

Environmental Sustainability Practices of Manufacturing Small and Medium Enterprises (SMEs) in Uganda

Abstract

This study examined the relationship between environmental knowledge, environmental commitment, regulatory compliance and environmental sustainability practices of manufacturing SMEs in Uganda. The study was motivated by the fact that many manufacturing SMEs use firewood and charcoal for fuel, polythene bags and plastics as packaging materials and poorly dispose waste materials to the environment. Such practices have significantly contributed to environmental degradation that has led to loss of lives and property. This study was correlational and cross-sectional in nature, adopted a critical realism paradigm and concurrent mixed methods approach to survey 237 manufacturing SMEs and 7 institutions using stratified and purposive sampling respectively. A self-administered questionnaire and an interview guide were used to gather both quantitative and qualitative data from the business and institutional managers respectively. SPSS-23 and AMOS-24 supported data analysis to establish the direct and indirect relationships between the study variables. Content analysis technique with the help of Atlas ti-8 software was used to analyse qualitative data. The study findings indicate that there is a significant positive relationship between action knowledge ($\beta=.121$, $p<.01$), environmental commitment ($\beta= .522$, $p<.01$), regulatory compliance ($\beta= .146$, $p<.01$) and environmental sustainability practices. In addition, regulatory compliance partially mediates the association between action knowledge ($\beta .031$, $p <.01$), environmental commitment ($\beta .074$, $p<.01$) and environmental sustainability practices. These findings were also supported by the qualitative results which revealed that manufacturing SMEs undertake environmental sustainability practices to conserve the environment. From this study, it is concluded that action knowledge, verbal and actual commitment, deterrence and control measures are significantly and positively associated with environmental sustainability practices. In addition, waste management, eco-friendly packaging, energy efficiency and water conservation practices were confirmed as actions undertaken to safeguard the environment in Uganda. The study recommends that policymakers should; spearhead the establishment of an environmental conservation fund to support the dissemination of action knowledge, partner with private and civil society organizations to annually evaluate, recognize and award manufacturing SMEs that demonstrate commitment to implementing environmental sustainability practices and establish a desk under NEMA to monitor compliance of manufacturing SMEs with environmental regulations. Similarly, business managers should; train their staff, consult experts on environmental sustainability practices and reward employees who demonstrate pro-environmental behaviours.