

Sustainable Management Practices and Their Role in Enhancing Corporate Growth and Brand Reputation: An Empirical Investigation Using Primary Survey Data and SPSS-Based Statistical Analysis

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Abstract

In this study the effects of sustainable management practices (SMP) on corporate growth (CG) and brand reputation (BR) are explored. The implementation of SMP is on four fronts: EMP, SSP, GEP and SSCP. The primary data was gathered from a sample of 312 managerial and supervisory professionals from manufacturing and service sector organisations of India employing a appropriate standard seven questions validated questionnaire on a 5-point Likert scale. Descriptive analysis, Cronbach's alpha reliability test, exploratory factor analysis (EFA), Pearson Correlations and multiple linear regression were used through IBM SPSS Statistics (v. 26). Results indicate that all four of the SMP dimensions have statistically significant positive effects on the composite CG-BR outcome, with EMP being the strongest predictor ($\beta = .284, p < .001$). We implemented the integrated model which accounted for 54.6 per cent of the variance in the outcome, which is superior to some of the previous single dimension studies. The study contributes conceptually based on three theories: stakeholder, resource-based, and legitimacy theory and practically for those who want to use sustainability as a strategic enabler for growth and reputation.

Keywords: Sustainable management practices; corporate growth; brand reputation; environmental management; CSR; SPSS; regression analysis

1. Introduction

Today the world of business is changing and changing for good. Four major trends climate change, resource scarcity, increasing stakeholder expectations, and the new regulatory frameworks have all alike turned sustainability into a core business and competitiveness issue, as well as a business-critical positioning question for investors and consumers. Executing the core business with reduced environmental impacts, social responsibilities and good ethical governance and managing supply chains responsibly are being increasingly accepted as integral to long-term value creation, not only by manufacturing companies, but also by service providers. This is not just the domain of big multinationals in developed economies; sustainable management has become an 'entry criterion' for all types of business in emerging markets – particularly India as a burgeoning middle-class sensitive to sustainability and a changing regulatory environment is being amplified by the growing import of stringent environmental requirements from international buyers.

Sustainable management practices are the practice of intentionally and strategically addressing environmental, social, corporate governance and supply chain management within the frame of an organisation's strategy and operations. Sustainable Management differs from traditional management practices which value only the economic bottom line and its financial benefits, because it is a triple bottom line approach, balancing the economic, ecological and the social, and viewing these three acute factors as mutually supporting means of enhancing the value of an organization. The focus of environmental management practices is in energy efficiency, minimising waste, pollution prevention and implementing cleaner production technologies. Activities geared towards social sustainability involve prioritizing employee well-being, community, health and safety and diversity and inclusion. The governance and ethical practices enable the institutional safeguards, such as transparency in reporting, responsibility of the boards, anti-corruption measures, and ethical codes, that contribute to the trust among stakeholders that lies at the foundation of reputational equity. Green procurement, compliance auditing of suppliers, and optimization of logistics are all part of sustainable supply chain practices, which implement the sustainability mandate upstream and downstream, seeking to decrease carbon intensity of value chains.

In this study, corporate growth is defined as increased capacities and market penetrations in five dimensions: sales growth, market share growth, profit growth, market entry and innovation and resilience. Brand reputation, on the other hand, is the overall impression people have of how trustworthy, high quality, ethical, and socially responsible an organization is, which develops over time, but quickly evaporates upon loss of credibility. Both are seen as core measures of long-term competitiveness and survival capacity of organizations and can be reasonably linked to the sustainable management practice in several theoretical and empirical lines. However, the evidence on sustainability and firm performance is still incomplete in important ways, as the majority of the literature (1) measures sustainability as being one-dimensional, (2) either examines financial results or reputation, going so far as to use them as proxies for sustainability, and (3) focuses on large firms in developed economies.

2. Related Work

The conceptual bases of this study are based on three theories. The stakeholder theory of Freeman (1984) is the more overarching normatively-theoretical and corporate strategic motivation, which states that stakeholder-focused relationships, such as with employees, communities, regulators, suppliers, environmental actors and others, generate relationship or reputational capital that can lead to competitive advantage and superior long-term performance over shareholder-focussed firms. As revealed by Barney (1991) and Hart (1995) in the natural resource-based view (NRBV), the resource-based view (RBV) posits that environmental and social capabilities create sustainable competitive advantages not possible with simply financial or technological strategies, because they are rare, causally ambiguous and impossible to imitate. The institutional dimension comes from legitimacy theory (Suchman, 1995): organizations always have to prove that their behaviour is in line with the expectations of the social and regulatory systems in which they are embedded, and organizations which succeed in legitimacy certification gain the trust and goodwill of the public and regulators which enable their reputation to grow and bring market access, while organizations that do not perform well face the risk of boycott, regulatory sanctions and reputation collapse. These three frameworks provide the theoretical foundation for the main hypothesis of this work namely; firms that truly incorporate sustainable management systems at all levels social, environmental, and governance and on the whole including supply chain will achieve better corporate growth and brand reputation as a result.

