



# Sustainability orientation and byproduct management as drivers of business performance: An empirical study

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## DESCRIPTION

Sustainability has become a buzzword in recent years, and companies across various industries are increasingly adopting sustainability-oriented strategies. A critical aspect of sustainability is managing byproducts generated by business operations. Effective byproduct management is critical for ensuring environmental sustainability, reducing operational costs, and enhancing business performance. This study investigates the relationship between sustainability orientation, byproduct management, and business performance in the context of firms operating in the manufacturing sector. Sustainability orientation refers to a company's commitment to adopting sustainable practices, reducing its environmental footprint, and contributing to the well-being of society. Scholars have argued that sustainability-oriented firms are more likely to achieve long-term financial success, as they are better equipped to mitigate risks and take advantage of opportunities presented by sustainability challenges. The companies that adopt sustainable business practices are more likely to attract and retain customers, reduce operational costs, and enhance brand reputation.

Byproducts are materials or substances generated as a result of a company's production process that are not part of the primary product. Effective byproduct management is critical for companies to achieve sustainability goals, reduce operational costs, and comply with regulatory requirements. Byproduct management strategies include reuse, recycling, and disposal. Studies have shown that effective byproduct management can enhance a firm's financial performance.

Business performance refers to a firm's ability to achieve its financial and non-financial objectives. Scholars have argued that sustainability-oriented firms are more likely to achieve superior business performance than their non-sustainable counterparts. The sustainability-oriented firms are more likely to achieve better financial performance, enhance their brand reputation, and attract

and retain top talent. This study employed a quantitative research approach to investigate the relationship between sustainability orientation, byproduct management, and business performance. A survey was administered to manufacturing firms operating in the United States. The survey included questions on sustainability orientation, byproduct management practices, and business performance indicators. The data collected were analyzed using regression analysis. The study shows a positive relationship between sustainability orientation and byproduct management. Firms with a higher sustainability orientation are more likely to adopt effective byproduct management practices such as reuse and recycling. The results also show a positive relationship between byproduct management and business performance. Firms that adopt effective byproduct management practices are more likely to achieve superior financial performance and enhance their brand reputation.

The study also found a significant interaction effect between sustainability orientation and byproduct management on business performance. Firms that have a high sustainability orientation and adopt effective byproduct management practices are more likely to achieve superior business performance than firms with a low sustainability orientation and poor byproduct management practices. The study provides empirical evidence for the positive relationship between sustainability orientation, byproduct management, and business performance in the manufacturing sector. The findings suggest that firms that adopt sustainable business practices and effective byproduct management strategies are more likely to achieve superior business performance. The results also suggest that the interaction effect between sustainability orientation and byproduct management is critical for achieving superior business performance. The findings of this study have several implications for managers and policymakers. Firstly, managers should prioritize sustainability and adopt effective byproduct management strategies to achieve

superior business performance. Secondly, policymakers should encourage and incentivize firms to adopt sustainable business practices and effective byproduct management strategies. Thirdly, policymakers should

promote collaboration between firms and other stakeholders, including government agencies and non-governmental organizations, to enhance sustainability and effective byproduct management practices.