

Understanding Stakeholder Pressures in Adopting Environmental Management Practices Based on Stakeholder Theory: A Review

Noor Aslinda Abu Seman¹, Norhayati Zakuan², Umi Kartini Rashid¹, Juzaimi Nasuredin¹ and Nurazwa Ahmad¹

¹Faculty of Technology Management and Business, Universiti Tun Hussein Onn Malaysia, 86400 Batu Pahat, Johor

²Faculty of Management, Universiti Teknologi Malaysia, 81310 Skudai, Johor.

Abstract:

The concept of green business is generated from the emerging of environmental pressures that mainly focused on eliminating negative environmental impacts throughout companies' activities. This purpose of this paper is to review and provide understanding on the stakeholder pressures based on stakeholder theory in driving organization to implement any environmental management practices such as green supply chain management and green innovation. This paper concludes by suggesting the stakeholder theory can be as an underlying theory in supporting the connection between the implementation of an environmental management practices and organizational performance.

Keyword: Stakeholder theory, stakeholder pressures, internal stakeholder, external stakeholder, environmental management practice

1.0 Introduction

The idea of 'green business' showed up toward the finish of the twentieth century because of burden from the constantly developing network enthusiasm about the manageability of monetary improvement (Cekanavicius *et al.*, 2014). For the most part, a green or sustainable business can be characterized as any association that contributes in earth neighborly or green activities to ensure that each procedure, item, and assembling action adequately manage existing environmental issues other than holding its benefit. Cekanavicius *et al.* (2014) assumes that the green business alludes to any business that is indebted to the measures of environmental sustainability in its management, its tries to utilize renewable resources, and its battles to lessen the negative environmental impacts of its activities.

Among the major causes that prompted the organization to adopt green business which incorporates from internal and external stakeholders of organization such as consumers, governments and the organization itself, and every one of them in its own specific manner adds to the development of "green demand" or green practices (Cekanavicius *et al.*, 2014). Stakeholder pressure can, thus, empower organization to embrace environmental management practices that are fundamental for accomplishing environmental performance by considering the product and process design practices (Salvado *et al.*, 2014; Chabowski *et al.*, 2011). Organization have stayed enhancing a few ecological projects and different "green" business practices specifically green brands, green technologies, and eco-design because of the developing consideration on

environmental issues from consumers, the communities, and governments' control over the world (Zhu *et al.*, 2008). There is a mounting requirement for greening business, from customer, suppliers and management point of view, which requires an entire re-assessment of the practices performed which have effect on the environmental performance.

Under such conditions, organization need to use an effective environmental management practice as one of the approaches to counteract with those pressures that had mentioned above. Green *et al.* (2012) expressed that organization specifically manufacturing company should begin to actualize green practice such as Green Supply Chain Management (GSCM) and green innovation in satisfying customer demand for environmentally friendly products and services which are designed and produced through environmentally sustainable practices. This environmental management practice can satisfy organizations' social duty of expanding ecological supportability conditions and in addition guarantee their consistence to environment regulations, which will take out the risk of inconvenience of punishment and closure.

The purpose of this paper is to provide an understanding of stakeholder pressures in adopting an environmental management practice. Next, the paper will discuss an overview of stakeholder theory in term of its concept and its type of stakeholders. This paper will then provide the thorough review from previous studies regarding the relationship of GSCM or green innovation and environmental performance based on stakeholder theory perspective. At the end, this paper concludes the stakeholder theory as an underlying theory to explain the relationship between GSCM practices or green innovation, and organizational environmental performance.

2.0 Stakeholder Theory

The stakeholder theory has been utilized to get an extensive perspective of a predefined organization to analyse the impacts of every stakeholder on corporation environmental practices, for example, GSCM and green innovation practices and to decide how these environmental practices influence organizational performance such as operational performance and environmental performance. By holding Freeman's point of view for the partners, this present study classified a few stakeholders as internal (customers, suppliers, and employees) or external (competitors and the body of government). To react to the force from and the lead of stakeholders, organizations must make sense of a whole plan that considers the supplies and demands of numerous stakeholder groups (Harrison *et al.*, 2010).

The term stakeholder was created by the Stanford Research Institute in 1963 and was characterized as “those groups without whose support the organisation would cease to exist” (Friedman and Miles, 2006: 330). In 1984, Freeman was the former scholar to bring the stakeholder idea into a strategic discipline, which not just separated stakeholders from the shareholders in organization yet in addition showed the impacts of various stakeholders on organizations' decision making process (Donaldson and Preston, 1995; Mitchell *et al.*, 1997). Freeman (1984) portrayed



stakeholders as “any group or individual who can affect or is affected by the achievement of the organisation’s objectives” (Freeman, 1984: 46). The wide idea of the stakeholder theory is a redefinition of the idea of an organization (Fontaine *et al.*, 2006). Following Freeman's stakeholder's framework, this present study recognized organization comprises of association with various sorts of stakeholders, which are both internal and external including customers, employees, communities, suppliers, distributors, competitors, and government (Freeman, 2010). Furthermore, this paper considered every stakeholder as a pressure factor to the organizations and driving the organizations toward better natural practices.