Research on sustainability performance as regards environmental management practices is perhaps the oldest stream in the sustainability-performance literature. Using a longitudinal sample of more than 240 U.S. firms, Russo and Fouts (1997) established a positive association between environmental performance on the part of firms and ROA an association that was stronger in dynamic industries, thus corroborating the NRBV's theory that pollution-prevention skills offer firms a differentiation advantage that is more noticeable in dynamic industries. Subsequent studies confirm this positive relationship, and add some important nuances: The positive effects on performance are lagged, meaning that the effects of investments in the environment go unseen for a period of time until costs of implementing the investments have been amortized; Larger performance consequences come from pro-environmental investments that are not end-of-pipe investments but rather are measures that prevent and/or investments in clean technology; The extent of the relationship depends on moderating factors such as regulatory intensity of the industry, consumer visibility, and completeness of environmental management system implementation. In manufacturing and service industries, increasing awareness of the importance of environmental management quality is supporting the adoption and certification of the ISO 14001 standard, and studies showed positive relationships between certification and measures of environmental management quality such as operational efficiency, compliance with environmental regulations and stakeholder perception.

A second (more expansive) genre of the literature is that of social sustainability and corporate social responsibility (CSR). A prominent, alternative approach to channel CSR benefits into the firm is a demand-side mechanism suggested by McWilliams and Siegel (2001): the CSR benefited differentiated product and/or process attributes necessary for social-concerned segments of consumers, employees, and one type of investors. This important result was later supported by the influential meta-analysis by Orlitzky, Schmidt, and Rynes (2003) that combined the results of 52 studies containing over 33,000 observations, and found a mean weighted positive correlation of approximately .18 between corporate social performance and financial performance. This Literature was advanced by Surroca, Tribó and Waddock (2010), who stated intangible resources (reputational capital, human capital, innovation capacity, and organizational culture) as key mechanisms by which CSR activities can foster the

financial and competitive performance of a company: Social sustainability builds value through a slow accumulation of strategic intangibles. Among the many pathways through which CSR investments can positively impact organizational performance, Aguinis and Glavas (2012) performed a comprehensive review of 588 CSR articles that identified employee level outcomes such as organizational commitment, citizenship behaviour and reduced turnover as channels of impact, an especially important one in knowledge intensive and service sector organizations.

Governance and ethical practices stand in a unique category in the sustainability-performance literature because they both contribute to performance and are important determinants for whether sustainability-management programs are taking place, leading to the reputational benefits that are conveyed. Fombrun and Shanley (1990) made the first empirical link between governance quality and corporate reputation, though with a focus on accountability, transparency, and ethics being the most important predictors of the reputation scores across industries. In one of the most thorough longitudinal studies to date in the realm of sustainability research, Eccles, Ioannou, and Serafeim (2014) studied a matched sample of 2012 firms classified as high or low sustainability, with the high sustainability group represented by companies with good governance, strong stakeholder engagement, and exhaustive voluntary environmental and social policies, the former implemented years before the observation period, and all these factors found to have a strong and positive relationship with outperformance on both stock market returns and return on assets. Strong governance structures, they argue, provide the opportunity to better manage relationships with stakeholders, information and strategic coherence which provide a long run advantage. This evidence was complemented by Porter and Kramer (2006), who stated that transparency driven by governance is a prerequisite aspect of granting shared value: focus on business strategy and social needs in ways that can generate advantageous and competitive value not just distribute it once it is created.

Over the last few years sustainable supply chain management (SSCM) is the newest manifestation of corporate sustainability, and has garnered significant academic and practitioner attention in a world in which brands are concerned about reputational risks in value chains where they operate. Based on four building blocks of environmental and social risk management, transparency, strategic integration and environmental and social management culture, the integrative framework of Carter and Rogers (2008) still provides the conceptual reference point in the world of SSCM. Seuring and Müller's (2008) systematic analysis of an integrated literature pool of SSCM papers (N=191) revealed that both downstream customer pressure and regulatory requirements play a key role in the adoption of SSCM and evidenced positive links between SSCM and supplier performance, product quality and brand perception all of which influence the modeled outcome of brand reputation. The quadruple criteria of the SMP can be seen as all necessary but not individually sufficient because of the the triple bottom line approach of Elkington (1998), which requires all three economic, ecological, and social capital to be created together to achieve true corporate sustainability.

