Commercium : Journal of Business and Management
E-ISSN : 3031- 9889
Volume. 4 Issue 1 February 2026
Page No: 26-40

Green Procurement and Government Policy as Catalysts for Enhancing Organizational Performance in Nigeria's Fast-Moving Consumer Goods Sector

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Received : October 1, 2025
Accepted : November 1, 2025
Published : February 27, 2026

Citation: Chinaka, Y, J., Nwoye, M, I., & Ibrahim, U, A. (2026). Green Procurement and Government Policy as Catalysts for Enhancing Organizational Performance in Nigeria's Fast-Moving Consumer Goods Sector. Commercium : Journal of Business and Management, 4(1), 26-40. https://doi.org/10.61978/commercium.v4i1

ABSTRACT: This paper examines how green procurement and government policy affect the performance of Fast-Moving Consumer Goods (FMCG) companies in Nigeria. While sustainability is gaining global relevance, limited empirical evidence addresses how these drivers influence firm outcomes in Nigeria. The study investigates the extent to which green procurement and government policy shape organisational performance in the FMCG sector. A cross-sectional survey was conducted with 357 supply chain personnel across some listed FMCG firms. Data were analysed using ordinary least squares regression to establish the impacts of the variables. The regression results show that sustainable manufacturing ($\beta = 0.192$, $p < 0.001$) had the strongest positive effect on performance, followed by reverse logistics ($\beta = 0.164$, $p < 0.001$), Government policy ($\beta = 0.133$, $p = 0.001$), and green packaging ($\beta = 0.117$, $p = 0.001$). The model explained 41.2% of performance variation. Firms need to embed green procurement by strengthening supplier evaluation, investing in capacity-building, and ensuring transparent sourcing. Policymakers should enforce regulations consistently and introduce fiscal incentives to promote sustainability, while stakeholders collaborate to align practices with long-term sectoral performance goals.

Keywords: Sustainable Supply Chain, FMCG, Reverse Logistics, Stakeholder Satisfaction, Green Packaging, Organisational Performance.

INTRODUCTION

Recent globally concerted efforts on sustainability have compelled and influenced manufacturing firms to adapt their supply chain strategies in integrating the balancing effects of the social and environmental pressures on the global competitiveness (Okeke & Rahim, 2024; Schinckus et al., 2019). In this context, green procurement and state policy have emerged as critical facilitators of the desired sustainable performance outcomes. Whereas green procurement focuses on

responsible sourcing, evaluation of suppliers, and decision-making on the entire life-cycle of the goods, state policy outlines the institutional arrangements in the form of laws, incentives, and coercive measures. These two forces define the extent to which firms may operationalize sustainability within their businesses and the degree of performance that may be realized.

The Fast-Moving Consumer Goods (FMCGs) sector is characterized by large volumes of production and short product life cycles. These production and distribution activities lead to excessive environmental degradation. The positive impact on sectoral efficiency, sustainability, and resilience, generally called efficiency and resilience, sustainability integration, mitigates negative environmental externalities. Jawaad et al (2024) and Eco-design principles and green reverse Abuzawida et al (2023) on sustainable manufacturing and resource recovery logistics emphasize, respectively. The ecological impact of life cycle resource use and modified packaging through green disposing and dissipating collaborative supply chains eliminates waste and achieves ecological and resource recovery goals. These are plausible mitigation strategies. The extent to which these economic practices are realized at policy, structural, and institutional levels through green public procurement is of greater importance to developing economies.

In Nigeria, the FMCG sector plays a central role in industrial activity and consumer markets, but it faces increasing sustainability demands from regulators, investors, and consumers (Igwe et al., 2024; Le et al., 2025). Companies are expected to integrate environmental accountability with profitability, reflecting broader global supply chain trends. Stakeholder satisfaction has thus emerged as a central dimension of performance, alongside financial outcomes. Stakeholders such as consumers, employees, regulators, and communities judge firms on their ability to meet sustainability commitments. (Efobi et al., 2019) report that stakeholder satisfaction influences trust, loyalty, and legitimacy, while Jalili et al. (2024) show that prioritizing stakeholder needs improves regulatory goodwill and consumer engagement. UNEP (2022) further affirms that firms attentive to stakeholder concerns outperform competitors in innovation, resilience, and acceptance. This evidence supports stakeholder satisfaction as a comprehensive indicator of organizational performance in sustainability research.

