

ABSTRACT

The business world today is moving towards the “Green Concept” and most firms aim at cost reduction and waste reduction in their procedures while reducing the consequence on the environment. Tea production in the East of Rift region dropped from 20.99 million Kgs in 2020 to 17.39 million Kgs in 2021. The output also in the East of Rift region declined by 10.06%. The decline in output has been attributed to climate change which raises global warming cases. There has been rising cost of production which include energy, water, and pollution costs. The general objective of the study was to establish the effect of Green Supply Chain Management practices on the performance of tea processing firms in the East of Rift region. The study was guided by the following specific objectives; to assess the effect of ecological design on the performance of tea processing firms in the East of Rift region, to assess the effect of green information systems on the performance of tea processing firms in the East of Rift region, to determine the effect of green innovation on the performance of tea processing firms in East of Rift region, to assess the moderating effect of managerial support on tea processing firms in East of Rift region and to assess the joint effect of green supply chain management practices and performance of tea processing firms in East of Rift Region. The study appropriated the following theories to elucidate its data; Natural Resource-Based Theory, Ecological Modernization Theory, and Institutional Theory. The study adopted a descriptive research design; a census survey technique was adopted on the target population of 39 tea factories in the East of Rift region. Structured questionnaires were used to collect primary data. The factory production manager was the respondent in this study. Data was analyzed using inferential statistics of pooled data with the help of SPSS version 28. Multiple regression analysis was used to analyze the relationship between the independent variable and dependent variable, a t-test was used to test the significance of hypotheses at a 5% level of significance, F-test was used to test the overall significance. R square showed the variation of the dependent variable explained by the independent variables jointly. The results of the pilot study were above 0.7 which is the acceptable range for reliability. The study established a negative significant effect of ecological design on performance with regression coefficient 0.015 and a p-value 0.017 Further it was found that green information system had a positive regression coefficient of 0.094 and a p-value of 0.031. Green innovation had a regression coefficient of 0.251 and a p-value of 0.010 indicating it is significant. The interaction between managerial support and green supply chain management practices had a regression coefficient of 0.456 and a p-value of 0.030 and adjusted R² of 0.301. The study concluded that ecological design, green information system and green innovation had a significant effect on performance of tea processing firms in East of Rift and recommends that companies should encourage the practice of ecological design since it minimizes on cost and enhances performance of a firm. Managerial support alters the relationship between green supply management practices and performance implying that ecological design, green information system and green innovation is enhanced by management support hence affecting performance. Consequently, this research calls for a more proactive effort from the supply chain managers and other procurement staff on the need to introduce a typical framework for the mandatory involvement all stakeholders in green information system so as to minimize on waste of resources in the organization. On the other hand, managerial support was found to be significant. The findings of the study will form a basis for future researchers in this field of procurement and supply chain in Kenya.