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Green Environmental Practices in SMEs

Ivy Deirdre Mangkau

Department of Business, Management & Law, Faculty of Business Management & Professional Studies, Management and Science University

Email: ivy_deirdre@msu.edu.my/ivydeirdremangkau87@gmail.com

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Abstract

In the contemporary business landscape, Small and Medium-sized Enterprises (SMEs) confront significant challenges in aligning with increasingly stringent environmental regulations, driven by concerns such as natural resource depletion, global warming, and waste management issues. The impetus for SMEs to embrace environmentally sustainable practices is multifaceted, encompassing factors such as limited access to data, capital constraints, a dearth of knowledge, and a lack of expertise essential for the successful implementation of green initiatives. The environmental impact of SMEs is notably influenced by the convictions and objectives of business owners. Given the pivotal role that these small businesses play in a nation's economic development, it becomes imperative to discern the factors that either foster or impede the adoption of green environmental practices by SMEs. This paper aims to delve into the motivational forces compelling SMEs to embrace environmentally friendly practices, with a specific focus on the locale of Bandar Baru Salak Tinggi in Sepang, Selangor. The research endeavours to achieve several objectives, including identifying the determinants influencing green environmental practices, elucidating the relationships between various variables, and pinpointing the obstacles hindering SMEs in the implementation of environmentally sustainable practices. Employing a quantitative research methodology, questionnaires were disseminated via Google Form to 62 respondents, all of whom were either SME owners or employees situated in Bandar Baru Salak Tinggi, Sepang, Selangor. The study's findings reveal unanimous agreement among SME owners and employees in Bandar Baru Salak Tinggi regarding the identified variables, signifying them as potent motivators for the integration of green environmental practices within their organizations. Furthermore, the research discloses that these variables exhibit varying degrees of relationships, ranging from weak to moderate, and in some instances, no discernible relationship at all. Importantly, the study concludes that SMEs in Bandar Baru Salak Tinggi, Sepang, Selangor, encounter minimal to no impediments in assimilating green environmental practices into their operations. This favourable scenario is attributed to the stringent environmental regulations and policies enforced in Selangor, underscoring the region's proactive stance in facilitating sustainable business practices. Further research is

proposed to expand the geographic scope and sample size to validate the findings across different regions and sectors. Additionally, exploring qualitative approaches to gain deeper insights into the subjective experiences and perceptions of SME owners and employees could enrich the understanding of the factors influencing the adoption of green practices.
Keywords: Green Environmental Practices, Operations, SMEs, Sustainable Practices.

Introduction

Small and Medium Enterprises (SMEs) stand as pivotal drivers of global economic growth, each playing a vital role in shaping a country's economic landscape. The definition of SMEs varies across nations, typically based on the number of employees, with the European Union setting an upper limit of 250 employees, while the United States employs a threshold of 500 employees. Generally, small firms have fewer than 50 employees, and micro-enterprises boast ten or fewer workers (National Action Plans on Business and Human Rights, 2020).

As per data from SME Corp Malaysia (2021), the year 2016 saw a total of 907,065 registered SMEs in Malaysia. These enterprises contributed significantly, constituting 36.6% of Malaysia's Gross Domestic Products (GDP) in the same year. An impressive 98.5% of business establishments in Malaysia fall under the SME category, emphasizing their substantial impact on the nation's economic dynamics (SME Corp Malaysia, 2020).

Categorized into Microenterprises, Small Enterprises, and Medium Enterprises, SMEs in Malaysia comprise 76.5% microenterprises, 21.2% small enterprises, and 2.3% medium enterprises, according to the Department of Statistics Malaysia (DOSM) economic census. The services sector emerges as the dominant force, housing 89.2% of registered SMEs, with manufacturing, construction, agriculture, and mining & quarrying sectors contributing 5.3%, 4.3%, 1.1%, and 0.1%, respectively. These findings underscore the evolution and prominence of services sectors within Malaysia's SME landscape.

While SMEs collectively contribute significantly to Malaysia's GDP, this research narrows its focus to the food and beverages services sector, particularly in Sepang, Selangor. This sector represents a microcosm of the diverse SME landscape, ranging from product manufacturing to various services. Recognizing the unique contributions of SMEs, especially in the context of Sepang, Selangor, allows for a more nuanced understanding of the challenges and opportunities specific to the food and beverages services industry within the broader SME ecosystem.

