

## ASSESSING THE SUSTAINABILITY PERFORMANCE OF SOCIAL PRACTICES IN MANUFACTURING SUPPLY CHAINS

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### Abstract

Real sustainability encompasses three dimensions, i.e., economic, environmental, and social, and these three dimensions are commonly termed as Triple Bottom Line. Since the main objective of business organizations is profit maximization, economic sustainability can be identified as the widely considered dimension of sustainability. Many scholars have carried out their studies giving major attention to environmental and economic practices, and thus far, the social pillar has been received less consideration in literature, especially in developing countries. Therefore, the present research study makes an effort to investigate the extent of social practices used by manufacturing companies and assess sustainability performance in order to social sustainability practices followed by manufacturing companies. To address this issue through a quantitative study, data was collected using a questionnaire survey from 88 apparel manufacturing companies in Sri Lanka. A PLS structural equation modeling was used to analyze the data. Findings indicate that both internal and external social sustainability practices positively impact on all sustainable performance, i.e., economic, environmental, and social. Further external social sustainability practices show a relatively higher impact on firm performance. Social practices as a dimension of sustainability enable organizations to motivate their employees, satisfy their customers, and gain goodwill among the general public. Since the contribution of people is essential to achieve all triple bottom line performance, social practices can play a vital role in motivating the personnel to get their contribution for achieving sustainability goals in supply chains.

**Keywords:** Social practices, Sustainability performance, Triple-bottom-line