

## Carbon Emission Reduction and Entrepreneurial Energy Efficiency Orientation: The Mediating Role of Barriers to Green Practices

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### ABSTRACT

Motivated by the growing attention on climate change and the crucial role that businesses could play in reducing greenhouse gas emissions, this study investigates entrepreneurial energy efficiency orientation in the context of carbon emission reduction initiatives of small-and medium-sized enterprises (SMEs). We enhance the understanding of climate change action of SMEs by taking into account the mediating mechanism (i.e., identifying barriers to green practices) through which firm entrepreneurial energy efficiency orientation leads to superior carbon emission reduction initiatives. A survey of 224 SMEs in the Greater Accra region, Ghana, West Africa supported the direct impact of entrepreneurial energy efficiency orientation on overcoming barriers to green practices, as well as the mediating role of identifying barriers to green practices in this focal relationship. Structural Equation modelling (SEM) technique has been used to analyse the data gathered. These findings reveal the importance of entrepreneurial energy efficiency orientation and identification of green barriers in helping SMEs overcome barriers to green practices and improving carbon emission reduction initiatives. This study makes several new contributions to the extant SMEs carbon emission literature and practical implications for SMEs and authorities those encourage green economy and sustainable development. This study for first time examines the effects of Entrepreneurial Energy efficiency Orientation on Green Planning, Green Barriers, Green Networking and Green Innovation in a combined framework. Even though there are many research papers have investigated the barriers to green practices in SMEs, these studies have not examined the intermediary role of green practices in between entrepreneurial energy efficiency orientation and Carbon emission reduction in SMEs. Apart from that, the direct and indirect effects of entrepreneurial energy orientation on carbon emission reduction have been less researched to date. These potential research gaps will be for first time addressed in this paper and final contribution will cater a novel knowledge for the literature.

**Keywords:** Carbon emission reduction, entrepreneurial energy efficiency orientation, green barriers, green planning, selection of green innovation