving the social and environmental performance. According to Chen and Paulraj (2004) Managing supplier is a term focused on developing the relationship strategically with selected suppliers; make long term and strong relationship to overcome the supplier bias and quality of the material. For making healthy relationship with suppliers, firms collaborate with supplier on the basis of mutual trust and share the information and vision of the firm.

Information sharing with the supply chain partners is the useful method of improving the firms' performance and sustainability. Information sharing is very effective for solving many problems related to design, product and sustainability. Any business has large impact socially and on the environment. The firm shares information with the supply-chain partner about the impact of the consumption and production on the environment and which environmental regulations are followed by the company. Social information related to how firm treats the employees, equality issue, health and safety issue and deal with the local community.

2.1. Environmental Performance

Environmental design helps the firm to introduce that system of product and process to decrease the environmental impact. Zhu et al., (2008) adopt the eco-design practices that bring new and innovative opportunity for dealing with the environmental issues and introduce the new way for adding the value in the firm operation. Eco-design involves life cycle assessment (LCA) and disassembly. *LCA is defined as "a process to analyze the environmental burdens associated with the entire life cycle of a product or service"*. LCA evaluate the process, product or system for compiling the input/output inventory and the result of inventory and assess the impact of environment and improve the positive impact in future. LCA also helps the firm in reducing the impact on environment throughout the life of the product. According to Sarkis, (2001) recycling process is defined as organization practices of

recycle, reuse and use of material that is remanufactured and of returned product. Reuse and recovery of product is minimizing the negative impact on environment. Environmental performance is highly related to the use of resources efficiently and the process of using such resources that generate the hazardous substances and effect the environmental performance.

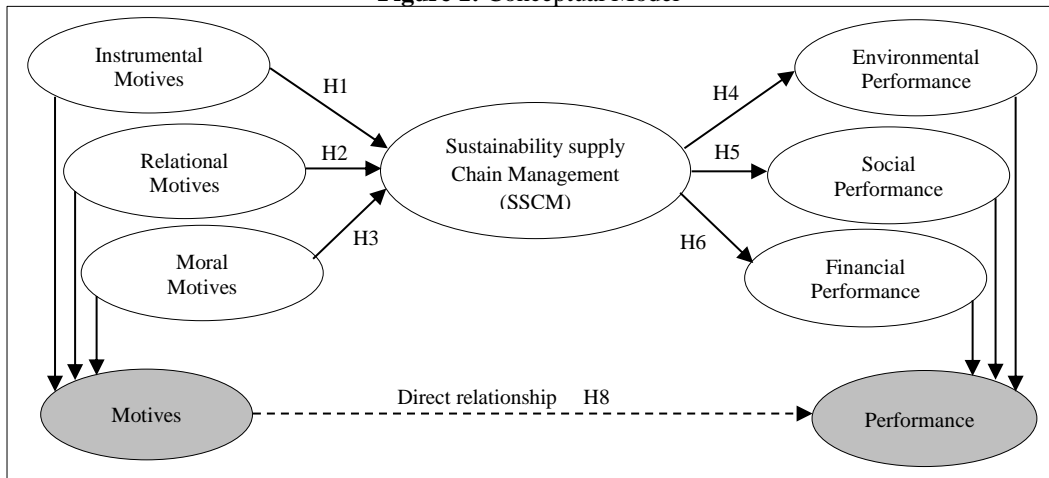
2.2. Social Performance

Corporate Social Responsibility (CSR) deals with the internal (employees) and external aspect of the firm. First aspect deals with the employees' well-being like health and safety issues, wages and human rights. Second aspect deals with the local community and peoples' well-being. CSR is a response to the shareholder as well as response to the other stakeholder and work for peoples' welfare. CSR practices include (a) Corporate Sustainability Reporting (b) employees well-being and equity (c) Corporate Social Involvement Practices.

For the employees' well-being, firm implements labor law and human resource management practices. For achieving the human resource sustainability the people need to be motivated and adopt the policies and practices of adding the value of human resource management.

