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**Nexus between Environmental Attitudes, Perceived
Internal Motivators and Green Responsiveness:
Developing Economy Perspective**

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Abstract

The role of the SME community on environmental sustainability is a prominent theme in environmental literature, where it has less attention in developing economies. The study aims to elucidate the relationship between environmental attitudes, perceived internal motivators, and green responsiveness of Small and Medium Sized Enterprises (SMEs) in the context of a developing economy. The study adopts the upper echelon theory and theory of planned behaviour as its theoretical lenses. The study is based on cross-sectional data gathered from the owner/managers of 395 Small and Medium Sized Enterprises (SMEs) in Sri Lanka. The hypothesized relationships were tested using variance-based structural equation modelling. The results revealed that top management's environmental attitudes and perceived internal motivators are significant predictors of green responsiveness. The results further confirmed that top management's environmental attitudes have both direct and indirect influence on the green credentials of SMEs. This study makes several contributions to the body of knowledge of corporate environmental literature. Owner/managers of SMEs play a decisive role in greening the business. The policymakers should implement necessary mechanisms to reduce the value-action gap by fostering eco-centric attitudes of top management geared through enhancing the level of awareness on green prospects for greening the nation.

Keywords: Upper echelon theory, theory of planned behaviour, new ecological paradigm, small and medium sized enterprises, partial least squares structural equation modeling