Giving in four primary theoretical areas involving strategic planning, systems theory, corporate social responsibility, and organisational theory, the stakeholder theory has an alternate perspective of an organization and along these lines gives a various portrayal of an association's structure and day by day tasks (Mainardes *et al.*, 2011). The dominance of the stakeholder theory in view of these four key areas (Jones and Wicks, 1999) implies first that organizations have relations with some stakeholder group, all of which impact or are affected by the organizations' choices (Freeman, 2010; Laplume *et al.*, 2008; Co and Barro, 2009). Besides, these relations are perceived in the procedures and results for the organization and its stakeholders. Thirdly, stakeholders' interests have inborn esteem, and every stakeholder's advantages cannot be embraced to surpass the interests of different stakeholders (Donaldson and Preston, 1995; Co and Barro, 2009; Clarkson, 1995). At long last, the primary objective of the organization is the decision making (Donaldson and Preston, 1995).

The stakeholder theory recommends that the force from partner or stakeholder will altogether propel organizations to execute distinctive kinds of ecological practices (Easley and Lenox, 2006). The stakeholder theory also suggests that organizations' actions may impact both internal and external stakeholders of the firm. The organizations' actions ordinarily allude to outside activities that are huge to organizations in achieving their organization's objectives. In the meantime, these organizations' actions prompt the expansion of stakeholders' pressures on organizations to diminish negative effects and to build positive ones (Sarkis *et al.*, 2010; Sarkis *et al.*, 2011). In addition, the stakeholder theory recommends that there is positive relationship between stakeholders' pressures and the adoption of corporate ecological practices such as GSCM and green innovation. Every stakeholder pressure assumes a significant part to adjust the organization's environmental strategy. This stakeholder pressure can in a roundabout way empower different practices in GSCM and green innovation. What can be worried here is the means by which basically the organization complies with these pressures and how they persuade organization to embrace GSCM and green innovation practices, and indirectly increment organization performance specifically in environmental performance. Both internal and external stakeholder pressures are vital inspirations in the reception and execution of a few ecological management practices, for example, GSCM and green innovation.

In this manner, stakeholder pressures can act as an antecedents for organizations in executing certain sustainable practices that improve their environmental performance. Figure 1 represents an illustration regarding the relationships among stakeholders, environmental practices (i.e. GSCM and green innovation), and environmental performance. In short, Figure 1 clarifies that the stakeholder theory was received to watch the impacts of every partner on the corporate natural practices of organizations and to decide how these practices impact ecological and business execution. This expanded execution can build up organizations' inward adequacy and outside authenticity, which can by implication prompt upper hand and riches making (Hart *et al.*, 2003; Darnall *et al.*, 2010). The term stakeholder must incorporate every one of the players that are impacted or might be affected by assembling activities or action, to be specific, customers, employees, suppliers, competitors, and governments. It is imperative to think about the earth or the common surroundings in the limit of a partner, in spite of the fact that by their inclination, they ought not be incorporated into the gatherings of partners in which that these intrigue gatherings may drastically adjust their association with an organization relying upon the organization's treatment of nature and the regard it appears towards it or the protection endeavours it makes.

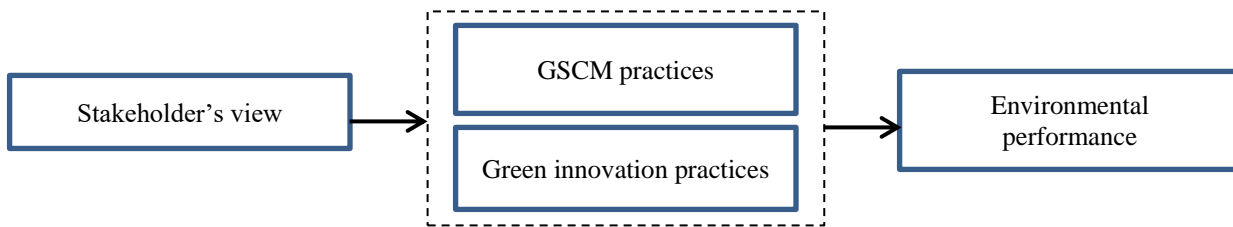


Figure 1 GSCM, green innovation, and performance: Stakeholder’s perspective

3.0 Types of Stakeholders Pressures Based on Stakeholder Theory

Based on the review from current literatures, there are two main classifications in characterizing the types of stakeholders that are usually applied by previous studies, which are either primary and secondary stakeholders, or internal and external stakeholders. Nonetheless, the groups or individual stakeholders in each classification are similar. The types of stakeholders’ pressures are summarised in Table 1.

