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Role of Critical Success Factors in Sustainable Supply Chain Management

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Abstract

Environmental issues and globalization pushed companies to be more environmentally conscious and socially responsible. Recently, term of sustainability has been extended in various aspects like manufacturing processes to respond to mentioned concern. Moreover, numerous industries and companies applied sustainable supply chain to achieve more advantageous economically as well as environmentally. Many factors exist, that play significant role in SSCM strategies implementation. These critical success factors receive more attention from various angles of management in recent years and help managers to increase competitive advantage and reach to the company's goals. Identification and investigation of CSFs in SSCM is so important to realize the sustainability. Some of these factors are common between two dimensions and some of them are mutual among all three main dimensions in triple line bottom in sustainability. In this paper, related literature around critical success factors in supply chain is explained and some of the factors are introduced. Then role of interaction between critical success factors and sustainability criteria are discussed.

Keywords:

Sustainable Supply Chain Management (SSCM); Critical Success Factors (CSFs); Sustainability

1 Introduction

In recent decades, development of customer requirements and environmental issues became one of the main concerns of governments and companies in the world. Manufacturers and industries are challenging to find stable processes, which do not have harmful effects on social and environment. Therefore, academic and corporate interest in Sustainable Supply Chain Management (SSCM) has risen considerably. Academicians are developing particular researches on sustainability concept in recent years [1].

Sustainable development and Supply Chain Management (SCM) are two concepts, which are generated in last decade independently [2]. The term of sustainability refers to integration of social, environmental, and economic responsibilities which has begun to appear in the literature not only in business disciplines but also in manufacturing and operations [3]. Furthermore, SCM requires the integration and coordination of business processes and strategy alignment throughout the supply chain in terms of satisfying the final customers of the supply chain [4]. These processes include purchasing, manufacturing, marketing, logistics, and information systems. Therefore, interaction between sustainability and supply chain management is the important issues of recent investigations of operations, environment and sustainability [5]. In order to achieve a common goal and overshadowed all requirements of companies and customers and also to manage of environmental resources the SSCM concept have been grown for over a decade and the topic is becoming mainstream [6].

According to [7] the concept of Sustainable Supply Chain Management (SSCM) can be defined as “the management of material, information and capital flows as well as cooperation among companies along the supply chain while taking goals from all three dimensions of sustainable development, i.e., economic, environmental and social, into account which are derived from customer and stakeholder requirements”. In addition, SSCM created to find a beneficial relationship among environmental operations and policy, strategy, finance, product design, supplier relations and post-consumer product management [5]. There are numerous factors that play role to implement a strategies and operation performance in SSCM. Some of these factors have significant impress to successful achievement and can promote competitive advantages for company. These factors are well-known as critical success factors.

Critical Success Factors (CSFs) has an important effect on organization in recent years and receive more attention from various angles of management [8]. Daniel at 1961 for the first time defined critical success factors as a few areas of activities which cause to favorable result for a particular company [9]. Moreover, CSFs in SSCM influence the efficiency and effectiveness for successful implementation and achieving the goals. Hence, identification and attention to these CSFs can improve performance to generate competitive advantage and business achievement and reduce the complications of decision making and management.

In the following sections, literatures around the topic are investigated. First of all critical success factors in supply chain management is described and a few effective factors are introduced. Furthermore, sustainable supply chain and its