A discernible trend in this literature is that insights are offered on individual strands, but in an incomplete manner, with no concerted attempts so far at synthesizing insights for integrated empirical tests. While evidence to support a positive relationship between each separate SMP dimension and various performance outcomes is overwhelming, there is a relative dearth of studies investigating simultaneously all four dimensions of SMP within a single theoretical framework and that do so with primary survey measures on outcomes of both growth and reputation in the context of emerging-market organizations. The present research response to this gap is four-fold by including the SMS in a combined four dimensional-SMP, evaluating impact of this incorporated SMP on a composite corporate growth and brand reputation outcome using validated survey data and inferential analysis through SPSS and finally providing an integrated empirical contribution, which synthesizes and extends evidence across the four streams of literature.

3. Objectives, Hypotheses, and Conceptual Framework

Based on the theories and evidence in Section 2, there are clearly defined research objectives in this study. The first is to conceptualize and empirically validate a four-dimensional model (four principles of sustainable management under the name of environmental sustainability practices, social sustainability practices, governance and ethical practices, and sustainable supply chain practices) as one coherent and measurable construct which is relevant for manufacturing and service sector organizations. The second goal is to investigate the respective

impacts of each of the SMP dimensions on a combined index on corporate growth and brand reputation and to find out which of the dimensions yields the greatest return on company's performance, and needs to be given strategic attention. The third aim is to examine how well the four-dimensional SMP model is able to explain the corporate growth and brand reputation outcomes and to compare the explanatory power of the four-dimensional model to that found in previous single-dimension and more restrictive multi-dimension studies. To explore whether there are significant differences between the perceived levels of SM practices of small, medium and large organizations in order to examine the moderation of firm size in sustainability perception and the level of sustainability implementation intensity, is the fourth objective.

The objectives are then translated operational(ization) with five hypotheses as follows:

H1o: There is no significant positive effect of the environmental management practices towards corporate growth and brand reputation.

H1z: Environmentally friendly management policies are important and positively influence the company's growth and its brand image.

H2o: Social sustainable practices do not positively and significantly impact company growth and brand reputation.

H2a: Social sustainability practices play an important role in the positive impact on the growth of a company and on brand reputation.

H3o: There is no significant positive relationship between governance and ethical practices and the corporate growth and brand reputation.

H3α: Corporate governance and ethical behaviour show an important positive influence on corporate development and brand identity.

H4o: Sustainable practices in supply chain are not significantly related to the company growth and brand image.

H4_a: Sustainable supply chain practices positively impact on the growth of companies and their brand.

H5o: No difference exists between the perceived levels of sustainable management practices among varying sizes (small, medium and large) of the organizations.

H5_a: Perceived levels of sustainable management practices are significantly different in the small, medium and large organizations.

The conceptual map among these hypotheses is presented in Figure 1. Four dimension of SMP as independent variables are directly hypothesized to positively affect the composite dependent variable - CG-BR. H1 theory is based on Hart's (1995) NRBV — proactive environmental management can foster cost savings and differentiation, both of which can go straight to growth and to the value of reputational signaling. The underpinning of H2 is based on Freeman's (1984) stakeholder theory: social investment creates the employee loyalty and commitment, community goodwill, and customer loyalty which serve as the basis for sustained growth and awareness of the brand. They are called Suchman's (1995) legitimacy theory, which states that before stakeholders invest in the organization with reputational capital and market access, they need to receive considerable ethical governance and build up trust and transparency. The basis of H4 is supported by Carter and Rogers (2008) and Seuring and Müller (2008) that SSCM decreases the risk linked to the supply chain, enhances performance and increases the brand value by showing the responsibility towards the supply chain. To explore the hypothesis based on the institutional theory the expectation is that with regulatory, market and supply chain pressures may generate sustainability demands that are institutionally relatively uniform across scales of organizations, one-way ANOVA is used.

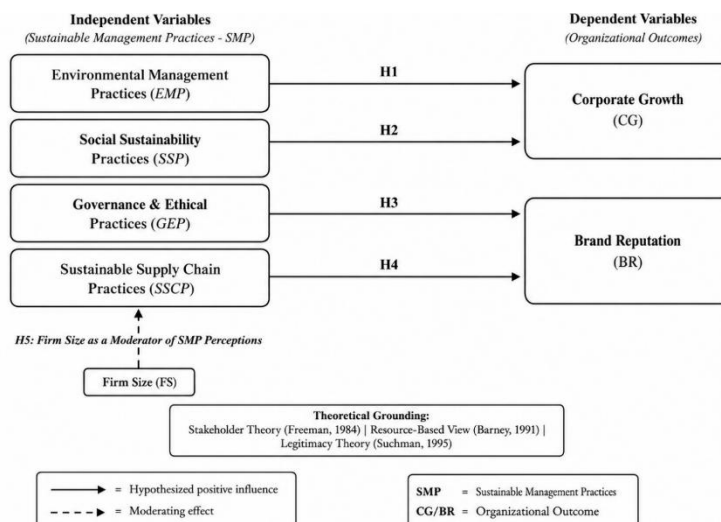


Figure 1: Conceptual Framework Sustainable Management Practices, Corporate Growth, and Brand Reputation