Table 1 : Types of stakeholders

	Primary Stakeholders	Secondary Stakeholders
Description	The individuals who have a direct economy enthusiasm for the organization.	The individuals who have not involved in straightforwardly in the organization's economic exchanges

		but rather can impact, or are affected by the organization.
Internal stakeholders	<ul style="list-style-type: none"> • Management team such as CEO, senior managers, supervisors • Non-management team such as employees of companies 	-
External stakeholders	<ul style="list-style-type: none"> • Value chain team: <ul style="list-style-type: none"> - Commercial buyers - Customer - Suppliers 	<ul style="list-style-type: none"> • Society or public • Environmental regulators

According to the standpoint of Freeman (1984), as shown in the Table 1, company’s stakeholders are classified into two types including primary stakeholders and secondary stakeholders. Several studies that also used this classification of stakeholders in their investigation are Clarkson (1995), Branco and Rodrigues (2007), Matos and Hall, (2007), and Darnall *et al.* (2010). The description of each type of stakeholders is explained on the following section.

3.1 Primary Stakeholders

Generally, the primary stakeholders can be referred to any individual that have a noteworthy control on organization's economy. In this category, there is an internal stakeholders which includes management and non-management group, for example, employees or workers. Besides, under this category, there is also an external stakeholders, which originate from value chain members in organizations like buyers, customers, and suppliers.

The first group of primary stakeholder comes from the internal stakeholder which is acknowledged as the crucial stakeholders to the success or failure of any company policy (Freeman, 1984). As stated by Henriques and Sadorsky (1996), the employees who are compassionate of an organization's environmental goals are accepted to seek after perform inside it, and will proceed with their business. Moreover, internal stakeholders likewise potentially proclaim their fulfilment or disappointment through direct exchange with the organization's corporate sheets or through work end. Public whistle-blowing is one case of workers' activity in demonstrating their disappointment if the organizations desert their ecological practices (Henriques and Sadorsky, 1996). Given these focuses, the momentum look into concurs that management and non-management stakeholders have a critical enthusiasm to drive the organization to actualize fairly sustainable practices into their current business.

The second group of primary stakeholders originates from external stakeholders which are value chain partners such as commercial buyers and customers that perform positively to an organization’s environmental practices by choosing to purchase the company’s product or service (Darnall *et al.*, 2010). (Darnall *et al.*, 2010). Moreover, suppliers’ stakeholders likewise react

decidedly to an organization's environmental activity by preferring to renew their selling agreement. Similarly, they additionally may uncover their fulfilment or disappointment about organization's product or service through either immediate or backhanded commitment with supervisors or managers. In this manner, if organizations include the e value chain stakeholders together into their environmental management practices, it will urge those partners to remain long and be faithful with the organizations as far as collaboration and purchasing conduct.

A standout amongst the most critical existing debates in value chain partners is the manner in which they maintain their disappointment with an organization's environmental approach. Every one of them can make legitimate move to organization. For example, household customers are most conceivable to engage in public boycotts (Henriques and Sadorsky, 1999), while business purchasers and suppliers are most likely to respond by ending purchasing or selling agreements, suspending exchange of thought and raw material, or requesting other environmental substitutes. Accordingly, it is critical for an organization to fit in with value chain stakeholders' pressure keeping in mind the end goal to guarantee that its business can work easily and enter the market effectively in an environmentally friendly way.

3.2 Secondary Stakeholders

Secondary stakeholders can be defined as any individual that have indirectly involvement in organization's economic transactions (Freeman, 1984; Mitchell *et al.*, 1997; Darnall *et al.*, 2010) yet at the same time have probability in affecting and controlling organization's strategy. From environmental aspect, secondary stakeholders comprise societal stakeholders (Henriques and Sadorsky, 1999; Klassen & McLaughlin, 1996; Waddock & Graves, 1997) and environmental regulators (Henriques and Sadorsky, 1999; Waddock and Graves, 1997). Both societal stakeholders and environmental regulators are acknowledged as external stakeholders (Darnall *et al.*, 2009; Sarkis *et al.*, 2010).

The first group of secondary stakeholders is societal stakeholders. Emerging pressures comes from societal stakeholders winds up one of the essentially imperative developments in overall business over the past 20 years (Doh and Guay, 2006). As indicated by Etzion (2007), societal stakeholders will probably join public interest groups such as environmental and community organisations and specialized groups including workforce affiliation and business affiliations. These associations can empower open judgment either to help or to counter the organization (Freeman, 1984). Sharma and Henriques (2005) asserted that societal stakeholders ordinarily utilize indirect strategies to drive organization's activity because of absence of direct monetary enthusiasm for the organization. The example of such strategies like a public protests, assaults, and collaboration with industry. What's more, trying to enhance their noticeable quality (Mitchell *et al.*, 1997), societal stakeholders need to routinely screen to additionally influence an organization's environmental strategy. By doing this, organization can by implication get open authenticity and enhance their environmental strategy much better.

The second group of secondary stakeholders is environmental regulators who are individuals inside the Government. They have a capacity to make environmental prerequisites or directions and analyze the organization's consistence with those necessities (Carmin *et al.*, 2003; Fineman and Clarke, 1996). Organizations that neglect to satisfy with environmental controls or hold acceptable interchanges with regulatory stakeholders may maybe endure resistance penalisations (Henriques and Sadorsky, 1996) and their activity licenses will likewise be dropped. The environmental regulators are very powerful pressures that organizations need to obey to keep the business running.

