The Green Supply Chain: Making Sustainability a Competitive Advantage

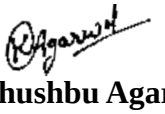
In today's rapidly changing business environment, sustainability has emerged as a strategic priority rather than merely a corporate responsibility. Organisations are increasingly integrating environmental considerations into supply chain operations to achieve long-term growth, operational efficiency, and competitive advantage. Green supply chain management employs environment-conscious approach to purchasing, manufacturing, packaging, transport, distribution, and disposal of products.

Traditionally, supply chain management has focused on cost reductions and better delivery performance. But climate concerns, resource shortage, changing consumer demands and new regulations have led companies to become more environment friendly. Walmart is one example; it has worked with its suppliers to enhance the sustainability of its products and cut emissions across its value chain, demonstrating how environmental responsibility can extend beyond a company's own operations.

Practical business examples illustrate the commercial benefits of this approach. Toyota has introduced eco considerations into their production system, aligning their production with resource efficiencies and minimising waste. Efficiencies in production process can lead to resource savings across the supply chain. Similarly, Amazon has invested in electric delivery vehicles and other measures to reduce the environmental impact of its transportation network. Such initiatives demonstrate how a greener logistics system can enable emission reductions to support modernising distribution operations. In India Maruti Suzuki has promoted vehicle recycling through vehicle scrapping and recycling programs to help facilitate material recovery and reuse. Meanwhile, companies such as ITC in India have contributed to sustainable packaging, waste management, and responsible sourcing programs. All of these provide examples of circular supply chains, in which materials are recovered or reused in one or more value chains instead of being discarded after a single use.

However, small- and medium-sized enterprises face various obstacles in implementing green supply chains due to resource limitations (finance and technology), while also lacking the capabilities to evaluate the environmental performance of suppliers. Collaboration, green finance, renewable energy sources, digitisation for monitoring, and supplier development programmes can address these barriers.

Importantly, sustainability must extend beyond promotional claims. Businesses should establish realistic environmental targets, measure supplier performance and ensure transparency of progress through rigorous reporting to prevent 'greenwashing'. Competitive advantage comes only when sustainability advances efficiency, benefits trust, mitigates operational risks and fuels innovation. Ultimately, a green supply chain is not merely an environmental initiative; It's a way to build business resilience and achieve long term strategic value. Companies incorporating sustainability into daily decision-making have the ability to create lasting benefits for businesses, society, and the environment.



Dr. Khushbu Agarwal
Editor in Chief