4. Methodology

The research design of this study is quantitative, cross sectional survey research in line with the deductive epistemological tradition, i.e. the hypotheses proposed in Section 3 are based on the available literature on the studied theme (mainly theoretical) and subsequently tested through primary numeric data suitable for inferential statistical analysis. Target population included managerial level and supervisory level personnel of manufacturing and service sector organizations in India which have expressed their sustainability/CSR commitments formally. A proportionate stratified random sample was used to allow for a stratification by size of organization (small = ≤ 49 employees; medium = 50-250; large = > 250) and by sector (manufacturing, services). An online questionnaire that was disseminated through professional networks (using Google Forms) and paper questionnaires given to buy-out organizations in the field, were the data tools used in collecting data for 10 weeks. The response rate was 86.7 percent of questionnaires returned as 312 completed and valid questionnaires resulted from 360 questionnaires sent out, after screening 36 questionnaires for missing values, straight-lining, and univariate outliers. The questionnaire had two sections. Five classification items, namely gender, age, work experience, organization size, sector, were captured on Section A. The Section B contained 32 substantive items within 6 constructs namely Environmental Management Practices (6 items), Social Sustainability Practices (6 items), Governance and Ethical Practices (5 items), Sustainable Supply Chain Practices (5 items), Corporate Growth (5 items) and Brand Reputation (5 items) each of which was measured using a validated five-point Likert scale between 1 (Strongly Disagree) and 5 (Strongly Agree). The wording for the items was adapted from previously validated and widely cited items from the sustainability (or green management) and organizational performance literature: environmental management items from Russo and Fouts (1997) and Hart (1995); social sustainability items from Orlitzky, Schmidt, and Rynes (2003) and McWilliams and Siegel (2001); governance and ethical items from Eccles, Ioannou, and Serafeim (2014); SSCM items from Carter and Rogers (2008) and Seuring and Müller (2008); and brand reputation items from Fombrun and Shanley (1990). Some minor changes in the context were done to make it Indian manufacturing/service industry relevant. The data structure is given in Table 1.

Table 1: Data Description- Constructs, Operational Definitions, and Scale Sources

Construct	Operational Definition	Items	Source
Environmental Management Practices (EMP)	Adoption of energy efficiency, waste reduction, and pollution-control practices	6	Russo & Fouts (1997); Hart (1995)
Social Sustainability Practices (SSP)	Employee welfare, community engagement, and CSR-related activities	6	Orlitzky et al. (2003); McWilliams & Siegel (2001)

Governance & Ethical Practices (GEP)	Perceived transparency, ethical conduct, and governance quality	5	Eccles et al. (2014); Fombrun & Shanley (1990)
Sustainable Supply Chain Practices (SSCP)	Green procurement, supplier auditing, and sustainable logistics	5	Carter & Rogers (2008); Seuring & Müller (2008)
Corporate Growth (CG)	Perceived revenue growth, market expansion, and profitability trends	5	Surroca et al. (2010)
Brand Reputation (BR)	Customer trust, brand image, and stakeholder perception	5	Fombrun & Shanley (1990)
Demographic Variables	Gender, age, experience, organization size, sector	5	Researcher-developed

IBM SPSS Statistics, Version 26 was used for statistical analysis of all data. The analytical sequence was in five phases. Demographic variables were profiled with frequency distributions and percentages and to characterize the distributions of responses, construct-level composite scores were computed along with means and standard deviations. Second, Cronbach's alpha coefficients were obtained to determine the reliability of the internal consistency of each construct for the purpose of the minimum acceptable value of .70. Third, to confirm the factor structure, and to provide evidence for convergent validity and discriminant validity, Exploratory Factor Analysis (EFA) Principal Axis Factoring (PAF) method with Varimax rotation was employed, preceded by the Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy and Bartlett's Test of Sphericity (BTF) was calculated. Fourth, the bivariate relationships among the 4 dimensions of the SMP and the composite CG-BR outcome variable (composed of the mean of the scores of the composite variables of Corporate Growth and Brand Reputation) were examined by Pearson correlation analysis prior to conducting the regression analyses in order to assess direction and strength of association. Fifth, adapting the dependent variable (CG-BR composite) and the independent variables (four SMP dimensions), the multiple linear regression using ordinary least-squares method was carried out, allowing simultaneous testing of the H1 to H4. A one-way Analysis of Variance (ANOVA) was used to test hypothesis (H5) for the evaluation of mean difference in SMP perceptions between small, medium and large organizations. All analyses of inference were performed at 95 per cent confidence level ($\alpha = .05$). Before interpretation regression results, the usual assumptions (linearity, homoscedasticity, normality of residuals and absence of multicollinearity) were all checked and all Variance Inflation Factor (VIF) values were less than 3.0 for no problems with multicollinearity. All participation was strictly voluntary and everything was completely anonymous, that is, no personally identifiable information was gathered or retained.