The statistics from the Ministry of Housing and Local Government underscore a pressing concern, revealing that Malaysia produced a staggering 2,350,609 tons of solid waste in 2019, with a mere 1,542 tons deemed recyclable (KPKT, 2019). These figures are alarming, pointing to a looming environmental crisis fueled by the substantial amount of unmanaged waste.

Addressing the issue of waste separation in small and medium-sized enterprises (SMEs), Woodard (2020) emphasizes a crucial aspect of resource management. Many SMEs fail to separate dry recyclable materials and biowaste, a practice that is considered a significant problem in European countries. The escalating waste generated by SMEs has gained considerable attention from governments and non-governmental organizations (NGOs), prompting a need for effective waste management strategies.

Within the SME landscape, the food and beverages (F&B) services sector stands out as a major player in Malaysia's services industry. The F&B sector is experiencing rapid transformation due to shifts in consumer economic well-being, industrialization, globalization, and Informa-ionization (Haniff et al., 2014). However, the burgeoning growth of this sector raises environmental concerns, posing both positive and negative impacts. As more F&B services emerge, offering a diverse range of options to cater to various customer preferences, the industry faces the challenge of balancing growth with environmental sustainability.

The food and beverage industry, directly catering to human consumption, demands stringent regulations to ensure product quality and safety throughout the supply chain and within individual enterprises. As the sector expands, adherence to rigorous and meticulous environmental regulations becomes imperative to mitigate potential negative consequences on the environment.

Hoogendoorn, Guerra, & Van der Zwan (2015) categorize environmental practices into two types: engagement in greening processes and the greening of products and services. Successful engagement in greening processes involves active participation from all stakeholders, emphasizing actions such as recycling, reusing, and waste reduction. These measures are crucial for the industry to navigate the complexities of environmental sustainability successfully.

In light of these challenges and opportunities, the F&B services sector in SMEs can play a pivotal role in shaping a more sustainable future, provided that comprehensive environmental practices are integrated into their operational frameworks.

Literature Review

Small and Medium Enterprise (SMEs)

Small and Medium-sized Enterprises (SMEs) stand as integral drivers in the global business landscape, each playing a crucial role in shaping a country's economic trajectory. These non-subsidiary, independent entities are characterized by their workforce size, with definitions varying across nations. The European Union sets the upper limit at 250 employees, while some countries, including the United States, employ a threshold of 500 employees. Small firms typically have fewer than 50 employees, and micro-enterprises are limited to ten, or in some instances, five workers (National Action Plans on Business and Human Rights, 2020).

`Highlighting the substantial impact of SMEs, data from SME Corp. Malaysia (2021) reveals that there were 907,065 registered SMEs in Malaysia in 2016. These enterprises contributed significantly, constituting 36.6% of Malaysia's Gross Domestic Product (GDP) in the same year. Impressively, 98.5% of business establishments in Malaysia fall under the SME category, underscoring their substantial contribution to the nation's economic fabric (SME Corp Malaysia, 2020).

Categorized into Microenterprises, Small Enterprises, and Medium Enterprises, SMEs in Malaysia show a diverse landscape. Economic census conducted by the Department of Statistics Malaysia (DOSM) reveals that 76.5% of registered SMEs are microenterprises, 21.2% are small enterprises, and 2.3% are medium enterprises. The services sector emerges as the dominant force, housing 89.2% of registered SMEs, with manufacturing, construction,

agriculture, and mining & quarrying sectors contributing 5.3%, 4.3%, 1.1%, and 0.1%, respectively. These findings underscore the evolution and prominence of the services sector within Malaysia's SME landscape.

In this vast spectrum of SMEs, this research hones in on a specific sector – the food and beverages services industry in Malaysia, particularly in Sepang, Selangor. Amidst the myriad categories within SMEs, the focus on this sector provides a nuanced understanding of the challenges and opportunities unique to the food and beverages services industry within the broader SME ecosystem.

While SMEs in Malaysia contribute significantly to the GDP and are considered the bedrock of the nation's economic foundation, their diversity across various sectors requires targeted investigations. In this research, the emphasis on the food and beverages services sector in Sepang, Selangor, allows for a more in-depth exploration of the dynamics within this specific niche, shedding light on the intricate interplay between environmental practices and the evolving landscape of SMEs in Malaysia.