Notwithstanding these requirements, a number of Nigerian FMCG companies find it hard to integrate viable supply chain practices. The industry is limited by broken supply chains, the lack of sufficient recycling facilities, insufficient implementation of environmental laws, and the lack of access to environmentally friendly technologies. (Tanko et al., 2024)notes that when policy inconsistency and ineffective enforcement suggest that firms should not invest in sustainability initiatives, the result will be discouragement of firms to invest in such initiatives. Celestin et al. (2024) and Shaikh et al., (2024) point out that monitoring and capacity-building in suppliers is also feeble, which minimizes the capacity of firms to impose sustainable criteria in their networks. These are augmented by high implementation costs, sourcing inefficiency, and low consumer pressure. As much as multinational companies acting in Nigeria have recorded strides in the application of global sustainability standards, local companies tend to be left behind. Such an imbalanced implementation highlights the significance of the government policy as a driver of transformation within the sector and the institutionalization of green procurement at the firm level.

It can be observed that there is a necessity to conduct empirical research that would relate the green procurement and government policy directly to the performance of the organization in the FMCG industry of Nigeria. To a great degree, the literature on the topic has been fragmented, analyzing these dimensions individually and related to normative debate or independent practices without connecting them to quantifiable outcomes of organizations. This paper fills this gap through an examination of the interaction of green procurement and government policy as drivers of performance-enhancing factors, where stakeholder satisfaction is used as the outcome variable. By doing so, the study provides evidence-based insights into how institutional drivers and operational strategies combine to strengthen sustainability transitions in the FMCG sector.

The specific objectives of the study were to:

1) examine the effect of sustainable manufacturing on organizational performance in Nigeria's FMCG sector.
2) assess the effect of reverse logistics on organizational performance in Nigeria's FMCG sector.
3) evaluate the effect of green packaging on organizational performance in Nigeria's FMCG sector.
4) determine the effect of Government policy on organizational performance in Nigeria's FMCG sector.

Based on these objectives, the study hypothesizes that:

H01: Sustainable manufacturing has no significant effect on organizational performance in Nigeria's FMCG sector.

H02: Reverse logistics has no significant effect on organizational performance in Nigeria's FMCG sector.

H03: Green packaging has no significant effect on organizational performance in Nigeria's FMCG sector.

H04: Government policy has no significant effect on organizational performance in Nigeria's FMCG sector.

Sustainable supply chain practices (SSCPs) are ways of managing supply chains that take into account the social and environmental impacts of the supply chain while remaining economically efficient. For Sharma & Singla, (2021), SSCPs are "systematic methods that couple profitability with the strategic alignment of organizational activities with the pillars of sustainability". For, SSCPs are activities that "pollution reduces and resource use gains through cleaner production, recycling, and sustainable sourcing". In the case of fast-moving consumer goods (FMCG) companies, environmental SSCPs go further and provide pathways for sustaining long-term competitiveness. The four dimensions of SSCPs that are the focus of this study are sustainable manufacturing, reverse logistics, green packaging, and Government policy.

Integrating environmentally friendly practices into the manufacturing process is what most people understand sustainable manufacturing to mean. "A lifecycle-based sustainable manufacturing approach consists of design, selection of raw materials, production, and end-of-life management,

and reduces the environmental impact of manufacturing processes and the risks associated with them." Tanko et al. (2024) views sustainable manufacturing as the use of cleaner technologies and energy-efficient processes that improve reliability and strengthen stakeholder trust. Sustainable manufacturing also guaranteees production systems are safe for workers, communities, and consumers, while also promoting resource efficiency. While acknowledging the aforementioned benefits, Nigerian FMCG firms are still unable to fully adopt sustainable practices, mainly due to cost and technological constraints. Even so, stakeholder satisfaction and environmental performance provide strong motivation for sustainable manufacturing.

