

# IMPACT OF GREEN LOGISTICS PRACTICES ON FIRM'S ENVIRONMENTAL PERFORMANCE: EVIDENCE FROM MAS HOLDINGS SRI LANKA

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## 1. Introduction

Environmental degradation, pollution, and global warming are some of the major challenges faced by humanity in the 21<sup>st</sup> century. Unwholesome practices of people are the major root cause of environmental problems. Although the logistics, i.e., transportation and distribution sector, is considered one of the most important processes in the world economy, the World Economic Forum emphasized that logistics accounts for 5.5 % of global emissions. Therefore, greening the logistic activities is deemed necessary for minimizing emissions and achieving environmental steadiness. Hence, this study aims to examine the impact of Green Logistics Practices on Firms' environmental Performance: evidence from MAS Holdings Sri Lanka.

## 2. Research Methodology

Primary data was used for the study, and it was gathered from 281 Executive and above staff members through a questionnaire survey, and the data was analyzed employing a PLS-SEM. Further, developed hypotheses were tested using multiple regression analysis. Therefore, this research study is categorized as a quantitative study that falls under the positivistic paradigm.

## 3. Findings and Discussion

Findings emphasized that all four green logistic practices (environmentally friendly materials, green transportation, green energy & packaging) have a significant positive relationship with environmental performance. Green transportation has the highest impact on environmental performance, while green energy is the second contributor to environmental performance. Moreover, results indicated a 58.9% increase compared to the early period in which green logistic practices were not implemented by the company.

## 4. Conclusion and Implications

In the Sri Lankan context, transportation and distribution create severe environmental problems, rather than materials and packaging. Even though green logistic practices enable us to minimize especially hazardous gas emissions, this technology is not implemented widely, mainly due to the unawareness of relevant parties. Hence, both government and private organizations should be encouraged to adopt these green practices, as MAS Holdings has already implemented. Moreover, regulatory bodies can introduce tough rules for controlling the emissions created by the logistics sector.

**Keywords:** Environmental-degradation, Environmental-Performance Green-Logistics-Practices, Global Warming.