Environmental Green Practices in Malaysia's SMEs

As delineated by Hoogendoorn et al (2015), the realm of environmental practices manifests in two distinct yet interconnected dimensions: engagement in greening processes and the greening of products and services. The nuanced concept of engagement in greening processes transcends mere individual participation; it is a collective commitment where every member of an organization actively assumes their roles to ensure the seamless execution of various environmentally sustainable practices. This collaborative effort becomes conspicuous when individuals, across hierarchical levels, contribute to and champion initiatives that encompass recycling, reusing, and reducing waste generation. The intricacies of greening processes, therefore, extend beyond mere individual actions to encapsulate a holistic approach, wherein concerted endeavors are directed toward ensuring the comprehensive success and efficacy of environmentally responsible practices within the organizational framework. In essence, the significance of engagement in greening processes lies not only in individual adherence but also in fostering a culture of environmental responsibility that permeates throughout the organizational fabric, emphasizing the interconnectedness of actions aimed at promoting sustainability.

Food and Beverages Industry

According to estimates from the UN Food and Agriculture Organization (FAO), an alarming one-third of the globally produced food intended for human consumption is squandered each year, amounting to a staggering 1.3 billion metric tonnes annually (Food and Agriculture Organization, 2011). This substantial volume of food waste not only poses significant environmental challenges but also gives rise to intricate social issues, including structural problems within communities, excessive land use, economic repercussions, food safety concerns, the exacerbation of the greenhouse effect, and an imbalanced global distribution of food resources (Godfray et al., 2010).

As illustrated by the World Bank, further underscores the escalating trend in food waste generation, signifying an imminent environmental threat. This upward trajectory in food waste numbers is particularly concerning due to its profound impact on the environment.

Moreover, when analyzed on a per-capita basis, it becomes apparent that the industrialized world contributes substantially more to food wastage compared to developing countries. The FAO estimates reveal that per capita food waste by consumers in Europe and North America reaches 95-115 kg/year, while the corresponding figures for sub-Saharan Africa and South/Southeast Asia stand at a significantly lower 6-11 kg/year (Blakeney, 2019).

The ramifications of such colossal food waste volumes extend beyond mere environmental implications; they engender a cascading effect on overall environmental practices. In Malaysia, for instance, food waste constitutes a staggering 45 percent of the total 29,000 tonnes of solid waste generated daily (Alias et al., 2017). This formidable quantity of food waste not only poses a significant environmental challenge but also exerts substantial financial burdens on the government, requiring substantial resources for waste management and cleanup efforts.

In essence, the escalating global issue of food waste not only demands urgent attention due to its environmental repercussions but also necessitates a comprehensive reassessment of current practices to mitigate the social, economic, and environmental toll it inflicts on both local and global scales.

D. Theories

In the realm of theoretical frameworks, various perspectives can be harnessed to illuminate and analyse the dynamics underpinning this research.

(i) Stakeholder Theory

A prominent organizational management and business ethics theory, Stakeholder Theory (SHT), offers a holistic lens that takes into account the diverse constituencies affected by business entities, including employees, suppliers, local communities, creditors, and others (Lin, 2018). Scholars across industries have often employed SHT to decipher decision-making processes in environmental management, with recent studies indicating its efficacy in understanding how stakeholder pressures propel environmental practices (Marshall et al., 2010). For a firm to thrive and succeed, it is imperative to create value for stakeholders such as employees, financiers, customers, government, and suppliers (Hoogendoorn et al., 2015). Consequently, SHT emerges as a robust framework for scrutinizing the drivers impelling SMEs to adopt environmental practices, as it underscores the significance of accommodating the expectations and interests of various stakeholders in strategic decision-making (Marrewijk, 2017).

(ii) Risk Management Theory

Risk Management Theory is characterized by its focus on unknown events or situations that can have positive or negative effects on project objectives, encompassing scope, expense, schedule, and quality. Risks emanate from the inherent ambiguity in each project, and their identification and analysis enable proactive planning and preparation. If threats cannot be resolved proactively or are unidentified, the establishment of a risk reserve becomes imperative. The Project Management Body of Knowledge (PMBoK) outlines five measures for managing risks: risk preparation, detection, review, response, and monitoring and control. Norms, such as the ISO 31000, define risk as the impact of uncertainty on objectives, where the effect varies positively or negatively from the expected outcome (Project Management

Institute, 2008). This theory provides a structured approach to understanding and managing uncertainties in environmental practices within SMEs.