The next practice to consider in the sustainable supply chain is reverse logistics. During reverse logistics, goods are returned to the manufacturer after the consumer has finished using them. Abuzawida et al. (2023) elaborate on how reverse logistics allows firms to lower negative environmental effects while also capturing residual value. "Reverse logistics improves material efficiency and reduces waste, which aids in the achievement of global sustainability goals", argue Caiado et al., (2025). In West Africa, Efobi et al. (2019) note that reverse logistics activities, though underdeveloped, have improved customer satisfaction and regulatory compliance when applied. In Nigeria, reverse logistics is largely informal, often driven by ad hoc practices rather than structured systems, but its potential contribution to organizational performance remains significant.

Green packaging has become critical in consumer-driven industries. It refers to the use of environmentally friendly materials and design strategies that minimize ecological impact. (Wandosell et al., 2021) highlight that green packaging involves biodegradable materials, reduced packaging volume, and recyclable designs. Jalili et al., (2024) emphasize that green packaging improves regulatory compliance and enhances consumer trust. More recently, Anokye, (2025) noted that eco-design strategies for packaging can reduce waste in developing countries, while Sabet, (2025) showed that biodegradable polymer composites provide sustainable alternatives with lower environmental costs. Given the heavy reliance on packaging in FMCG operations, the adoption of green packaging offers opportunities for differentiation, consumer loyalty, and improved brand perception.

Government policy (SRM) reflects the collaborative and strategic engagement of suppliers in sustainability efforts. Efobi et al. (2019) define SRM as the process of ensuring suppliers meet environmental and social standards through monitoring, compliance, and joint innovation. Celestin et al., (2024) observe that SRM fosters co-development of green practices, leading to improvements in quality, compliance, and cost-sharing. Tanko et al. (2024) adds that effective supplier collaboration enhances delivery timelines and supply chain reliability. Although Nigerian firms face challenges such as weak enforcement and poor contractual structures, SRM remains essential for cascading sustainability goals across value chains. Strong supplier partnerships help firms align procurement and production activities with broader sustainability objectives.

Empirical Review

Empirical studies have increasingly focused on the relationship between SSCPs and organizational performance, particularly in the manufacturing sector. Numerous scholars have identified positive correlations between the adoption of sustainable practices and improved business outcomes, including efficiency, innovation, and stakeholder satisfaction.

Tanko et al. (2024) in their study of the Nigerian context, observed that firms that adopted energy-efficient technologies and cleaner production processes reported higher operational reliability and stakeholder support. Sustainable manufacturing practices in Nigerian FMCG companies, while less developed, have shown potential to improve long-term performance when integrated into core operations.

Strategically prioritize reverse logistics for enhanced performance. Abuzawida et al. (2023) have shown that reverse logistics, when well institutionalized, lead to cost savings, greater customer satisfaction, and lower penalties on account of regulations. This is, however, not the case for Efobi et al. (2019) in Nigeria, where reverse logistics systems are predominantly reactive and poorly formalized. Their study of FMCG firms demonstrated that although returns and recycling are recognized, their formal incorporation into performance evaluation systems is insignificant. Notwithstanding, the minimal embraced reverse logistics systems in the firms under study still led to positive new insights in value and cost management.

Green packaging has been empirically linked to improved environmental and market performance. In West Africa, similar trends have been observed, although at a slower pace. Efobi et al. (2019) highlighted that in Nigeria and Ghana, FMCG firms that adopted biodegradable and recyclable packaging materials saw enhanced consumer trust and reduced packaging waste costs. However, they also noted that implementation remains constrained by supply chain limitations and high material costs.

Government policy plays a pivotal role in sustainability performance. Celestin et al. (2024) noted that in East Africa, firms that actively engaged suppliers in sustainability goals observed improvements in innovation, compliance, and cost-sharing. In Nigeria, Tanko et al. (2024) reported that collaboration with suppliers on environmental and social objectives improved delivery timelines and reduced input variability. However, the study also found that firm size, procurement capabilities, and regulatory support significantly influence SRM effectiveness. Weak SRM structures hinder broader sustainability goals, especially among small and medium-sized enterprises.