2.3. Conceptual Model and Hypotheses

Figure 1: Conceptual Model



Over the past few decades the pressure of customer, government, employees, shareholder and stakeholder has increased and these pressure groups promote the corporation to involve in economical, social and environmental activities (Morali & Searcy, 2013). These activities move to the company SSCM.

The corporations' social responsibility is to earn profit. CSR has different impact for different people. In general CSR means

1. Treat the community well and follow the environmental rules and regulation and not harm the nature.

2. Treating the employees in well manners in term of wages, working hours, health and safety and human rights.
3. Treating the customer in well manner in term of good quality product.

SSCM concept is a traditional supply chain management with triple bottom line concept that addresses the economic, social and environmental concern (Al Zaabi, Al Dhaheri, & Diabat, 2013; Chardine-Baumann & Botta-Genoulaz, 2014).

2.4. Organizational Motives and SSCM

The model of this research links the three motives (instrumental, relational, moral) with Sustainable Supply Chain Management and firm performance. First ground is CSR and rest that firm engaging with Sustainable Supply Chain Management practices with various intrinsic as well as extrinsic motives. The firm engaged in SSCM has the goal of profit maximization. CSR theories state that the firm engages in Sustainable Supply Chain Management practice which align the instrumental motive of enhancing the shareholder value. The enhancement in the share holder value is done by avoiding the bad publicity and increasing the firms' competency by protecting the firms' reputation (Bansal & Clelland, 2004; McWilliams & Siegel, 2010).

Relational motive in an organization, for the responsible efforts in Sustainable Supply Chain Management Practices, can observe with the stake holder theory. Diversity of stakeholder interest will lead to firm acting for the well being of the many groups that are linked. In sustainable supply chain management the firm tries to meet the need of diverse interests of the stakeholder. Firm adopt those steps that are the best. Therefore, firms should be promoting the interests of different stakeholders such as suppliers, customers, government and environment groups, employees, and not merely seek short term shareholder returns (Aguilera, Rupp, Williams, & Ganapathi, 2007; Sarkis, Gonzalez-Torre, & Adenso-Diaz, 2010).

Relation motives deal with the stakeholder and pressure group. With regards to the Supply Chain Management perspective, extant research shows that sustainability is often externally motivated by government, stakeholders or customers (Seuring & Müller, 2008).

Moral motive of the corporation has ethical responsibility to make positive contribution economically, socially and environmentally and make better world for future. Managers' concern will be to do the right thing in right way. Scholars in organizational justice and business ethics, however, advocate that in addition the relational, instrumental and morality-based motives play a major role in the actions taken by the organizations (Aguilera et al., 2007; Carroll, 1991), and that every single aspect of value created within business fosters a deeply human institution embedded with moral complexity (Fernando & Almeida, 2012). Moral motives are different from the relation motives because of its moral inspiration in the SSCM practices of higher value of intrinsic concern to the social and environmental aspect. The empirical evidence shows that many individuals are concerned with fairness and justice, even if there are no economical benefit of that action, and the firms' interaction with the moral action concern for the morality based justice. (Cropanzano, Goldman, & Folger, 2003; Turillo, Folger, Lavelle, Umphress, & Gee, 2002). Also, within supply chains, the concepts of fairness and justice have been shown to effect Sustainable Supply Chain Management practices significantly (Vachon & Klassen, 2008).

When Supply Chain managers behave according to stewardship interests by instigating actions to show the responsibility to the environment, driven by moral motives, for the betterment of the society, they

are likely to inject Sustainable Supply Chain Management practices in their firm strategies (Cantor, Morrow, & Montabon, 2012).

H1: Instrumental motives will positively effect on a firm's Sustainable Supply Chain Management.

H2: Relational motives will positively effect on a firm's Sustainable Supply Chain Management.

H3: Moral motives will positively effect on a firm's Sustainable Supply Chain Management.