3.3 Grouping of Stakeholders Pressures

Based on the discussion above, it can be recommended that there is positive connection between stakeholder pressures and the implementation of environmental practices, such as GSCM and green innovation. Every stakeholder pressure assumes a significant part to adjust the organization's GSCM and green innovation practice. This stakeholder pressure can indirectly empower different practices in GSCM and green innovation. The most important point is the means by which basically the organization complies with these pressures and how they inspire organization to employ GSCM and green innovation practices. Both internal and external stakeholder pressures are critical inspirations in in adoption and implementation of a few environmental management practices, for example, GSCM and green innovation among organization.

Zhu and Sarkis (2006) and Hall (2000) guaranteed that external pressures are viewed as the key drivers affecting organization to execute GSCM practices. It is needed to conform to those pressures due to the fact that each pressures has particular enthusiasm on organizations (Zhu and Sarkis, 2007). Organizations that neglect to satisfy these pressures, for example, regulators and community will confront high dangers including diminished association's public image and customer relation (Sarkis *et al.*, 2010; Darnall *et al.*, 2009). Consequently, stakeholder pressures are triggers for organizations in actualizing certain sustainable practices that expansion their environmental performance. This improved performance can build up organizations' interior viability and external authenticity, which can by implication prompt upper hand and riches making (Hart *et al.*, 2003; Darnall *et al.*, 2010). Therefore, in brief, the implementation of the environmental management practices such as GSCM and green innovation is driven by the pressures from management and non-management groups, buyers, suppliers, society, and environmental regulators, as showed in Figure 2.

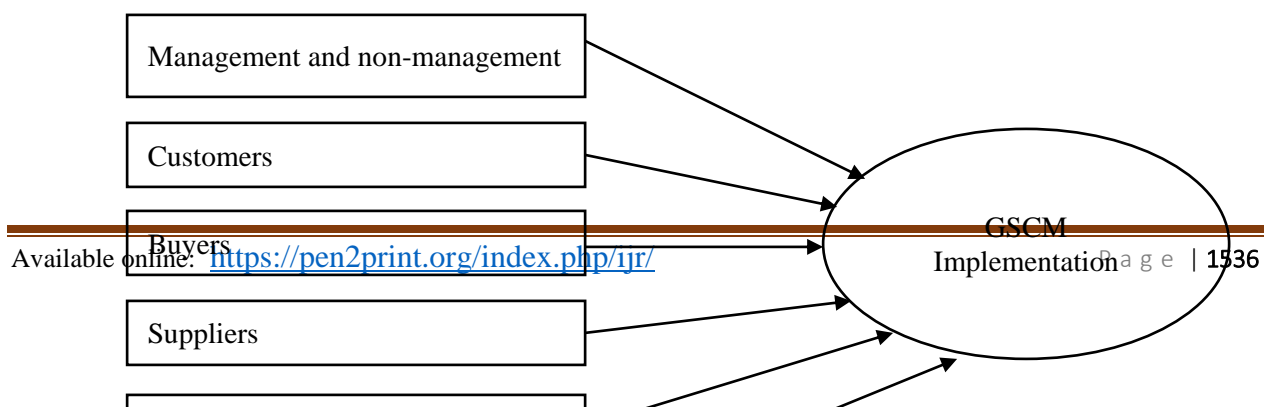


Figure 2 Pressures of GSCM implementation

4.0 Stakeholders, GSCM, Green Innovation Practices, and Environmental Performance

The stakeholder theory has been embraced for some environmental empirical studies with the end goal that partners or stakeholders have been influential in impacting both corporate environmental awareness (e.g. Bansal and Roth, 2000) and environmental strategies (e.g. Neu *et al.*, 1998; Buyse and Verbeke, 2003). In any case, the outcomes have been blended and the impact of partners or stakeholders on environmental management has been conflicting. A few studies researching GSCM practices depend on stakeholder theory. Particular partner or stakeholder effects on green purchasing and green marketing (Bjorklund, 2011; Maignan and McAlister, 2003; Kirchoff *et al.*, 2011; Cronin *et al.*, 2011), life cycle analysis in the supply chain (Matos and Hall, 2007 reverse logistics (Sarkis *et al.*, 2010; Alvarez-Gil *et al.*, 2007), ‘closing the loop’ for greening supply chains (Zhu *et al.*, 2008), and general GSCM practices that have additionally picked up explore consideration (Chien and Shih, 2007; Liu *et al.*, 2011).