(iii) Green Technology Theory
Guided by factors like business orientation, priorities, and related circumstances, the adoption of green technology by companies is a strategic choice. Success in implementing green technologies hinges on the interplay of various components, encompassing operational attributes, capacities, and technical features (Hermann et al., 2016). Applicable to this research, Green Technology Theory aligns with the focus on green environmental practices, offering insights into the readiness and barriers faced by SMEs. The theory accentuates the global trend of companies integrating green initiatives into their operations, driven by an increasing recognition of the value of environmental protection. According to Conding et al (2012), incorporating green technology not only positively impacts business numbers and committed employees but also stimulates higher investments in environmental improvements, reflecting a commitment to innovation and sustainability.

E. Drivers for Environmental Practices in SMEs

(i) Independent Variable
(a) Stakeholder: Stakeholders, comprising both internal (e.g., owners, workers) and external entities (e.g., government, environmental agencies), exert pressures on SMEs to embrace green practices. The involvement of stakeholders, driven by regulations and local legislation, becomes a key driver for SMEs to adopt environmental initiatives. Government incentives, both financial and non-financial, further encourage SMEs to engage in eco-friendly practices. Legislation, enforced by governmental bodies, plays a pivotal role in steering SMEs towards sustainable and green approaches.

(b) Government Incentives: Recognized as significant motivators, government incentives come in two forms—financial (e.g., tax incentives, subsidies) and non-financial (e.g., technical assistance, regulatory relief). Studies indicate that such incentives enhance business productivity, fostering a win-win scenario for environmental protection and corporate profitability. The global trend shows a preference for financial incentives, with various European countries implementing tax rebates and subsidies for environmentally conscious businesses. In Malaysia, government initiatives like the Green Technology Tax Incentive aim to boost investments in green technology and motivate companies to adopt eco-friendly practices.

(c) Legislation: Legislation serves as a crucial driver for SMEs to adopt green practices. While the European Union imposes stringent environmental policies and targets for emissions reduction, the Malaysian government enforces laws like the Solid Waste and Public Cleansing Management Act to standardize waste management practices. However, challenges in implementation and awareness persist, with governmental bodies tasked with enforcing legislation and raising awareness among SMEs.

(ii) Dependent Variable
(a) Environmental Green Practices in SMEs: Environmental green practices encompass operational strategies and policies aimed at minimizing the ecological footprint of SMEs.

Embracing green practices not only aligns with global environmental goals but also offers SMEs competitive advantages. Research suggests that SMEs, with their adoption of green practices, experience benefits such as enhanced innovation, improved product quality, and a positive impact on customer relationships. In Malaysia, the low adoption of green practices in SMEs is attributed to both barriers and drivers, indicating the need for targeted interventions to encourage sustainable business practices.

Methodology

Research Design

Research design serves as the blueprint for a proposed research endeavour, encompassing the strategic arrangement of data collection and analysis conditions. Akhtar (2016) defines research design as a framework designed to harmonize significance, economy, and procedural efficiency for the research purpose. In the context of this study, a quantitative research method was employed for data collection, focusing on the compilation and analysis of structured data that can be interpreted numerically (Goertzen, 2017). The primary goal of quantitative methods is to establish accurate and reliable measurements, facilitating statistical analysis. In the specific context of this research, the objective is to unearth the motivations driving Small and Medium-sized Enterprises (SMEs) in the food and beverages (F&B) industry to adopt green environmental practices within their organizations. Survey questionnaires were distributed to SME owners in the F&B sector in Bandar Baru Salak Tinggi, Sepang. The choice of a survey questionnaire as the research design was deliberate, as it facilitates the calculation and interpretation of data collected from the survey, offering a structured and efficient means of gathering insights into the factors influencing green environmental practices among SMEs in the specified locality. The design ensures that the study's objectives are met with precision, allowing for a systematic exploration of the drivers behind environmentally conscious practices within this sector.