3. SUSTAINABLE SUPPLY CHAIN MANAGEMENT PRACTICES AND ORGANIZATIONAL PERFORMANCE

Sustainable Supply Chain Management deals with the sustainable process design, product design and the collaboration with supplier and customer. To start with the product design, these are environment friendly materials as well as the process for making these products. Next crucial aspect is the reuse and recycles of the product. At the end of product life cycle the products' recycling and biodegradability are key to environmental performance.

Material, information and capital flow link the firm to their Supply Chain partner and might be responsible for the social and environmental demands of their supplier (Crum et al., 2011; Seuring & Müller, 2008). Sustainable Supply Chain Management promotes efficiency between the supply chain partners and help to enhance the environment performance by reducing the waste and achieving the cost saving. To enhance the performance environmently firms adopt environmental collaboration with supplier and customer and monitor practices at the all level of supply chain (Green Jr et al., 2006). To improve the sustainable performance to put special attention on the process and product design that minimize the negative affect on the environment throughout the firm product life cycle.

Environmental and social issues are of concern to the managers because the stakeholders, customer, regulatory bodies, non-governmental organization and their own employees are demanding that organizations manage the environment and social issues which put the impact on the firms' operations. Furthermore, for the better financial performance of the corporation researchers found the responsiveness to the environment and firm associated to the rigorous meta-analysis of the relationships among social responsiveness, environmental responsiveness, and corporate financial performance (Orlitzky, Schmidt, & Rynes, 2003). Social issues in supply chain management are defined as a process and product aspect that deal with the human safety, walfare and community development (Klassen & Vereecke, 2012). These also depend on the condition in which firm is operated. Potential way for reducing risk is the management of social issues (Klassen & Vereecke, 2012). and enhance financial performance thourgh various factors like trust power and monitoring between suppliers and buyers (Hoejmose et al., 2013).

Further, new laws and regulations dealing with human safety and health which encourage firms to look at social issues and also highlight the relevance of social issues in Supply Chains. Labour conditions that deal with the issues of health and safety, wages, child labour and working hours were deductively derived (Welford & Frost, 2006). Sustainable supply chain management has a long term impact on the company performance. The most important view is that Sustainable Supply Chain Management practices are positively related to an organization's environmental and financial performances as part of

“win–win” propositions, although critics challenge the idea of win–win solutions and argue that firms are required to deal with the tradeoffs (Seuring & Müller, 2008).

H4: Sustainable Supply Chain Management practices are positively related with a firm’s environmental performance.

H5: Sustainable Supply Chain Management practices are positively related with a firm’s social performance.

H6: Sustainable Supply Chain Management practices are positively related with a firm’s financial performance

4. MEDIATION BY SSCM

Conceptualization of this linking the organizational motives (instrumental, moral and relational) with the Sustainable Supply Chain Management Practices and its performance. Performance include the financial, environmental and social performance. Firm show the responsibility for the SSCM and focus on both the extrinsic and intrinsic rewards. Sustainable Supply Chain Management include innovation in process and product and collaboration with the SC partners. SSCM effect the relationship of motives and performance. Instrumental motives deal with the shareholder interest. Relational motives deal with the belongingness, means stakeholder interest. Moral motives show the responsiveness to create the high order value (Aguilera et al., 2007). Environmental performance show the responsiveness to the environment and produce environment friendly product and efficient use of natural resources. Social performance include human rights, health and safety, quality of life and employment equity. SSCM is mediating the relationship of motives and performance or direct relation between motive and performance.

H7: Sustainable Supply Chain Management Practices significantly mediate the relationship between the organizational motives and its performance.

H8: Organization motives positively related to the Organizational performance.

5. RESEARCH METHODOLOGY

All construct is measured through research instruments. Research instrument adapted from the past literature is best representing this study construct. Survey approach is used in this study. Motive and SSCM practices are measured on the 5-point scale range; “1-strongly disagree” and “5-strongly agree”. Organizational performance is measured through 5-point scale range; “1-decreased significantly” and “5-increase significantly”). Construct items are adapted from the past researchers and show the validity and reliability.

