SUSTAINABLE SUPPLY CHAIN MANAGEMENT: SUPPLIER RELATIONSHIPS AND SUSTAINABLE ABILITIES IN SME’S

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Abstract

To transform a supply chain into a ‘sustainable supply chain,’ suppliers need to change their existing production practices (Faisal 2010). It is vital that firms realize the importance of working collaboratively with supply chain partners (suppliers) to increase sustainability performance (Faisal 2010). Ambrose, Marshall & Lynch (2010) state managing the buyer-supplier relationship is a fundamental aspect of the success of firms, and the successful management of stakeholder relationships contributes to strong performance. However, information sharing is important to provide sustainable requirements to suppliers (Beske & Seuring 2014). Sustainable practices and performance has great importance in today’s business world and should be a part of a business's operational strategies, and such considerations are no longer tied to large companies and multi-national businesses. (Laszlo 2011; Malesisos et al. 2018). In fact, SMEs are proposed to make better contributions to the environment than larger organizations as the decisions are made locally (Natarajan & Wyrick 2011). The main purpose of this research paper is to analyse large-scale companies’ expectations towards their suppliers, and sustainable practices. The second phase of the research incorporates Small to Medium Enterprises (SME’s) ability to incorporate these practices, and the third aim is how they align with supplier relationships. The study can assist professionals in integrating sustainable supplier developments in the supply chain and help smaller suppliers (SME’s), understand sustainable expectations in their buyer-supplier relationships. The study provides a new contribution to sustainable supplier research which is a growing requirement in Sustainable Supply Chain Management (SCCM) literature (Singh & Trivedi 2016).

Keywords: Sustainable Supply Chain Management (SCCM), Corporate Social Responsibility (CSR), Small to Medium Enterprise (SME’s), Buyer-Supplier Relationships.