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Barriers to the involvement in green public procurement among small and medium enterprises (SMEs) government suppliers

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Abstract

Purpose: The objectives of this study are twofold. Firstly, this study aims to examine the challenges of green public procurement (GPP) involvement among small- and medium-sized enterprises (SMEs) government suppliers. Secondly, it investigates the differences in the perceived challenges between the small- and medium-sized groups of companies. Design/methodology/approach: The study draws on the quantitative method. The questionnaire was distributed to SMEs that supply green goods or services to the government and which are listed in the MyHijau directory. Using convenience sampling, a total of 394 questionnaires were distributed and 126 usable questionnaires were received, representing a response rate of 31.98%. A descriptive analysis of the mean score, standard deviation and mean score ranking was used to analyse the overall results. The t-test analysis was carried out to examine the differences between the small- and medium-sized groups of companies. Findings: All five categories of the barriers, i.e. financial, legal, people, knowledge and organizational challenges, are perceived as the important challenges for SMEs' involvement in GPP. Of the five categories, "having lack of knowledgeable staff on GPP" under the category of "people" challenge is ranked as the most major barrier. In relation to the differences between the two groups of enterprises (small- and medium-sized), medium enterprises are more affected by two items under the "organization" challenge, i.e. "The company has not targeted suppliers that promote environmentally-friendly products/services" and "The company has not established a clear objective on purchase of green products and services", as compared to the small-sized enterprises through their GPP involvement. Social implications: By understanding the difficulties faced by SMEs in engaging with GPP, various practical measures can be formulated to support the SME businesses in mitigating the challenges faced for their involvement with GPP, which subsequently will lead to the country's target to reach the sustainable development goals. Originality/value: This study extends empirical evidence on barriers or challenges that may hinder the involvement in government green procurement, with a specific focus on SME government suppliers. © 2024, Emerald Publishing Limited.

Author Keywords

Barriers; Green public procurement (GPP); MyHIJAU; Small and medium enterprises (SMEs); Sustainable procurement

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