5.1. Data Collection

Potential respondents of this research are managers and executives of the firms. 995 questionnaires were distributed. Some questionnaires are self-administered and some sent through mail due to the limited time constraint. Response rate of this survey has been 37.69%. Some questionnaires were dropped due

to the missing value. 360 questionnaires were used for the analysis so the response rate is 36%. At organization level the response rate is 34% that are mentioned in many researches. Accordingly the response rate is favorable for the analysis. (Bertlett, J, Kotrlik, J, Higgins .C (2001)).

5.2. Measures

The instrumental motive of construct involves 5 items described in past studies {Bansal and Clelland, 2004; McWilliams and Siegel, 2010; Paulraj et al., 2017}. The relational motive construct involves 4 items {Aguilera et al., 2007; Hofer, Cantor and Dai, 2012; Paulraj et al., 2017; Seuring, Sarkis, Müller and Rao, 2008}. Moral motive construct involves 4 items {Aguilera et al., 2007; Cameron, Bright and Caza, 2004; Cantor et al., 2012; Paulraj et al., 2017}. SSCM is adopted from {Carter and Easton, 2011; Paulraj et al., 2017; Rao and Holt, 2005; Zhu and Sarkis, 2004; Zhu, Sarkis and Lai, 2012; Vachon and Klassen, 2008}. Environmental performance construct is adopted from {De Giovanni, 2012; Paulraj et al., 2017; Zhu and Sarkis, 2004}. Financial performance construct is adopted from {Ameer and Othman, 2012; Chen and Paulraj, 2004; Paulraj et al., 2017}. Social performance construct is adopted from {Muangpan, 2015}.

5.3. Measurement Model

Instrument of latent variable is used to measure relationship of the measurement model. This study checks the instrument validity and reliability through EFA and CEF. According to Hair et al., (2010) Exploratory Factor Analysis checks the collected data and examines the underlying factors that represent data in the best form. EFA results in total variance of 64.462% and KMO of 0.806 which is greater than the suggested value of 0.5 by Hair et al. (2010) which shows the measure of sample adequacy. EFA checks the reliability of the research instrument. According to Hair et al (2010) the minimum value of Cronbach Alpha is more than 0.6. Cronbach Alpha value of research instrument is (a) instrumental motive (0.895) (b) relational motive (0.888), (c) moral motive (0.942), (d) Sustainable Supply Chain Management (0.893), (e) Environmental Performance (0.947), (f) Social Performance (0.848) and (g) Financial Performance (0.979). All values are more than the standard value. According to these results, the reliability is achieved. The final EFA included the remaining 22 items resulting in 7 factors with Eigen value greater than 1.0 explaining 64.462% of cumulative variance. The Eigen values for the extracted factors ranged from 4.577 to 1.111. Additionally, the factor loading ranged from 0.939 to 0.484.

CFA evaluates the model through Maximum Likelihood (ML). CFA achieves the Goodness-of-fit of model. CFA evaluate the value of χ^2 (650.189), GFI (0.870), AGFI (0.815), NC (3.65), RMSEA (0.045), NFI (0.928), TLI (0.951) and CFI (0.958). After achieving the goodness of fit of the model validity is checked. According to J.F. Hair, (2010) validity should be measured correctly to the variable. Validity of the scale is measured in two ways; “convergent validity and discriminant validity”. Convergent validity determines that each indicator loading on its factor is more than twice its standard error (Adèr & Mellenbergh, 1999). Discriminant validity measures through the correlation matrix of measurement model. Standard of discriminant validity is correlation between construct of measurement model is less than 1 and greater than twice of Standard Error. Discriminant and convergent validity table is shown in appendix. This analysis indicates that both achieve validity.

CFA is conducted to test the CMB (common method bias test). Common method bias test refers that the external factors influence the response. CMB check indicates the change in the regression weight. If change in weight is greater than 0.20 then common method bias is present. Table 1 shows the result

of CMB with and without CLF and compares the result. Control the CMB use latent variable for further analysis.