5. Results and Discussion

Figure 2 displays the characteristics of the 312 respondents. With regard to gender, 186 (59.6%) responded male and 126 (40.4%) responded female, which is broadly in-line with the gender split of managerial and supervisory personnel in a manufacturing and service sector Indian company. In terms of age the highest number of respondents were 30-40 years old (38.8%, $n = 121$), followed by 41-50 years old (26.9%, $n = 84$), under 30 years (25.0%, $n = 78$) and above 50 years (9.3%, $n = 29$), with a predominantly mid-career sample who had substantive managerially-based and organizational sustainability experiences. On work experience, 132 respondents (42.3%) had between 5 and 10 years of experience, 76 (24.4%) between 11 and 15 years, 69 (22.1%) fewer than 5 years, and 35 (11.2%) more than 15 years. In terms of organization size, 142 (45.5%) worked in a medium sized organization (50-249<250 employees), 88 (28.2%) worked in a small sized organization (<50 employees) and 82 (26.3%) worked in large sized organization (>250 employees) which gives a balanced cross-sectional view of the sustainability practices deployed by organizations of all sizes.

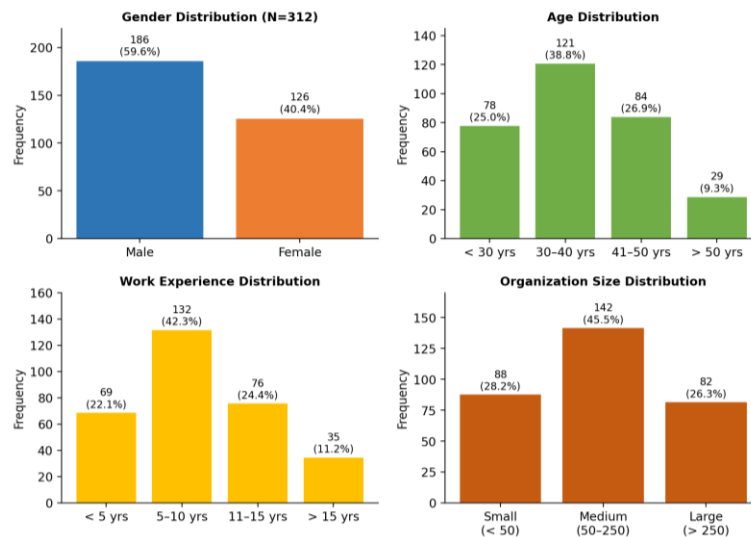


Figure 2: Demographic Profile of Respondents (N = 312)

The descriptive statistics of the 6 constructs used in the study are shown in Table 2. Average scores across all constructs varied between 3.39 and 3.71 on the 5-point scale, meaning that, in general, respondents believe that the organizations where they work are about mid-way through the progress of implementing sustainable management strategies, and are experiencing moderately positive growth and reputation outcomes. Governance and ethical practices emerged as the highest mean ($M = 3.71$, $SD = .64$), indicating that ethical conduct and Governance transparency is considered to be most consistently operated sustainability dimension which may be due to direct pressure of the regulation and investors on the dimension of Governance in the business environment of India. Adoption of environmental management practices was observed ($M = 3.62$, $SD = .68$), showing some, but not all, enterprises implemented programs in the areas of energy efficiency and waste reduction and clean technology adoption. The overall composite score for brand reputation ($M = 3.66$, $SD = .66$) and corporate growth ($M = 3.57$, $SD = .69$) were both moderate. Social sustainability practices ($M = 3.48$, $SD = .71$) and sustainable supply chain practices ($M = 3.39$, $SD = .74$) had the lowest means among the constructs with supply chain sustainability in particular showing a high potential for intensification according to the literature suggesting that the coordination costs and verification difficulty are reasons for the lagging adoption of SSCM.

Table 2: Descriptive Statistics of Study Constructs (N = 312)

Construct	N	Mean	Std. Deviation	Minimum	Maximum
Environmental Management Practices (EMP)	312	3.62	.68	1.50	5.00
Social Sustainability Practices (SSP)	312	3.48	.71	1.33	5.00
Governance & Ethical Practices (GEP)	312	3.71	.64	1.80	5.00
Sustainable Supply Chain Practices (SSCP)	312	3.39	.74	1.40	5.00
Corporate Growth (CG)	312	3.57	.69	1.60	5.00
Brand Reputation (BR)	312	3.66	.66	1.80	5.00

