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STUDY ON RIPPLE EFFECTS OF CORPORATE ENVIRONMENTAL MANAGEMENT THROUGH SUPPLY CHAIN IN VIETNAMESE INDUSTRY

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Abstract

Foreign invested flows could help the host country improve environmental performance of the industry by conducting environmental monitoring and selecting suppliers as a part of their global environmental management system. This research aims for investigate how far this ripple effect of corporate environmental management can go through supply chain in Vietnam industry. Analyzing data from 128 samples earned by a survey using questionnaire instrument conducted in Vietnam from February 2010 to April 2010 with Structural Equation Model – SEM, the research found very limited influences of corporate environmental management system from foreign invested firms to the local Vietnamese suppliers whose customers come from high environmental conscious economies like Japan, EU and US. However, Vietnamese producers are found forwarding some environmental stresses to their partners. Furthermore, the research also reveals barriers to the studied ripple effects, says, the current poor environmental performances and low commitment to environmental cooperation of Vietnamese industrial producers.

Key words: green supply chain management, supply chain, environmental management system, structural equation model, Vietnamese industry, FDI.