Table 1: Factor Loading with and without Common Latent Factor

		Factor Loadings	
		Factor Loadings (with CLF)	Factor Loadings (Without CLF)
FP1	← Financial Performance	0.926	0.973
FP3	← Financial Performance	0.926	0.969
FP2	← Financial Performance	0.936	0.97
EP4	← Environmental Performance	0.956	0.99
EP2	← Environmental Performance	0.921	0.955
EP3	← Environmental Performance	0.899	0.897
I5	← Instrumental Motive	0.691	0.935
I4	← Instrumental Motive	0.536	0.844
I3	← Instrumental Motive	0.646	0.824
MM1	← Moral Motive	0.768	0.934
MM4	← Moral Motive	0.589	0.888
MM2	← Moral Motive	0.762	0.939
SS5	← Sustainable Supply Chain Management	0.709	0.87
SS11	← Sustainable Supply Chain Management	0.437	0.831
SS7	← Sustainable Supply Chain Management	0.311	0.524
SP14	← Social Performance	0.809	0.88
SP5	← Social Performance	0.708	0.765
SP15	← Social Performance	0.762	0.849
SP2	← Social Performance	0.763	0.73
R1	← Relational Motive	0.781	0.896
R2	← Relational Motive	0.792	0.926
R4	← Relational Motive	0.58	0.918

6. STRUCTURE EQUATION MODELING/ RESULTS

Structure Equation Modeling (SEM) is used to estimate the relationship the between motives (Instrumental, Relational and Moral) and Performance (Environmental, Social and Financial) as well as the mediating role of Sustainable Supply Chain Management. According to (Hair et al., 2010) SME shows the relationship of the construct variable, it measures the unbiased latent construct rather than the observers construct.

Figure 2, “Modified Structural Equation Model” shows the relationship between the motives and firm performance with the mediating effect of Sustainable Supply Chain Management.

Result hypothesis shown in table 2:

- $H1$ is an instrumental motive positively related to the SSCM ($\beta = -0.77$, $z = -13.480$, $p = ***$) - not significant relationship.
- $H2$ is positive relation motive related to the SSCM ($\beta = 1.708$, $z = 28,124$, $p = ***$) - significant relationship.

- c. *H3* Moral motive positive related to the SSCM ($\beta = 0.177, z = 4.984, p = ***$) - significant relationship.
- d. *H4* is SSCM positive related to the environmental performance ($\beta = 0.272, z = 1.112, p = .266$) - not significant relationship.
- e. *H5* is SSCM positive related to the Social Performance ($\beta = 0.923, z = 5.535, p = ***$) - significant relationship.
- f. *H6* is SSCM positive related to the Financial performance ($\beta = -0.861, z = -3.580, p = ***$) - not significant relationship.

This evaluation shows direct relationship of independent and dependent variables. First direct relationship between instrumental motive and environmental performance is not significant because results show the negative relation between two variables. Second direct relation between instrumental motive and Social performance is significant on the basis of result. Third direct relationship between instrumental motive and financial performance is not significant because result shows the negative relation between two variables. Fourth direct relation between Relational motive and environmental performance is significant on the basis of result. Fifth direct relationship between Relational motive and Social performance is not significant because result shows the negative relation between two variables. Sixth direct relation between Relational motive and financial performance is significant on the basis of result. Seventh direct relationship between Moral motive and environmental performance is not significant because the P value is greater than the standard value. Eighth direct relationships between Moral motive and Social performance are not significant because result shows the negative relation between two variables. Ninth direct relationship between Moral motive and financial performance is not significant because result show the negative relation between two variables.