Collectively, these empirical studies suggest that SSCPs contribute positively to organizational performance, especially when viewed through the lens of stakeholder satisfaction. UNEP (2022) reinforces this by noting that sustainability practices not only build operational resilience but also improve firms' relationships with key stakeholders. While the degree of adoption and impact varies across firms and countries, the evidence generally supports the notion that SSCPs are both strategic and beneficial. In Nigeria, the potential for impact is particularly significant given the country's resource constraints, environmental challenges, and growing consumer awareness.

However, there are still gaps because most of the research has concentrated on individual aspects of SSCPs, including green packaging or supplier management, without investigating the overall effect of either on performance. Also, stakeholder satisfaction is not a reliable performance measure that has been utilized across the Nigerian setting. These gaps are addressed in the claim of the current study through the analysis of various dimensions of SSCPs and their impact on organizational performance in terms of stakeholder satisfaction as the main indicator. This strategy offers a broader insight into the advantages and disadvantages of sustainable practices in the Nigerian FMCG industry.

Theoretical Framework

The two theories applied in the current research are complementary to each other, and they comprise the Resource-Based View (RBV) and the Circular Economy (CE) theory. Together, these models offer a valid basis for the question of the correlation between sustainable practices within the supply chain and organizational performance. The assumption, according to which the sustained competitive advantage is the result of the inner resources and capabilities of the firm, is the Resource-Based View (RBV). According to Barney (1991), valuable, rare, inimitable, and non-substitutable (VRIN) resources can be used to drive superior firm performance. Some of the practices that are distinct to the organizational capacity of SSCPs, where efficiency and responsiveness are established in the context of the concept, are the concept of sustainable manufacturing, collaboration with suppliers, and reverse logistics. As an example, defiant Government policy may also be a source of creativity and audience, and hence companies will be able to respond in real time to the environmental and market changes. Jawaad et al. (2024) confirm this opinion by proposing that when companies internalize sustainability in their operations and supply chain systems, then intangible assets like reputation, trust of the stakeholders, and brand equity are usually developed.

Complementing RBV, the Circular Economy (CE) theory is designed to decrease the resource consumption and waste, as well as by using closed-loop systems, where resources and products are reused, remanufactured, and recycled (Chaudhuri et al., 2022). CE principles highly conform to reverse logistics, green packaging, and sustainable manufacturing. (S. S. Abuzawida et al., 2023) emphasize that CE activities enhance the environmental performance and operational effectiveness and efficiency in terms of cost-benefit. The circular economy in the FMCG industry in Nigeria offers an avenue to minimize reliance on virgin materials as well as avert the challenges of waste. The CE model, therefore, enhances the strategic importance of sustainability because it ties the ecological responsibility to the performance results. Therefore, RBV and CE theory support the proposition that firms engaging in SSCPs can leverage internal capabilities and circular strategies to enhance organizational performance. These theories provide the conceptual lens through which the current study analyzes the impacts of various sustainability practices on stakeholder satisfaction and overall firm outcomes.

METHOD

This study adopted a quantitative, cross-sectional survey design to evaluate the impact of sustainable supply chain practices on the organizational performance of listed fast-moving consumer goods (FMCG) companies in Nigeria. The design was appropriate given the study's objective to statistically determine the relationship between selected sustainable practices and performance outcomes using structured data from a single point in time. The target population comprised supply chain, logistics, and sustainability personnel working in FMCG companies listed on the Nigerian Exchange Group. These companies were selected due to their national reach, regulatory visibility, and significance in consumer-driven product distribution, making them ideal for examining sustainable supply chain practices.

The study employed purposive sampling to select seven listed FMCG firms due to their national reach, regulatory visibility, and significant market share, making them representative of the sector. A total of 357 knowledgeable respondents were surveyed, with the sample size determined using Cochran's formula. This approach ensures statistical validity and allows findings to be generalized to the broader FMCG population in Nigeria. Primary data were collected using a structured questionnaire developed from validated instruments in related literature. The questionnaire included sections measuring four independent variables: sustainable manufacturing, reverse logistics, green packaging, and Government policy. Organizational performance was measured using stakeholder satisfaction indicators. Responses were recorded on a five-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5).