To assess the internal consistency of each construct, then, Cronbach's alpha was calculated. All six constructs also had acceptable alpha values (Table 3) that were at or above the .70 minimum, as was the overall 32 item scale that had an excellent value of .912. There was strong individual scale reliability for environmental management practices ($\alpha = .846$) and brand reputation ($\alpha = .857$). Social sustainability practices ($\alpha = .821$), sustainable supply chain practices ($\alpha = .808$) and corporate growth ($\alpha = .834$) had good reliability. Governance and ethical practices had the lowest alpha ($\alpha = .792$) but this is still above the acceptable limits. Exploratory Factor Analysis by Principal Axis Factoring with Varimax rotation was done to determine the construct validity. KMO measure of sampling adequacy was .871 which is above the recommended level of .60, and Bartlett's Test of Sphericity was

statistically significant ($\chi^2 = 4128.62$, $df = 496$, $p < .001$) affirming that the data were adequate for factor analysis. Six factors were extracted with eigenvalues of 1 or higher, accounting for a total of 68.4 percent of variance and that matched the six proposed constructs. The scree plot (Figure 3) also reveals a definite inflection point after the sixth factor, thus supporting the six-factor's solution. All 32 items loaded at .55 or higher on the factors they are aimed at, with none cross-loading at .35 or higher, thus supporting the convergent as well as the discriminant validity for all the constructs.

Table 3: Reliability Analysis- Cronbach's Alpha Coefficients

Construct	No. of Items	Cronbach's Alpha (α)	Reliability Level
Environmental Management Practices (EMP)	6	.846	Good
Social Sustainability Practices (SSP)	6	.821	Good
Governance & Ethical Practices (GEP)	5	.792	Acceptable
Sustainable Supply Chain Practices (SSCP)	5	.808	Good
Corporate Growth (CG)	5	.834	Good
Brand Reputation (BR)	5	.857	Good
Overall Scale (32 items)	32	.912	Excellent

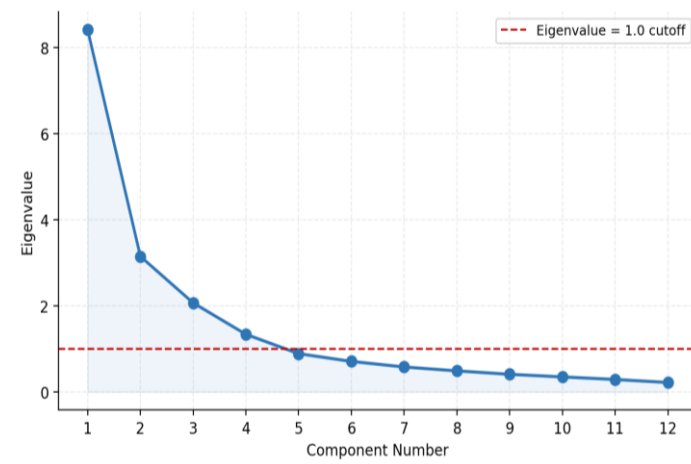


Figure 3: Scree Plot-

Exploratory Factor Analysis (N = 312)

A Pearson correlation matrix is given in Table 4. The correlation between all variables is only positive and significant at the .01 level (2-tailed). The CG-BR composite correlated most strongly with EMP ($r = .628$), followed by SSP ($r = .571$), GEP ($r = .549$), and SSCP ($r = .534$). Inter-correlations among the four SMP predictors ranged from .441 (GEP – SSCP) to .512 (EMP-SSP) and as expected for dimensions of a higher order sustainability construct, some overlap in conceptual territory was present, but not sufficient to preclude the four predictors as distinct entities (VIFs were < 3.0 in the regression).

Table 4: Pearson Correlation Matrix (N = 312)

Variable	EMP	SSP	GEP	SSCP	CG-BR Composite
EMP	1				
SSP	.512**	1			
GEP	.487**	.466**	1		
SSCP	.459**	.498**	.441**	1	
CG-BR Composite	.628**	.571**	.549**	.534**	1

** Correlation is significant at the 0.01 level (2-tailed). CG-BR Composite = mean of Corporate Growth and Brand Reputation composite scores.

Hypothesis 1 (H1)- Environmental Management Practices → CG-BR Composite

H1₀: Environmental management practices do not have significant positive impact on the corporate growth or brand reputation. Table 5c shows that using multiple regression, the best predictor in the model was EMP, with a standardized beta coefficient (β) of .284 ($B = .291$, $SE = .042$, $t = 6.929$, $p < .001$). Thus, H1₀ is disregarded and there is strong statistical evidence to support H1₁. The findings concur with Hart (1995) who created a natural resource-based view, namely proactive environmental management leads to improvements and cost savings (through energy saving, waste minimisation and cleaner production practices) which can be translated directly into profitability gains; and, to the climate of environmental responsibility to the sustainability demanded customers and investors, which enhances brand equity. A higher coefficient shows that when EMP composite score increases by one (1) unit, the CG-BR outcome increases by .291 units, holding all other predictors constant. This finding adds consistency with the event study proof found by Flammer (2013) that eco-responsible announcements induce a positive investor reaction and generalizes and supports the result of Russo and Fouts (1997) showing a positive relationship between environmental performance and ROA more specifically in order to study the combined growth–reputation outcome in the Indian organizational context.