The case study conducted in Brazil found that the stakeholder pressures in light of stakeholder theory affected corporate social obligation advancement. The cases depended on two Brazilian organizations engaged with organisational innovation for environmental power (Matos and Silvestre, 2012). Benito *et al.* (2011) used the information from the organization for economic co-operation and development (OECD) survey. This exploration uncovered 13 stakeholder pressures including public authorities, corporate headquarters, household consumers, commercial buyers, and environment groups or organization. Those stakeholder pressures significantly constrained organization to adopt environmental management system (EMS). Those pressures likewise specifically empowered organization to conjecture their natural conduct essentially.

Through the overview of OECD, Darnall *et al.* (2010) likewise uncovered that, contrasted with large organization, small companies are more responsive to value chain (e.g. purchaser, purchaser, providers), internal stakeholder, and regulatory stakeholder pressures. This exploration also demonstrated that the implementation of proactive environmental management relies upon type of stakeholder pressures and organization size. Besides, in Europe, an exploration overviewed

Spanish automotive industry and grouped five kinds of pressures to be specific customers, government, investor, worker, and community pressures in driving the execution of environmental management practices (Sarkis *et al.*, 2010). This exploration also utilized training as a mediator to reinforce the connection between stakeholder pressures and implementation of environmental management practices.

The prior observational research by Darnall *et al.* (2009) employed stakeholder theory to examine organizations' routine with regards to various methods of sustainable audits. The investigation found that, internal and external stakeholders have relationship with the utilization of sustainable audits in association. Matos and Hall (2007) utilized case studies comprising different industrial sectors (e.g. energy and chemicals) and nations including Brazil, Canada, China, Netherlands, the UK, and the US. This exploration also emphasized on complexity theory, risk management, stakeholder theory, and the innovation dynamics literature in concentrating the reconciliation of environmental improvement in supply chain, particularly the adoption of implementation of life cycle assessment (LCA).

Another study by Gyongyi (2006) had reviewed environmental pressures for green supply chain management in view of stakeholder theory. These environmental pressures originated from different stakeholder group consisting of clients, authorities, investors, industry association, competitors, neighbouring organisation, the media, and employees. The survey likewise focused on the significance and joint effort of stakeholder pressures and GSCM. Another study by Zhu and Sarkis (2007) emphasised that 341 Chinese manufacturing companies found that outside pressures including client and purchaser, environmental regulator, and competitors are counted as the important factors in affecting an organization to employ GSCM practices. It is necessary to conform to these stakeholder pressures in light of the fact that each pressure has a particular enthusiasm on organizations. Organizations that neglect to satisfy these pressures, for example, regulators and community will experience high dangers incorporating a scratch in the organization's popularity and client connection (Sarkis *et al.*, 2010; Darnall *et al.*, 2009).

Various theoretical studies had debated about the drivers or stakeholder pressures for an organization in adopting green innovation, including regulation and policy (Ashford, Ayres, and Stone, 1985; Porter and van der Linde, 1995; OECD, 2005; Frondel, Horbach, and Rennings, 2007), supply side (Scott, 2003), and demand or customers side (Rennings, 2000; Florida; 1996; Popp *et al.*, 2007; Horbach, 2008). Concerning the connection amongst partners or stakeholders and the implementation of green innovation practices, a few studies, for example, the investigation by Kassinis and Vafeas (2002) inspected 209 firms that were indicted and penalised for infringing upon a natural law in the United States and they have discovered that the outside stakeholder pressures of a vast organization incorporates political or legislative environment, community, and government regulator was the main decision-making unit in shaping corporate environmental strategies. In a littler privately-owned company, the proprietors settle on choices about embracing green innovation (Huang *et al.*, 2009). Other than that, in German manufacturing companies,

stakeholders were found to impact organizations' decisions in regards to natural reaction designs (Murillo-Luna *et al.*, 2008), and they were emphatically related with licensed green innovation practices (Wagner, 2007). Conversely, the connection between environmental approach and stakeholder management was more constrained in Belgian organizations (Buysse and Verbeke, 2003). The observational overview led by Weng *et al.* (2015) among 202 Taiwanese service and manufacturing companies additionally found that pressures from competitors and the government, alongside worker lead, all had critical and constructive outcomes on green innovation practices. This shows all the previous studies provide solid experimental confirmation for the possibility that stakeholder pressures, for example, from customers, suppliers, competitors, government, and employee direct urges green innovation practices (Hsu *et al.*, 2013; Weng *et al.*, 2015).

The stakeholder theory suggests that organisation can enhance their organizational performance which specifically environmental performance by fulfilling stakeholders' requests and actualizing a proactive environmental management practices (Brouwers *et al.*, 2013), for example, GSCM and green innovation practices. As react to natural obligation, stakeholder theory focuses on that organizations must fulfil different stakeholders (e.g., workers, customers, suppliers, local community organisations, government) who can influence organizational environmental performance. Organizations ought to incorporate natural execution as a basic piece of business operation, helping and giving chiefs the time and assets they have to adapt to the ecological difficulties. A very much characterized proactive natural technique ought handle the advancement of abilities as well as shape the company's association with employees, suppliers, customers, policy makers, and all other stakeholders (Hart, 1997). By and large, all observational outcomes talked about above in based on stakeholder theory perspective demonstrated that GSCM and green innovation practices have positive and noteworthy impacts on environmental performance, showing that a firm that fulfils stakeholder pressures by being occupied with GSCM and green innovation will undoubtedly watch a better environmental performance. Through utilizing GSCM and green innovation practices, organizations can satisfy legislative and industry necessities, diminish waste and contamination, secure the earth, and all the while increment their competitiveness. Consequently, this paper give prove that the utilization of the stakeholder theory can contribute towards the comprehension of how association reacts to stakeholder pressures especially in embracing the quickly changing business condition and fundamentally enhance their environmental performance.

