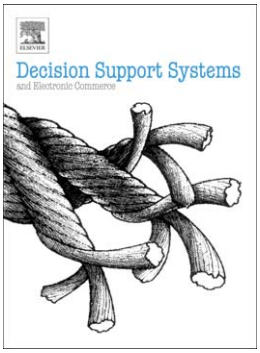

Cloud computing and its impact on economic and environmental performance: A transaction cost economics perspective

Dara G. Schniederjans, Douglas N. Hales

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Cloud Computing and Its Impact on Economic and Environmental Performance: A Transaction Cost Economics Perspective

Dara G. Schniederjans[a1]

Douglas N. Hales[b]

[a]*Assistant Professor or Supply Chain Management, University of Rhode Island, College of Business Administration, Ballentine Hall, Kingston, RI 02881, schniederjans@uri.edu, 401-874-4372.*

[b]*Professor of Supply Chain Management, University of Rhode Island, College of Business Administration, Ballentine Hall, Kingston, RI 02811, dhales@uri.edu, 401-874-7882.*

Abstract

For many organizations, managing both economic and environmental performance has emerged as a key challenge. Further, with expanding globalization organizations are finding it more difficult to maintain adequate supplier relations to balance both economic and environmental performance initiatives. Drawing on transaction cost economics, this study examines how novel information technology like cloud computing can help firms not only maintain adequate supply chain collaboration, but also balance both economic and environmental performance. We analyze survey data from 247 IT and supply chain professionals using structural equation modeling and partial least squares to verify the robustness of our results. Our analyses yield several interesting findings. First, contrary to other studies we find that collaboration does not necessarily affect environmental performance and only partially mediates the relationship between cloud computing and economic performance. Secondly, the results of our survey provide evidence of the direct effect of cloud computing on both economic and environmental performance.

Keywords: Cloud computing; Collaboration; Economic performance; Environmental performance

[1] Corresponding author