



## Drivers of Reverse Logistics and Capabilities on Operational Performance

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### Abstract

Sri Lanka's production sector plays a significant role in driving the country's economic growth. However, it is also a significant contributor to environmental degradation. In response, businesses are increasingly adopting environmentally responsible practices. Reverse logistics, sometimes called "product take-back," is a key concept within Green Supply Chain Management and is seen as a potential solution to mitigate these environmental impacts. Therefore, this study aims to examine the effect of reverse logistics drivers on operational performance, particularly emphasising the mediating role of reverse logistics capabilities in beverage manufacturing plants in Sri Lanka. The study focused on a population of 29 beverage manufacturing companies in Sri Lanka, from which a sample of 254 executive-level employees was selected using a convenient sampling method. Data collection was conducted using a pre-tested questionnaire, and the analysis was performed through Structural Equation Modeling (SEM) using AMOS 20.0 and SPSS version 20.0. The results showed that reverse logistics drivers have an insignificant direct impact on operational performance based on the structural model. However, the relationship becomes significant when reverse logistics capabilities mediate. This indicates that developing strong reverse logistics capabilities is crucial for enhancing the positive effects of reverse logistics drivers on operational performance. It is recommended that top management prioritise raising awareness about the importance of reverse logistics capabilities. By strengthening these capabilities, organisations can better leverage reverse logistics drivers to improve their operational performance.

**Keywords:** Operational performance, Reverse logistics, Reverse logistics capabilities, Reverse logistics drivers

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