5.0 Conclusion

Each organization have their own supply chain operation that incorporating of an assortment of stakeholders, for example, employee, suppliers, distributors, customers, and government regulations. The stakeholder theory is normally utilized as an explanatory theory identified with determinants or possibilities for the execution of a some GSCM practices (Sarkis *et al.*, 2011) and



other corporate ecological practices, for example, green innovation (Weng *et al.*, 2015; Kassinis and Vafeas, 2002). This view is upheld by Liu *et al.* (2011) who propose that since supply chain is a an inter-organisational collaboration or in short namely between hierarchical participation, stakeholder theory is more reasonable in clarifying GSCM and green innovation concerns when contrasted with intra-organisational management actions. The inter-organisational collaboration is appeared to be vital in embracing any management strategies. As highlighted by Sarkis *et al.* (2010), organizational abilities that advance participation and ecological learning have turned into a key part in stakeholder commitment. Collaboration among the organizations on supply chain is the way to lead them to expand the natural similarity of their business (Ken *et al.*, 2000; Liu *et al.*, 2011).

To sum up, the stakeholder theory will be the fundamental theory to clarify the connection between any corporate environmental practices such as GSCM practices and green innovation, with several organizational performance, particularly in environmental performance among the manufacturing companies in Malaysia. This is because this theory explains all the interactions among variables in this study in which the stakeholder's pressures (e.g. customers, employees, suppliers, and government) turn into the trigger for organizations to embrace environmental practices, for example, GSCM and green innovation and specifically enhance business' ecological execution by fulfilling their stakeholders' requirement. This paper does not stress on the roles of different stakeholders towards the implementation of GSCM and green innovation practices.

Internal pressures and external pressures from stakeholders, such as management, government regulation, competitor, supply chain partner, customers, and communities have been possibly distinguished as major contributing elements. This is bolstered by adequate confirmations that demonstrate the both type of these pressures will clearly constrain an organization to adopt and implement GSCM and green innovation practices (e.g. Zhu *et al.*, 2005; Chiou *et al.*, 2011; Zhu *et al.*, 2008; Weng *et al.*, 2015). Overall, stakeholder theory is exceptionally huge and appropriate to be utilized in any studies that related to the relationship between environmental management practices and performance whereby to evoke what are the relevant practices from GSCM and green innovation.

References

- Alvarez-Gil, M., Berrone, P., Hussilos, F., & Lado, N. (2007). Reverse logistics, stakeholders' influence, organizational slack, and managers' posture. *Journal of Business Research*, 60(5), 463-473.
- Ashford, N., Ayres, C., & Stone, R. (1985). Using regulation to change the market for innovation. *Harvard Environmental Law Review*, 19, 419-466.
- Bansal, P., & Roth, K. (2000). Why companies go green: A model of ecological responsiveness. *Academic Management Journal*, 43, 717-736.



- Benito, J., Lannelongue, G., & Queiruga, D. (2011). Stakeholders and environmental management systems: a synergistic influence on environmental imbalance. *Journal of Cleaner Production*, 19, 2733-2741.
- Bjorklund, M. (2011). Influence from the business environment on environmental purchasing — Drivers and hindlers of purchasing green transportation services. *Journal of Purchasing & Supply Management*, 17, 11-22.
- Branco, M., & Rodrigues, L. (2007). Positioning stakeholder theory within the debate on corporate social responsibility. *Electronic Journal of Business Ethics and Organization Studies*, 12(1), 5-15.
- Brouwers, R., Schouben, F., Van Hulle, C., & Van Uytbergen, S. (2013). The link between corporate environmental performance and corporate value: a literature review. *Review of Business and Economic Literature*, 58(4), 343-374.
- Buyse, K. and Verbeke, A. (2003). Proactive environmental strategies: a stakeholder management perspective. *Strategic Management Journal*, 24, 453-470.
- Carmin, J., Darnall, N., & Mil-Homens, J. (2003). Stakeholder involvement in the design of U.S. voluntary environmental programs: does sponsorship matter? *Policy Studies Journal*, 31, 527-43.
- Cekanavicius, L., Bazytė, R., & Dičmonaitė, A. (2014). Green Business: Challenge and Practices. *Ekonomika*, 93(1), 74-88.
- Chabowski, B.R., Mena, J.A. and Gonzalez-Padron, T.L. (2011). The structure of sustainability research in marketing: A basis for future research opportunities. *Journal of the Academy of Marketing Science*, 39(1), 55–70.
- Chien, M., & Shih, L. (2007). An empirical study of the implementation of green supply chain management practices in the electrical and electronic industry and their relation to organizational performances. *International Journal Environment Science Technology*, 4(3), 1735-1472.
- Chiou, T.-Y., Chan, H. K., Lettice, F., & Chung, S. H. (2011). The influence of greening the suppliers and green innovation on environmental performance and competitive advantage in Taiwan. *Transportation Research Part E*, 47, 822-836.
- Clarkson, M. (1995). A stakeholder framework for analyzing and evaluating corporate social performance. *Academy of Management Review*, 20, 92-117.
- Co, H., & Barro, F. (2009). Stakeholder theory and dynamics in supply chain collaboration. *International Journal of Operation, Production & Management*, 29, 591–611.
- Cronin, J., Smith, J., Gleim, M., Ramirez, E., & Martinez, J. (2011). Green marketing strategies - an examination of stakeholders and the opportunities they present. *Journal of the Academy Marketing Science*, 39(1), 158–174.
- Darnall, N., Henriques, I., & Sardorsky, P. (2010). Adoption proactive environmental strategy: The influence of stakeholders and firm size. *Journal of Management Studies*, 1072-1094.



