Promoting Environmental Performance through Institutional Pressures and Environmental Management Accounting

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ABSTRACT

Institutional pressures in the environmental management accounting process through coercive pressure, normal pressure and mimetic pressure that could foster practices and significantly heightens the likelihood of achieving firms' environmental performance. Although a substantial body of literature has outlined the theoretical mechanisms through which institutional pressures in the environmental management accounting process might boost firms' environmental performance, the generally inconsistent and unclear findings of empirical studies have kept researchers interested in exploring this topic further. The present study has investigated the simultaneous impact of coercive pressure, normal pressure, and mimetic pressure of institutional pressures on firms' environmental performance. Based on the institutional theory and the literature review, this study has examined the direct effect of institutional pressures on environmental management accounting, as well as the direct relationship between environmental management accounting and environmental performance. In addition, environmental management accounting has been determined to be mediators in linking the coercive pressure, normal pressure and mimetic pressure of institutional pressures and their effects on firms' environmental performance.

JEL Codes: M40, M41, Q56.

Keywords: *Institutional pressures; environmental management accounting; environmental performance.*