The following Ordinary Least Squares (OLS) regression model was used:

$$Y=\beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\varepsilon \quad \text{..... (1)}$$

Where:

Y = Organizational performance

X_1 = Sustainable manufacturing

X_2 = Reverse logistics

X_3 = Green packaging

X_4 = Government policy

β_0 = Intercept

β_1–β_4 = Coefficients of predictors

ε = Error term

The collected data were analyzed using Ordinary Least Squares (OLS) regression with the aid of SPSS. Descriptive statistics were used to summarize respondent demographics, while OLS regression estimated the predictive influence of each sustainability practice on organizational performance. Diagnostic tests were conducted to validate model assumptions, including multicollinearity, normality, and homoscedasticity.

RESULT AND DISCUSSION

The demographic analysis in Table 1 revealed that the majority of respondents (59.7%) were male, while females represented 40.3% of the sample. The largest age group was 30–39 years (47.3%), followed by 40–49 years (24.1%) and 20–29 years (21.8%), indicating that most respondents are in their early or mid-career stages. Educational qualifications showed a high level of academic attainment, with 51.5% holding a Master's degree and 15.7% holding a Ph.D. This reflects a well-informed respondent base with significant exposure to managerial and supply chain operations, thereby enhancing the reliability of their responses on sustainability practices and performance.

Table 1: Descriptive Analysis of the Respondents' Demographic Characteristics

Variable	Frequency	Percentage (%)
Gender		
Male	213	59.7
Female	144	40.3
Age		
20–29 years	78	21.8
30–39 years	169	47.3
40–49 years	86	24.1
50 years and above	24	6.7
Educational Qualification		
B.Sc./HND	117	32.8
M.Sc./MBA	184	51.5
Ph.D.	56	15.7

Source: Field Survey, 2024

In Table 2, the descriptive statistics indicate that the average score for sustainable manufacturing was 3.74, with a standard deviation of 0.68, suggesting a relatively strong and consistent implementation across firms. Reverse logistics and green packaging had slightly lower means of 3.52 and 3.41, respectively, indicating moderate implementation levels. Government policy averaged 3.65, implying that firms engage with suppliers on sustainability matters to a significant extent. The dependent variable, organizational performance, recorded a mean of 3.79, reflecting relatively high performance as perceived by respondents, particularly in terms of stakeholder satisfaction. The narrow spread of standard deviations suggests uniformity in responses and a generally positive orientation toward sustainability practices.

Table 2: Descriptive Statistics of the Regression Variables

Variable	Mean	Std. Deviation	Minimum	Maximum
Sustainable Manufacturing	3.74	0.68	2.10	5.00
Reverse Logistics	3.52	0.73	2.00	5.00
Green Packaging	3.41	0.70	2.00	5.00
Supplier Relationship Mgmt	3.65	0.66	2.25	5.00
Organizational Performance	3.79	0.62	2.20	5.00

Source: Field Survey, 2024

As indicated in Table 3, the regression analysis revealed that all four sustainable supply chain practices had statistically significant positive impacts on organizational performance. Sustainable manufacturing had the strongest impact ($\beta = 0.192$, $p < 0.001$), followed by reverse logistics ($\beta = 0.164$, $p < 0.001$), Government policy ($\beta = 0.133$, $p = 0.001$), and green packaging ($\beta = 0.117$, $p = 0.001$). The R-squared value of 0.412 indicates that 41.2% of the variation in organizational performance can be explained by the independent variables. The model is statistically significant overall ($F = 62.34$, $p < 0.001$), confirming that the included predictors are jointly relevant in explaining the outcome variable.