- Darnall, N., Seol, I., & Sarkis, J. (2009). Perceived stakeholder influences and organizations' use of environmental audits. *Accounting, Organization, Society*, 34, 170-187.
- Doh, J. P., & Guay, T. R. (2006). Corporate social responsibility, public policy, and NGO activism in Europe and the United States: an institutional-stakeholder perspective. *Journal of Management Studies*, 43, 47-73.
- Donaldson, T., & Preston, L. (1995). The stakeholder theory of the corporation: concepts, evidence, and implications. *Academy of Management Review*, 21, 95-91.
- Easley, C., & Lenox, M. (2006). Firm responses to secondary stakeholder action. *Strategic Management Journal*, 27(8), 765-781.
- Etzion, D. (2007). Research on organizations and the natural environment, 1992–present: a review. *Journal of Management*, 33, 637-664.
- Fineman, S., & Clarke, K. (1996). Green stakeholders: industry interpretations and response. *Journal of Management Studies*, 33, 715–30.
- Florida, R. (1996). Lean and green: the move to environmentally conscious manufacturing. *California Management Review*, 39(1), 80–105.
- Fontaine, C., Haarman, A., & Schmid, S. (2006). *The Stakeholder Theory*. Edalys.
- Freeman, R. (1984). *Strategic Management: A stakeholder approach*. Boston, MA: Pitman.
- Freeman, R. (2010). *Strategic Management: A stakeholder Approach*. New York, USA: Cambridge University Press.
- Friedman, A., & Miles, S. (2006). *Stakeholders: Theory and Practice*. New York, USA: Oxford University Press Inc.
- Fronzel, M., Horbach, J., & Rennings, K. (2007). End-of-pipe or cleaner production? An empirical comparison of environmental innovation decisions across OECD countries. *Business Strategy and the Environment*, 16(8), 571-584.
- Green, J. K., Zelbst, P. J., Meacham, J., & Bhaduria, V. S. (2012). Green supply chain management practices: impact on performance, necessary and good business. *Supply Chain Management: An International Journal*, 17(3), 290-305. doi:<http://dx.doi.org/10.1108/13598541211227126>
- Gyongyi, K. (2006). Supply chain collaboration for sustainability. *Purchasing and Supply Research*, 6, 49-59.
- Hall, J. (2000). Environmental supply chain dynamics. *Journal of Cleaner Production*, 8(6), 206-225.
- Harrison, J., Bosse, D., & Phillips, R. (2010). Managing for stakeholders, stakeholder utility functions, and competitive advantage. *Strategy Management Journal*, 31, 58–74.
- Hart, S. L., Milstein, M. B., & Caggiano, J. (2003). Creating sustainable value. *Academy of Management Executive*, 17, 56-69.
- Henriques, I., & Sadorsky, P. (1996). The determinants of an environmentally responsive firm: an empirical approach. *Journal of Environmental Economics and Management*, 30, 381-395.