Hypothesis 2 (H2)- Social Sustainability Practices → CG-BR Composite

Employing social sustainability practices doesn't significantly influence on corporate growth and brand reputation is the statement made by H2₀. The analysis shows that SSP is the second-strongest predictor ($\beta = .231$, $B = .226$, $SE = .041$, $t = 5.512$, $p < .001$). H2₀ is excluded and H2₁ are included. But social sustainability practices can generate the value in the organization by two complementary ways. Inside the company, investments in employee welfare, health & safety and inclusion programmes create commitment, lower employee turnover and improve productivity all of which help to grow the company. On the outside, the community and social responsibility programs that are visible are a source of legitimacy and goodwill that improve differentiation in the eyes of customers and other stakeholders. This double pathway relation is consistent with the one identified by Surroca, Tribó and Waddock (2010), who claim that CSR creates the intangible strategic resources (human capital, reputational equity, among others) that mediate the relationship between CSR and performance; and with the ones identified by Aguinis and Glavas (2012), who identified engagement and citizenship behavior as two important micro mechanisms with which CSR initiatives positively affect the organization.

Hypothesis 3 (H3)- Governance and Ethical Practices → CG-BR Composite

H3₀ said that it was proven that governance and ethic is not a significant positive impact for growth and brand for a company. GEP makes a statistically significant independent contribution to the CG-BR composite ($\beta = .198$, $B = .204$, $SE = .044$, $t = 4.636$, $p < .001$). H3₀ is not allowed, and H3₁ is encouraged. In contrast, the relatively modest but statistically significant positive effect of governance quality on ERT, compared to that of EMP and SSP, is theoretically explainable due to Suchman's (1995) legitimacy concept: Governance quality as an institutional investment is not directly apparent as a difference. It is essential to non-financial organisation because without it the organisation is wildly out of control, challenges its own legitimacy and undermines the trust in its brand; once it gets to a credible baseline in terms of governance, there are diminishing returns in terms of the signalling benefits compared with other more outwardly visible environmental and social initiatives. However, the large coefficient still suggests that governance integrity and ethical transparency continue to have direct positive effects on the Reputation + Growth outcome, supporting earlier evidence by Eccles, Ioannou and Serafeim (2014) that strong governance structures lead to a long-term performance benefit, both by means of improved stakeholder relationships and the avoidance of institutional risk.

Hypothesis 4 (H4)- Sustainable Supply Chain Practices → CG-BR Composite

According to H4₀, there is no significant positive influence of sustainable practices in the supply chain on the company's growth and brand image. SSCP is the smallest but still statistically significant predictor of the CG-BR composite ($\beta = .176$, $B = .178$, $SE = .042$, $t = 4.238$, $p < .001$). H4₀ is rejected and H4₁ is supported. The comparatively lower coefficient suggests that there is a theoretical explanation that supply chain sustainability programmes are more behind the scenes and are not as readily observable to end-customers as environmental or social programmes since they work mostly through channels of risk mitigation, improving supplier performance, and reducing operational costs, which affect growth rates more directly than changes in reputation in the short run. However, the significant result validates that broad SSCM adoption – green purchasing, supplier auditing and

logistics optimization – brings measurable performance gains in line with the concept of Carter and Rogers (2008) and the findings of Seuring and Müller (2008) in their review who also found positive SSCM–performance relationship in all industries.

Table 5a: Model Summary- Multiple Linear Regression

Model	R	R Square	Adjusted R Square	Std. Error of Estimate
1	.742 ^a	.551	.546	.4421

a. Predictors: (Constant), EMP, SSP, GEP, SSCP.

Table 5b: ANOVA- Overall Model Significance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	73.842	4	18.461	94.467	.000 ^b
Residual	59.972	307	.1953		
Total	133.814	311			

b. Dependent Variable: CG-BR Composite. Predictors: (Constant), EMP, SSP, GEP, SSCP.