Table 3: Regression Result

Variable	Coefficient (β)	Std. Error	t-Statistic	p-Value
Constant	1.021	0.124	8.23	0.000
Sustainable Manufacturing	0.192	0.042	4.57	0.000
Reverse Logistics	0.164	0.038	4.32	0.000
Green Packaging	0.117	0.036	3.25	0.001
Government policy	0.133	0.041	3.24	0.001
R-squared	0.412			
Adjusted R-squared	0.407			
F-statistic	62.34			0.000

Source: Field Survey, 2024

Regression diagnostics in Table 4 confirm that the assumptions of Ordinary Least Squares (OLS) were not violated. The Variance Inflation Factor (VIF) values were all below 2.0, indicating no evidence of multicollinearity among independent variables. The Durbin-Watson statistic (1.83) suggests the absence of autocorrelation. The Kolmogorov–Smirnov test ($p = 0.066$) supports the normality of residuals, while the Breusch-Pagan test ($p = 0.117$) confirms homoscedasticity. These diagnostic outcomes validate the robustness and reliability of the regression model used in this study.

Table 4: Summary of Regression Diagnostics

Diagnostic Test	Value	Interpretation
Variance Inflation Factor (VIF)	< 2.0	No multicollinearity
Durbin-Watson Statistic	1.83	No autocorrelation
Normality (Kolmogorov–Smirnov)	p = 0.066	Residuals are normally distributed
Breusch-Pagan Test (Homoscedasticity)	p = 0.117	Homoscedasticity confirmed

Source: Field Survey, 2024

Table 5 shows the results of the statistical analysis which tested hypothesized relationships concerning sustainable manufacturing, reverse logistics, green packaging, Government policies and their influence on the operational performance of the FMCG sector in Nigeria. All the relationships hypothesized were proven positive and statistically significant. Between the variables, sustainable manufacturing posted the strongest influence, confirming the critical importance of resource utilization efficiency and broader stakeholder confidence in the institution, whereas the remaining practices provided additional performance benefits through responsible environmental management and collaborative supply chain partnerships.

Table 5: Summary of Hypotheses Test and Conclusions

Hypothesis	Null Statement	Result	Conclusion
$H0_1$	Sustainable manufacturing has no significant effect on organizational performance in Nigeria's FMCG sector.	Rejected ($\beta = 0.192$, $p < 0.001$)	Sustainable manufacturing significantly improves efficiency, reduces waste, and builds stakeholder trust.
$H0_2$	Reverse logistics has no significant effect on organizational performance in Nigeria's FMCG sector.	Rejected ($\beta = 0.164$, $p < 0.001$)	Reverse logistics enhances cost savings, product recovery, and customer satisfaction.
$H0_3$	Green packaging has no significant effect on organizational performance in Nigeria's FMCG sector.	Rejected ($\beta = 0.117$, $p = 0.001$)	Green packaging promotes compliance, strengthens brand credibility, and increases consumer loyalty.
$H0_4$	Government policy has no significant effect on organizational performance in Nigeria's FMCG sector.	Rejected ($\beta = 0.133$, $p = 0.001$)	Supplier collaboration improves delivery reliability, ensures compliance, and fosters innovation.

Source: Field Survey, 2024

The findings of this paper support the assertion that sustainable supply chain management solutions can have a great impact on the performance of organizations in Nigeria fast-moving consumer goods (FMCG) industry. The most influential performance driver was sustainable manufacturing, as Jawaad et al., (2024) also reported that companies that implement sustainable manufacturing processes usually have lower waste rates, better operational performance, and better brand reputation. On the same note, Tanko et al. (2024) indicated that Nigerian companies that adopted cleaner production methods earned the confidence of stakeholders and resilience in their activities. These results support the notion that sustainability in the manufacturing context extends beyond being an environmental requirement, to being a performance driver, in particular in industries with high volumes of production and high environmental risks, such as the FMCG.

Reverse logistics was also strongly associated with organizational performance, which confirms the results of the (H. Abuzawida et al., 2023), who demonstrated that the well-organized product recovery system and recycling make operations cost-effective and increase customer satisfaction. Even small steps like product take-backs and material reuse have brought positive results in the Nigerian context where the system of reverse logistics is not fully developed yet. Ajike et al., (2025) emphasized that Nigerian FMCG companies that introduced simple reverse logistics operations described high efficiency and perception of stakeholders. These results suggest that reverse

logistics can be an effective sustainability developmental activity upon formalization and scale, thus beneficial to the environment and economy.