- Horbach J. (2008). Determinants of Environmental Innovation – New Evidence from German Panel Data Sources. *Research Policy*, 37, 163-173.
- Hsu, C.-C., Tan, K., Zailani, S., & Jayaraman, V. (2013). Supply chain drivers that foster the development of green initiatives in an emerging economy. *International Journal Operation Production Management*, 33, 656–688.
- Huang, Y.-C., Ding, H.-B., & Kao, M.-R. (2009). Salient stakeholder voices: Family business and green innovation adoption. *Journal Management Organization*, 15, 309–326.
- Kassinis, G., & Vafeas, N. (2002). Corporate boards and outside stakeholders as determinants of environmental litigation. *Strategic Management Journal*, 23, 399–415.
- Ken, G., Barbara, M., & Steve, N. (2000). Greening organizations: purchasing, consumption and innovation. *Organization and Environment*, 13(2), 206-225.
- Kirchoff, J., Koch, C., & Nichols, B. (2011). Stakeholders perceptions of green marketing: the effect of demand and supply integration. *International Journal of Physical Distribution & Logistic Management*, 41(7), 684-696.
- Klassen, R. D., & McLaughlin, C. P. (1996). The impact of environmental management on firm performance. *Management Science*, 42, 1199-214.
- Laplume, A., Sonpar, K., & Litz, R. (2008). Stakeholder theory: Reviewing a theory that moves us. *Journal Management*, 34, 1152–1189.
- Liu, X., Yang, J., Qu, S., Wang, L., Shishime, T., & Bao, C. (2011). Sustainable production: Practices and determinant factors of green supply chain management of Chinese companies. *Business Strategy and the Environment*.
- Maignan, I., & McAlister, D. (2003). Socially responsible organizational buying: how can stakeholders dictate purchasing policies? *Journal of Macromarketing*, 23(2), 78-89.
- Mainardes, E., Alves, H., & Raposo, M. (2011). Stakeholder theory: Issues to resolve. *Management Decision*, 49, 226–252.
- Matos, S., & Hall, J. (2007). Integrating sustainable development in the supply chain: the case of life cycle assessment in oil and gas and agriculture biotechnology. *Journal of Operations Management*, 25(6), 1083-1102.
- Matos, S., & Silvestre, B. (2012). Managing stakeholder relations when developing sustainable business models: The case of the Brazilian energy sector. *Journal of Cleaner Production*, 1-34.
- Mitchell, R., Agle, B., & Wood, D. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *The Academy of Management Review*, 22(4), 853-886.
- Murillo-Luna, J., Garcés-Ayerbe, C., & Rivera-Torres, P. (2008). Why do patterns of environmental response differ? A stakeholders' pressure approach. *Strategic Management Journal*, 29, 1225–1240.



- Neu, D., Warsame, H., & Pedwell, K. (1998). Managing public impressions: Environmental disclosures in annual reports. *Account. Organ. Soc.*, 23, 265–282.
- OECD. (2005). *Oslo Manual: Guidelines for collecting and interpreting innovation data*. Paris: OECD/European Communities 2005.
- Popp D., Hafner T. and Johnstone N. (2007). Policy vs. Consumer Pressure: Innovation and Diffusion of Alternative Bleaching Technologies in the Pulp Industry. NBER Working Papers: 13439, National Bureau of Economic Research, Inc.
- Porter, M. E., & Linde, C. (1995). Green and competitive. *Harvard Business Review*, 73(5), 120-134.
- Rennings, K. (2000). Redefining Innovation—Eco-Innovation Research and the Contribution from Ecological Economics. *Ecological Economics*, 32(2), 319-332.
- Salvado, J.A., Castro, G.M. and Navas-López, J.E. (2014). Green corporate image: moderating the connection between environmental product innovation and firm performance. *Journal of Cleaner Production*, 83, 356–365.
- Sarkis, J., Gonzales-Torre, P., & Adenso-Diaz, B. (2010). Stakeholder pressure and the adoption of environmental practices: the mediating effect of training. *Journal of Operations Management*, 28(2), 163-176.
- Sarkis, J., Zhu, Q., & Lai, K. (2011). An organizational theoretic review of green supply chain management literature. *International Journal Production Economics*, 130, 1-15.
- Scott J. T. (2003). *Environmental Research and Development*, Edward Elgar, Cheltenham, Northampton.
- Sharma, S., & Henriques, I. (2005). Stakeholder influences on sustainability practices in the Canadian forest products industry. *Strategic Management Journal*, 26(2), 159-180.
- Waddock, S. A., & Graves, S. B. (1997). Finding the link between stakeholder relations and quality of management. *Journal of Investing*, 6, 20-24.
- Wagner, M. (2007). On the relationship between environmental management, environmental innovation and patenting: Evidence from German manufacturing firms. *Res. Policy*, 36, 1587–1602.
- Weng, H.-H., Chen, J.-S., & Chen, P.-C. (2015). Effects of Green Innovation on Environmental and Corporate Performance: A Stakeholder Perspective. *Sustainability*, 7, 4997-5026.
- Zhu, Q., & Sarkis, J. (2006). An inter-sectoral comparison of green supply chain management in China: Drivers and practices. *Journal of Cleaner Production*, 14(5), 472-86.
- Zhu, Q., & Sarkis, J. (2007). The moderating effects of institutional pressures on emergent green supply chain practices and performance. *International Journal of Production Research*, 45(18-19), 4333-4355.
- Zhu, Q., Sarkis, J., & Geng, Y. (2005). Green supply chain management in China: pressures, practices and performance. *International Journal of Operations & Production Management*, 25(5), 449-468.



Zhu, Q., Sarkis, J., & Lai, K.-h. (2008). Green supply chain management implications for "closing the loop". *Transportation Research Part E*, 44, 1-18.