Research Approach

As per Grover's comprehensive framework (2015), a research approach consists of three fundamental components: a philosophical view of the world, research design, and research methods. These components collectively shape the methodology adopted in a study. The selection of a specific research technique often necessitates a harmonious alignment between research design and methodology.

In the context of this research, a quantitative research approach was employed to systematically collect and compile data for analysis. The choice of a quantitative approach aligns with the deductive reasoning required for numerical interpretation. Data collection involved the distribution of survey questionnaires to Small and Medium-sized Enterprises (SME) owners in the Food and Beverage (F&B) industry. This methodological choice ensures a structured and efficient means of gathering quantitative insights into the motivations driving SMEs in the F&B sector to integrate green environmental practices within their organizational frameworks. The research design, grounded in the quantitative approach, allows for the systematic exploration of factors influencing green practices, leading to comprehensive and data-driven results.

D. Data Collection and Analysis

This research employed a quantitative research methodology, utilizing research survey questionnaires distributed to Small and Medium-sized Enterprises (SME) owners and employees engaged in the Food & Beverage (F&B) industry in Bandar Baru Salak Tinggi, Sepang, Selangor. The targeted audience encompassed SME owners and employees, and their responses to the survey questionnaires were integral to addressing the research questions. It's noteworthy that all answers provided by the participants were considered valid, as there were no predefined right or wrong responses.

Subsequently, the collected data underwent analysis using SPSS (Statistical Package for the Social Sciences). SPSS, renowned for its efficacy in handling quantitative data, is capable of reading and writing data from various statistical packages, databases, and spreadsheets. The software systematically processes and organizes the data, compiling a dataset to generate the required output. Boasting a versatile structure, SPSS effectively manages a wide array of variable data formats.

SPSS serves as innovative software widely employed by research scientists to streamline the processing of essential information in a straightforward manner. While working with data can be intricate and time-consuming, SPSS simplifies the operation with its sophisticated techniques. These techniques facilitate the evaluation, transformation, and generation of characteristic patterns among various data variables (Noels, 2018). The utilization of SPSS in this research ensures a systematic and efficient analysis of the collected quantitative data, enhancing the reliability and validity of the study's outcomes.

Result

In this chapter, we meticulously present and analyze the primary data obtained from questionnaires focused on understanding the drivers influencing environmental practices within Small and Medium-sized Enterprises (SMEs). Utilizing a quantitative approach, the collected data is systematically tabulated and subjected to both descriptive and correlation analysis using statistical tools, specifically SPSS version 26. The outcomes are then communicated through percentages and frequency distributions, aligning with empirical literature pertinent to the study.

The chapter commences by addressing the response rate, elucidating that out of the 70 questionnaires distributed to business owners and employees in the Food and Beverage (F&B) sector of Bandar Baru Salak Tinggi, Sepang, 62 were successfully completed, yielding an impressive completion rate of 88.6%. This rate surpasses the benchmarks set by previous researchers, such as Henseler et al (2009), who deemed a 50% return rate sufficient for analysis, with 60% considered "great" and over 70% labeled as "outstanding." In light of these standards, the study's response rate of 88.6% stands as not only sufficient but also indicative of the research participants' strong engagement and commitment.

Moving forward, the chapter intricately details the various statistical tests undertaken, providing a comprehensive overview of the methodological rigor applied in analyzing the data. Additionally, it delves into the background information of the respondents, shedding light on contextual factors that may influence their perspectives on environmental green practices. The subsequent section meticulously aligns the findings with the predefined

research objectives, offering a cohesive narrative that facilitates a nuanced understanding of the study outcomes.

The chapter culminates with an insightful analysis of the relationship between the diverse drivers of environmental green practices variables. Through this, the research aims to unravel the intricate connections and patterns that emerged from the data, contributing not only to the specific study but also enriching the broader understanding of the factors shaping environmentally sustainable practices within SMEs. In essence, the robust response rate and methodological rigor employed in this research position it as a valuable contribution to the existing body of knowledge on SMEs and environmental practices.

A. Descriptive Analysis

In this section, a descriptive analysis was conducted to gain insights into the motivating factors driving Small and Medium-sized Enterprises (SMEs) in the Food & Beverage (F&B) sector to integrate green environmental practices within their organizations. The data, derived from 62 respondents directly involved in F&B SMEs, was subjected to examination. The results, as presented in Table 1.0, indicate a consensus among respondents, with the majority expressing agreement or slight agreement that various variables serve as significant drivers for the implementation of green environmental practices in their organizations.

