

Organizational Performance and Adoption of Green IT from the Lens of Resource Based View

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Abstract

Global research is being directed towards addressing sustainable development topics. Organizations face an increasing pressure for practicing environment-friendly behaviour. Green Information Technology (IT) is an example of such practices that aims to enhance the organizational performance and sustainability. Regardless of the significance of this technology, inadequate number of studies have focused on its adoption in Malaysian organizations. Therefore, the aim of this study is to investigate the factors that influence the Green IT adoption practices and its impact on organizational performance through the lens of Resource-Based View (RBV) theory. Based on previous literature and the Resource-Based View (RBV) theory, six factors were identified for adopting Green IT in Malaysian organization context. The research model hypothesizes that institutional pressure, organizational strategy, openness, environmental performance, economic performance, and competitive advantage can affect the individual perception of Green IT adoption. The proposed hypotheses in this study will be tested in the upcoming future.

Keywords: Green IT, Resource based view, Adoption, Environment-friendly behaviour, Malaysian organization

1. Introduction

Due to the considerable growth in energy consumption and the significant increase of CO₂ releases, a considerable attention has been paid to sustainability in society and organizations over the last years (Jnr, Majid, & Romli, 2019). Sustainability has become progressively important in order to face the fast consumption of natural resources (Taghavi, Bakhtiyari, Taghavi, Attar, & Hussain, 2014).

Nowadays organizations face an increasing pressure from customers, competitors, managers and public groups for implementing sustainable practices. Adopting the Green IT as a sustainable practice by organizations can offer a win-win condition for internal and external investors (Ainin, Naqshbandi, & Dezdard, 2016). As stated by Asadi, Nilashi, et al. (2019) and Asadi and Dahlan (2017), in order to confront the existing ecological issues, Green IT adoption is considered as a reasonable responsibility of firms that can improve firms' financial performance.

Green IT refers to the designing, manufacture, consumption, and disposal of servers, computers, and diverse peripherals in a well-organized and effective way with a minimal harm to the environment (Boudreau, Chen, & Huber, 2008).

Malaysian manufacturing sector is one of the most significant areas that contribute enormously to the GDP of Malaysia. According to the Malaysian Industry Development Authority (MIDA, 2007), Malaysian manufacturing is vital to the economy development in Malaysia. Organizations, particularly the manufacturing firms, are responsible of environmental protection and sustainability.

Several studies have discussed the necessity for a Malaysian manufacturing organizations to adopt sustainable practices (Adebambo, Ashari, & Nordin, 2014; Asadi, Nilashi, et al., 2019; Zubir, Habidin, Conding, Jaya, & Hashim, 2012). Though, Malaysian manufacturing firms are presently in the developing phases and have substantial