Figure 2: Modified Structural Equation Model

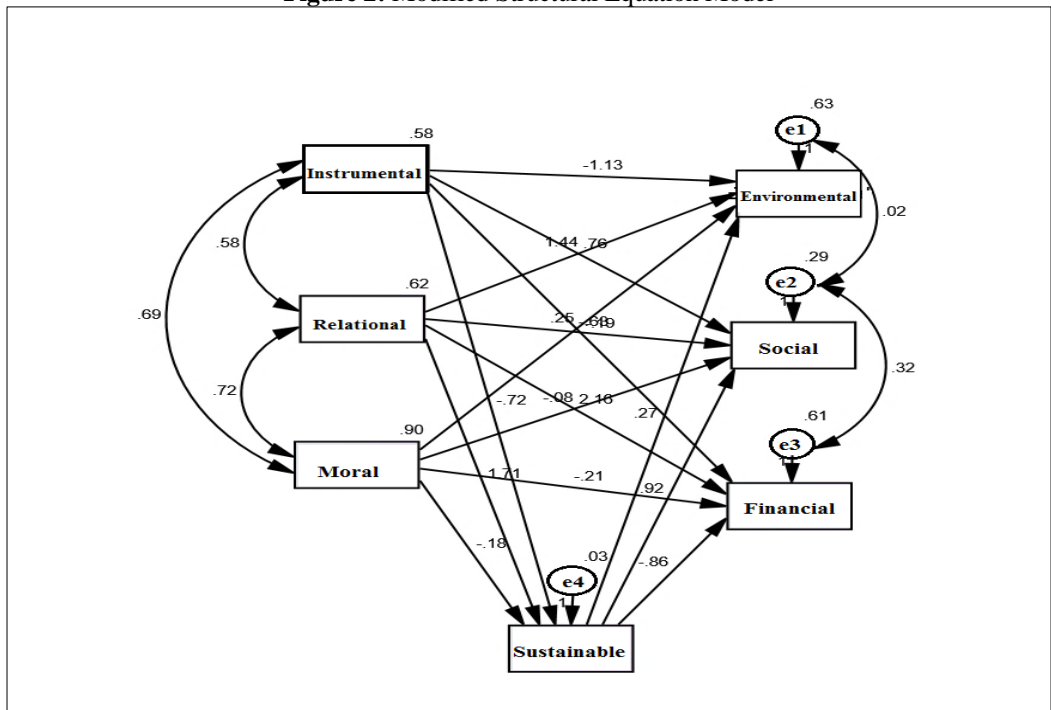


Table 2: Summary of Goodness-of-fit Indices for Revised Structural Model

Goodness-of-fit Indices	Desirable Range	Structured Model
<i>Absolute Measures</i>		
χ^2	Nil	126.943
NC	≤ 5	5.02
GFI	≥ 0.80	0.922
AGFI	≥ 0.80	0.904
RMSEA	≤ 0.08	0.059
<i>Incremental fit indices</i>		
NFI	≥ 0.80	0.970
CFI	≥ 0.90	0.970
TLI	≥ 0.90	0.965

Table 3: Hypothesis Result

Path	Unstandardized Estimates	Critical Ratio	P-value	Results
H1 IM → SSCM	-0.722	-13.480	***	Not- Supported
H2 RM → SSCM	1.708	28.124	***	Supported
H3 MM → SSCM	0.177	4.984	***	Supported
H4 SSCM → EP	0.272	1.112	0.266	Not-Supported
H5 SSCM → SP	0.923	5.535	***	Supported
H6 SSCM → FP	-0.861	-3.580	***	Not-Supported
H8 IM → EP	-1.135	-3,727	***	Not-Supported
H8 IM → SP	0.763	3.670	***	Supported
H8 IM → FP	-0.192	-0.642	0.521	Not- Supported
H8 RM →EP	1.443	2.868	0.004	Supported
H8 RM → SP	-0.631	-1.837	0.066	Not-Supported
H8 RM → FP	2.157	4.357	***	Supported
H8 MM → EP	0.254	1.501	0.133	Not- Supported
H8 MM →SP	-0.083	-0.716	0.474	Not- Supported
H8 MM → FP	-0.211	-1.266	0.205	Not- Supported

7. TESTING THE MEDIATING EFFECTS

After analyzing the whole model we now test the mediation effect. In the model test there is mediation effect of Sustainable Supply Chain Management on the motive and firm performance. According Baron and Kenny (1986), the first structural model evaluates the relationship between independent and dependent, second model evaluates the relationship between independent and mediator, third model evaluate the relation between independent and dependent with the mediation effect.