Green packaging also has a positive impact on performance, albeit, not as strongly as manufacturing or logistics practices. It has been noted by Park et al. (2022) and Sethi & Malviya, (2005) that green packaging can increase consumer loyalty and compliance with regulations, especially in markets where environmental awareness is increasing. Likewise, Efobi et al. (2019) noted that in Nigeria and Ghana, FMCG firms that implemented biodegradable or recyclable packaging materials experienced reputational gains and customer goodwill. Nonetheless, the cost of sourcing eco-friendly packaging and the limited availability of local suppliers pose barriers to wider adoption. Despite these challenges, the observed relationship implies that firms can achieve both compliance and market differentiation by progressively adopting green packaging innovations.

Government policy emerged as a significant contributor to organizational performance. This is in line with Celestin et al. (2024), who found that engaging suppliers in sustainability conversations led to improved compliance, quality, and joint innovation. Tanko et al. (2024) and Adebiyi et al., (2021) similarly observed that Nigerian firms that worked collaboratively with suppliers on environmental issues experienced improved delivery performance and supply chain reliability. In highly interconnected supply chains such as those in the FMCG sector, supplier alignment is crucial for achieving consistent performance. These findings highlight the importance of fostering long-term, trust-based supplier relationships grounded in shared sustainability goals.

Collectively, the findings underscore that sustainable supply chain practices are not only beneficial but increasingly necessary for organizational success in Nigeria's FMCG sector. For corporate leaders, the evidence validates the need to embed sustainability into core operational strategies. Policymakers should consider introducing targeted incentives, including tax rebates and technical assistance, to support firms in scaling these practices. As noted by UNEP (2022) and Abera Baisa & Matellini, (2024), sustainable production and consumption systems are vital for building resilient and inclusive economies. Development partners and civil society actors also have a role in facilitating access to green technologies, training, and advocacy. Ultimately, sustainable supply chain practices present a viable pathway toward improved stakeholder satisfaction, competitive positioning, and long-term business sustainability in the Nigerian FMCG industry.

CONCLUSION

The current study evaluated the effects of sustainable supply chain practices on the organizational performance of listed fast-moving consumer goods (FMCG) firms in Nigeria, with stakeholder satisfaction being the main performance measure. In particular, it explored four main elements of sustainable supply chain practices, which include sustainable manufacturing, reverse logistics, green packaging, and Government policy. The results showed that the four practices have a significant and positive impact on the performance of the organization. It turned out that sustainable manufacturing had the greatest impact, and these were reverse logistics, Government policy, and green packaging. These findings show that companies that apply sustainability in their

supply chain workings have a higher level of stakeholder satisfaction, operational effectiveness, and performance in totality.

The paper concludes that sustainable supply chain practices are no longer optional to firms with operations in resource-intensive and consumer-driven industries like FMCG. Instead, they use these practices as strategic instruments to increase competitive advantage, risk management, and sustainability of the business in the long term. Within the changing regulatory and market environment in Nigeria, sustainable practices, in addition to enhancing environmental stewardship, would also place the firms in a better position to gain market credibility and resilience in their operations.

The findings point out the need for stronger institutional support to help the transition to sustainable supply chains as a policy concern. This would include regulations to be spelled out, fiscal policies to be offered for green supply chains, and aid in recycling and waste disposal infrastructures. For managers and decision makers in the case of FMCG firms, the study stresses the need to incorporate sustainability in sourcing, production, logistics, and dealings with suppliers. For the organization to reap the benefits of such implementations, it would need to build the capacity to address the practice and sustain it over time. (Nestlé Nigeria; Srivastava, 2024)

With this study in particular, the recommendations to be followed include integrated sustainable manufacturing processes as the first step, with the use of clean technology and efficient energy regulation. Also, the formalization of reverse logistics to recover products and mitigate waste. Engage more with green packaging so as to partner with green suppliers and innovative packaging materials. Also, establish definitive and sustaining relations with suppliers to develop a shared vision around sustainability and transparency of the supply chain. The coming speculation of policy wait will be the supportive upon that of the development policy makers, industry policy makers, to provide technical support, build the tech, and access to it to green finance to augment policy. The last policies would help to foster the first policy. This will help sustain the first FMCG of Nigeria.

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