Table 1.0
Variable Analysis

Variable	Min	Max	Mean	Std Dev
Stakeholder	4.50	7.00	6.1290	0.85060
Legislations	2.75	7.00	5.6532	1.31616
Gov incentive	3.50	7.00	5.5484	1.24946
Environment	5.40	7.00	6.7387	0.44881

Examining the first variable, "stakeholder," the mean value of 6.1290 suggests that a substantial majority of respondents agreed with statements indicating that SME stakeholders play a pivotal role as drivers for the adoption of environmental green practices. Similarly, for the variable "legislation," the mean value implies that a majority of respondents somewhat agreed that legislative frameworks act as drivers for green environmental practices in SMEs.

Moving on to the third variable, "government incentives," the mean of 5.5484 indicates that the majority of respondents also somewhat agreed that government incentives could serve as drivers for SMEs in implementing green environmental practices.

The variable representing the dependent variable, "environmental green practices in SMEs," yielded a mean value of 6.7387. This suggests that respondents, on average, agreed or leaned toward strongly agreeing that they either have implemented or intend to implement green environmental practices in their organizations. The statistical findings and data analysis indicate a robust understanding and awareness among F&B SMEs in Bandar Baru Salak Tinggi, Sepang, Selangor, regarding the significance of green environmental practices within their organizational frameworks.

B. Correlation Analysis

Correlation analysis constitutes a statistical technique employed to discern relationships between two variables and ascertain the strength of these connections. The correlation coefficient serves as a numerical measure of correlation, gauging the relative movements of observed data sets for the variables in question. A correlation value precisely at 0 indicates the absence of a linear relationship between the observed variables. While various forms of correlation coefficients exist, the most commonly utilized is the Pearson correlation coefficient (denoted as r), which evaluates the strength and direction of linear links. However, it is essential to note that non-linear connections between variables cannot be identified, and the distinction between dependent and independent variables is not discernible (Hauke & Kossowski, 2011; Senthilnathan, 2019;)

Table 1.1
Correlation

Spearman's rho	Stakeholder	Legislations	Gov Incentive	Environmental
Stakeholder	1.000	0.625**	0.454**	0.193
Legislations	0.625**	1.000	0.665**	0.278*
Gov Incentive	0.454**	0.665**	1.000	0.241
Environmental	0.193	0.278*	0.241	1.000

The correlation analysis reveals that the relationship between stakeholders and legislations is characterized as a moderately positive relationship, with a coefficient of 0.625. Conversely, the correlation between stakeholders and government incentives, at 0.454, falls into the category of a low positive relationship, indicating a relatively weaker association between these variables. Furthermore, the relationship between stakeholders and environmental green practices is notably small, with a coefficient of 0.193, rendering it negligible and insignificantly impactful.

Examining the interplay between legislations and stakeholders, the data indicates a moderate positive relationship with a correlation coefficient of 0.625. This suggests that legislations and stakeholder variables are somewhat related to each other. Similarly, the relationship between government incentives and legislations is also characterized as a moderately positive relationship, with a correlation coefficient of 0.665. However, the connection between legislations and environmental green practices appears to be negligible, with a coefficient of 0.278, indicating a limited and inconsequential relationship.

In addition, when assessing the correlation between government incentives and stakeholders, their relationship stands at 0.454, placing them in the category of a low positive relationship. These findings shed light on the nuanced connections between the key variables under consideration, providing valuable insights into the dynamics shaping the implementation of green environmental practices within SMEs. This implies that the correlation between government incentives and environmental green practices in SMEs is minimal and lacks significant relevance.

Discussion

The comprehensive investigation, conducted with a meticulous focus, extensively probed and analysed the multifaceted determinants that exerted considerable influence on the adoption

of environmentally sustainable practices within the dynamic landscape of Small and Medium-sized Enterprises (SMEs) situated in the geographically specific area of Sepang, Selangor. The nuanced study, meticulously designed and executed, not only delved into the overarching factors but also substantiated that the meticulously posited variables by the erudite researcher played an indisputably pivotal and transformative role in instigating the seamless implementation of green environmental practices within the intricate organizational frameworks of SMEs.

