Integrating sustainable supply chain under institutional voids: extending the impact of focal company

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With the growth of the importance of sustainability, more and more firms are looking at opportunities to adopt sustainability into their value chain. This trend is supported with a growing number of studies on sustainability including those that indicate a relationship between firm's performance and sustainability leadership (Ioannou, Serafeim, 2019). Special attention is paid to integration (or adoption) of sustainability principles in supply chain management, since such processes have a serious potential to influence business performance (Bose, Pal, 2012). In terms of academic relevance sustainable supply chain management is a hot topic for research since there is a high need of more empirically driven research dedicated to sustainable supply chain, especially in developing countries and emerging markets such as Russia.

In markets where wide sustainability adoption is still on the early rise, investigation of antecedents and drivers of sustainability becomes a top priority research question. Thus, the main aim of this study is to find antecedents and drivers of adoption of sustainable supply chain management, as well as barriers and constraints for their development in emerging countries, like Russia, using the sample of large corporations.

The choice of large corporations as an object of research is justified since the process of sustainable supply chain integration may require serious resource constraints (Wolf, 2011), and mostly large market leaders are capable to conform to them and benefit from them (Bose, Pal, 2012). Another reason for studying large companies is the fact that their existing conventional supply chains are more advanced and their have quite developed supply chain management (SCM) system which is crucial, since some studies indicate that a lack of proper activities within SCM and the lack of supply chain orientation (SCO) can be a predictor of failure for sustainable development projects in emerging countries even if investments are at hand (Diniz, Fabbe-Costes, 2007). For these purposes large Russian oil & gas and chemical companies were selected, as they have both the experience in SCM and proper resource base suitable for adoption of sustainable supply chain management.

The theoretical framework of the paper (see Figure 1) uses Sustainable Supply Chain Management Integration models and is based on the institutional theory and the concept of institutional voids (e.g. Amaeshi et al, 2016; Doh et al, 2017; Khanna, et al, 2005; Parmigiani & Rivera-Santos, 2015; Silvestre, 2015). This model can partially explain the reason why the majority of companies who already adopted sustainable practices come from developed countries. The learning activities that

precede the adoption of sustainability rely heavily on many collaborative, integrative and innovative actions that are harder to do in conditions of developing countries.

The paper uses a multiple case study approach to bring new insights on the antecedents, constraints and outcomes of sustainable supply chain introduction in the emerging market context. Value chain analysis (VCA) is used in every case since with proper modifications it allows maintaining focus on obtaining possible competitive advantages offered from managing of social and environmental welfare (Fearne et al, 2012).

The data were collected via several data sources: both primary and secondary. We applied triangulation procedure to obtain reliable results that address the questions formulated above. The primary data were collected through semi-structured face-to-face interviews with companies' representatives. The secondary data were obtained from open sources (i.e. mass media, data bases, company's official website, etc.).

The results indicates different levels of sustainable supply chain integration in large Russian companies ranging from high level of integration (different sustainability indicators are present as performance measures for supply chain operations, clear indication of active and mutual collaboration and integration processes with supply chain producers and other stakeholders), average level of integration (environmental compliance is declared as a part of supply chain management operations, in addition to industrial security and tax compliance plus strategic aspiration for sustainability in supply chain management), and low level of integration (sustainability integration of supply chain management is limited to issues of risk mitigation including tax and industrial security standard compliance). The case analysis also allowed getting several groups of drivers of sustainable supply chain integration including environmental, strategic, governance, and even cultural ones.
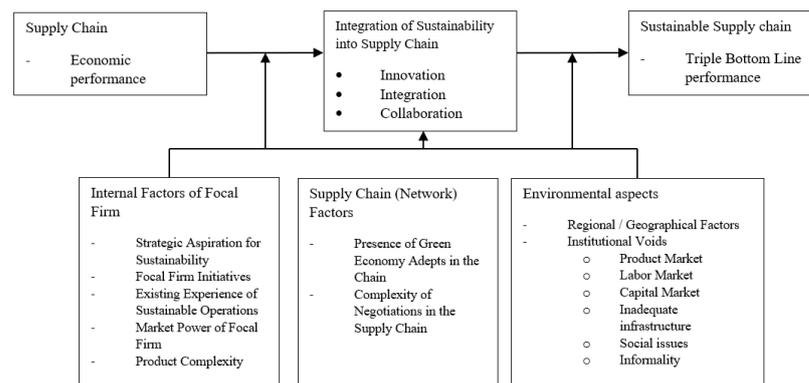

Figure 1. Conceptual framework

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