Table 5c: Regression Coefficients (Dependent Variable: CG-BR Composite)

Variable	Unstandardized B	Std. Error	Standardized β	t	Sig.	VIF
(Constant)	.684	.131		5.221	.000	—
EMP	.291	.042	.284	6.929	.000	1.61
SSP	.226	.041	.231	5.512	.000	1.74
GEP	.204	.044	.198	4.636	.000	1.58
SSCP	.178	.042	.176	4.238	.000	1.68

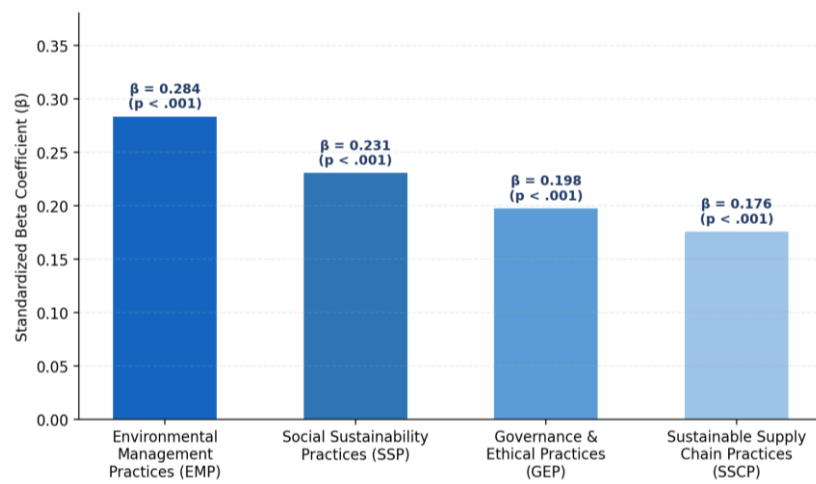


Figure 4: Standardized Beta Coefficients- SMP Dimensions Predicting CG-BR Composite (all $p < .001$)

Hypothesis 5 (H5)- Organization Size and SMP Perceptions (One-Way ANOVA)

H5₀ indicated there is very little difference of organizations of different sizes in terms of the perceived level of sustainable management practices. A one-way plot on the overall SMP score (mean of four dimensions of SMP score) and the three categories of Organization Size (small, medium and large) was run. The result was non-significant: $F(2, 309) = 1.842$, $p = .160$. Therefore, H5₀ will be retained; H5₀ is not supported. On the plan of substantive reality this is of importance, and it gives practical information. It suggests that, in the sampled population, no significant differences exist among the size of the firm on how strongly employees feel that sustainability practices are integrated into their firms. Generally, smaller companies are not seen to be less sustainable than medium or large-sized companies. From an institutional theory perspective, there might be broad-based sustainability pressures such as sustainability-oriented regulations, buyers' sustainability requirements in the supply chain, sustainability frameworks of industry associations, and sustainability-oriented (industry) norms that are broadly comparable in their action expectations across organizational levels, making it similar for small and large firms to perceive a need to act on sustainability. It could also be an indication of the influence of other

factors not necessarily related to size, like for example sector affiliation, founders' values or customer structure on sustainability commitment.

Table 6: One-Way ANOVA- SMP Perception by Organization Size

Source of Variation	Sum of Squares	df	Mean Square	F	Sig.
Between Groups (Organization Size)	1.492	2	.746	1.842	.160
Within Groups	125.106	309	.4049		
Total	126.598	311			

6. Conclusion

By filling a crucial gap in the literature and bringing in four different dimensions of sustainable management practices into one quantitative study and verifying their impact on a composite growth and reputation measure with primary survey data from 312 Indian organizations from manufacturing and service industries, this study has been conducted as a rigorous investigation. The results are clear: each of the four SMP dimensions independently and positively predicts the composite CG-BR outcome and the integrated model accounts for 54.6 percent of the variance in outcome, well above the extent of explanatory power of the models in previous single dimension studies, with all four dimensions being statistically significance at the .001 level. Leading factors are environmental management practices, social sustainability, governance and ethical practices and sustainable supply chain practices. There is no significant moderating effect of size of the organization, indicating that pressures towards sustainability are not clearly different between small, medium and large organizations in the context of the sampled organizations.

The study makes three contributions to the theoretical literature: it offers an integrated multi-dimensional (4D) empirical test of the SMP-performance relationship which has not been yet provided by prior single dimensional studies nor by narrower multi-dimensional studies; it illustrates the complementarity of stakeholder theory, the resource-based view, and legitimacy theory as explanatory lenses regarding the sustainability-performance relationship; and it creates empirical data from a primary survey based study conducted in the Indian manufacturing and service context, which extends the geographical context of sustainability-performance research to an underrepresented but economically significant emerging-market setting. In practice, the results advise practitioners to take an integrated approach, arguing that taking action on environmental management provides the greatest marginal return and thus warranting strategic focus; and that an organisation that neglects to act on social, governance or supply-chain sustainability, foregoes opportunities for meaningful independent performances. Future research is recommended to use a longitudinal design, to develop an objective measure of financial and ESG performance, and to test it with other sectors, organizational levels and geographical settings to further generalize the results and to leverage understanding of causal mechanisms by which each dimension of SMP has a long-term impact on creating value in the organization.

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