Table 4 represents the three models and indirect effect that are evaluated through Bootstrapping techniques.

First mediation effect of SSCM between Instrumental motive and environmental performance is not significant because the P value of Indirect (0.389) is more than the standard value (0.05). Second mediation effect of SSCM between Instrumental motive and Social performance is significant because the P value of Indirect (0.001) is less than the standard value (0.05). Third mediation effect of SSCM between Instrumental motive and financial performance is significant because the P value of Indirect (0.005) is less than the standard value (0.05). Fourth mediation effect of SSCM between

Table 4: Parameter Estimates for Mediation Testing

	Path	Direct without Mediator Estimates + P-value	Direct with Mediator Estimates + P-value	Indirect P-value	Results
	H7 IM → SSCM → EP	-0.938 ***	-0.815 ***	0.389	Not-supported
	H7 IM → SSCM → SP	0.090 (0.577)	0.680 ***	0.001	Supported
	H7 IM → SSCM → FP	0.289 (.084)	-0.122 (.465)	0.005	Supported
Objective 3	H7 RM → SSCM → EP	1.385 ***	1.053 ***	0.388	Not-Supported
	H7 RM → SSCM → SP	0.919 ***	-0.593 (.004)	0.001	Supported
	H7 RM → SSCM → FP	0.476 (.015)	1.487 ***	0.005	Supported
	H7 MM → SSCM → EP	0.181 (.209)	0.226 (.166)	0.388	Not-Supported
	H7 MM → SSCM → SP	-0.289 (0.030)	-0.094 (0.509)	0.001	Supported

Relation motive and environmental performance is not significant because the P value of Indirect (0.388) is more than the standard value (0.05). Fifth mediation effect of SSCM between Relation motive and Social performance is significant because the P value of Indirect (0.001) is less than the standard value (0.05). Sixth mediation effect of SSCM between Relation motive and financial performance is significant because the P value of Indirect (0.005) is less than the standard value (0.05). Seventh mediation effect of SSCM between Moral motive and environmental performance is not significant because the P value of Indirect (0.388) is more than the standard value (0.05). Eighth mediation effect of SSCM between Moral motive and social performance is significant because the P value of Indirect (0.001) is less than the standard value (0.05). Ninth mediation effect of SSCM between Moral motive and financial performance is significant because the P value of Indirect (0.005) is more than the standard value (0.05). Mediation effect of Sustainable Supply Chain Management between motive and Environmental performance is not significant. Mediation effect of Sustainable Supply Chain Management between motive and social and financial performance is significant.

8. CONCLUSION

This study depicts the relationship of strong organizational motive and the organizational performance when Sustainable Supply Chain Management practices are implemented. In the area where this study is conducted there is lack of SSCM practices and these are never given the importance. This study highlights the importance of SSCM practices in today's world and implements these practices in organizations to compete in the business world. In contemporary times only profit is not important. Companies need to be compatible and these demand serious actions. Such actions are based on the community welfare, environmental performance as well as the employee's welfare. This study also depicts the morality based SSCM practices that are implemented in the organizations. On the other hand organization stakeholders also know the importance of this practice and demand for the organization to implement SSCM practices that increases the organizations' reputation and also provides financial benefits. This study also provides the clear understanding of effect of SSCM practices.

An organization collaborates with the supply chain pattern voluntarily to achieve the higher order ranking and also achieve the competitive advantages. This study analyzes the effect of this collaboration on the firm performance and also analyses the motives on the performance.

Furthermore the multinational organizations develop strategies to collaborate the industry to achieve the objective of the community welfare as well as the organization welfare. Nowadays the concept of sustainability is very important globally but developing countries need to focus on it. Sustainability helps the organization to achieve many objectives of the organization. Nowadays organizations want to achieve the sustainability in supply chain and also want to achieve the sustainability in environment, social and economic performance. Every organization knows that all the aspects of the Sustainable Supply Chain Management are more important and need to make strategies to give them attention. This study enhances the importance of Sustainable Supply Chain Management at the organization level. The mediating relationship of Sustainable Supply Chain Management on the organizations' social and financial performance is significantly positively related to each other. The collaboration to the supply chain partners positively affects the organizational social performance within the organization as well as the community. According to the results of this study there is a possibility that organizations develop policies to improve their sustainability and give equal importance to the social dimension.