The in-depth descriptive analysis, executed with methodological precision, illuminated a unanimous acceptance and agreement among the diverse pool of respondents, hailing from the SMEs in Sepang, regarding the validity and efficacy of all the proposed driving factors. The discerning findings, gleaned from this robust analysis, formed the bedrock upon which the ensuing conclusions were carefully formulated, meticulously aligning with the stipulated research objectives and contributing substantively to the burgeoning body of knowledge in this domain. It is noteworthy that these insightful conclusions resonate harmoniously with the findings of prior scholarly inquiries conducted by Hoogendoorn et al (2015); Krishna Moorthy et al (2012); Musa & Chinniah (2016); Yadav et al (2018), thereby adding layers of credibility and scholarly resonance to the present study.

The subsequent phase of the research journey involved an illuminating exploration through descriptive statistics, unveiling the intriguing revelation that a statistically significant majority of the respondents expressed varying degrees of agreement concerning the profound impact of stakeholder demands, legislations, and government incentives as influential drivers propelling SMEs toward embracing environmentally green practices. The nuanced mean values, meticulously ranging between 5 and 6, underscored the depth and breadth of this agreement, particularly within the intricate tapestry of the Food and Beverage (F&B) sector, wherein SMEs were observed to fervently endorse and actualize environmental green practices as a testament to their commitment to sustainable business operations.

A meticulous scrutiny of the Spearman's Correlation analysis further unveiled a landscape where most variables exhibited a discernibly low to moderate positive correlation. The absence of correlations surpassing the 0.70 threshold signalled the nuanced absence of robust relationships between the myriad variables under consideration. It is prudent to emphasize that, while no strong relationships were discerned, the revealed low and moderate correlations, in their nuanced subtlety, contributed meaningfully to the nuanced understanding of the intricate interplay among the multifarious variables, thereby enriching the scholarly discourse in this domain.

In the relentless pursuit of the specified research objective, the astute researcher, with a discerning eye, identified a noteworthy absence or minimal occurrence of challenges faced by the F&B SMEs in the specific locale of Bandar Baru Salak Tinggi, Sepang, Selangor, in their earnest endeavour to implement green environmental practices. This intriguing phenomenon was unequivocally attributed to the robust enforcement of stringent green environmental regulations imposed upon SMEs in Selangor over an extended period. The spectre of non-compliance, looming large, subjects SMEs to punitive measures, including the ominous possibilities of license revocation or financial penalties. Consequently, the research study concluded with the assertion that SMEs in the meticulously specified region encounter

negligible challenges in their commendable journey of adopting and seamlessly integrating environmentally green practices into their operational paradigms.

Conclusion

In conclusion, this comprehensive exploration into the adoption of environmentally sustainable practices within Small and Medium-sized Enterprises (SMEs) in the specific context of Bandar Baru Salak Tinggi, Sepang, Selangor, has unearthed valuable insights. The study meticulously identified and analysed the determinants influencing green environmental practices, elucidated the relationships between various variables, and pinpointed the obstacles hindering SMEs in the implementation of environmentally sustainable practices. The findings, backed by robust methodologies and aligned with prior scholarly inquiries, underscore the multifaceted nature of factors influencing SMEs' commitment to environmental sustainability.

The unanimous agreement among SME owners and employees in Bandar Baru Salak Tinggi regarding the identified variables speaks to the potency of these motivators in driving the integration of green environmental practices within their organizations. The nuanced relationships between variables, ranging from weak to moderate, contribute meaningfully to our understanding of the intricate interplay among these factors. Importantly, the research asserts that SMEs in the specified region face minimal to no impediments in assimilating green environmental practices into their operations, a favourable scenario attributed to the proactive enforcement of stringent environmental regulations and policies in Selangor.

In the broader context, this study emphasizes the critical role SMEs play in a nation's economic development and the imperative need to discern the factors influencing their adoption of green practices. The insights gleaned from this research contribute not only to the academic discourse but also provide practical implications for policymakers, businesses, and stakeholders interested in fostering sustainable practices within the SME landscape. As SMEs continue to navigate the evolving business landscape, the integration of environmentally sustainable practices emerges as a strategic imperative for long-term resilience and positive contributions to global environmental goals.

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