Our finding also promotes the ethical sustainability. The mediating relationship of Sustainable Supply Chain Management is not facilitating the relationship between motive and environment but many researchers say that is the dimension of sustainability. Due to giving less importance of SSCM in that area this relation is not significant. According to this study the Sustainable Supply Chain Management mediates the relationship between motives and Social and Financial performance and proves it is significant.

9. LIMITATIONS AND FUTURE DIRECTION

After considerable contributions there still remain limitations of this study and these limitations show the future direction. In this study instrumental motive does not positively relate to the SSCM. Future researches will add more construct in this model and further verify the relation. Sustainable Supply Chain Management practices are a multidimensional construct, this study focused on four dimensions (process design, product design, demand side collaboration and supply side collaboration). Future studies will incorporate all dimension of SSCM practice and fully capture the construct of distribution logistics.

Another limitation of the study is small sample size. Future study can incorporate on large sample size to check the effect. This study was conducted on more than one sector while the future studies will be conducted on one sector and its results will be compared to other sectors to check the effect of SSCM practices in different business settings and its performance outcomes.

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APPENDICES

Appendix 1: Communalities

	Initial	Extraction		Initial	Extraction
I3	.466	.523	SS5	.579	.643
I4	.461	.478	EP3	.822	.887
I5	.570	.578	EP2	.707	.762
R4	.334	.342	EP4	.786	.772
R2	.565	.730	FP1	.699	.710
R1	.596	.656	FP2	.790	.827
MM1	.614	.607	FP3	.771	.794
MM4	.559	.598	SP2	.524	.586
MM2	.648	.762	SP14	.536	.497
SS7	.536	.620	SP15	.469	.473
SS11	.536	.646	SP5	.554	.657

Note: Extraction Method: Maximum Likelihood.

Appendix 2: Measurement of Convergent Validity

Latent Construct	Item	Unstandardized Regression weights	Standard Error	Squared Standard Error
Financial Performance	FP2	.986***	.019	0.000361
	FP3	1.000	Nil	Nil
	FP1	.964***	.018	0.000324
Environmental Performance	EP3	1.084***	.037	0.001369
	EP2	1.000	Nil	Nil
	EP4	1.020***	.035	0.001225
Instrumental Motive	I3	.936***	.046	0.002116
	I4	1.000	Nil	Nil
	I5	1.314***	.056	0.003136
Moral Motive	MM2	1.044	.035	0.001225
	MM4	1.000	Nil	Nil
	MM1	1.021	.035	0.001225
Sustainable supply chain management	SS7	1.000	Nil	Nil
	SS11	1.141	.113	0.012769
	SS5	1.318	.126	0.004225
Social Performance	SP2	1.016	.067	0.004489
	SP15	1.000	Nil	Nil
	SP5	1.078	.065	0.004225
	SP14	1.033	.051	0.002601
Relational Motive	R2	1.000	Nil	Nil
	R1	1.018	.040	0.0016
	R4	0.923	.049	0.002401

Appendix 3: Correlation among the Research Constructs

Factor	FP	EP	I	MM	SS	SP	R
FP	1.000						
EP	.697*** (.087)	1.000					
I	.682*** (.063)	.555*** (.058)	1.000				
MM	.662*** (.075)	.599*** (.072)	.914*** (0.63)	1.000			
SS	.590*** (.068)	.614*** (.069)	.820*** (.059)	.830*** (.073)	1.000		
SP	.798*** (.075)	.646*** (.069)	.648*** (.050)	.622*** (.060)	.666*** (.058)	1.000	
R	.683*** (.066)	.613*** (.064)	.942*** (.055)	.926*** (.066)	.904*** (.066)	.657*** (.053)	1.000