

# Analysis of the Effect of Supply Chain Management on Competitive Advantage and Company Performance

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## ARTICLE INFO

## ABSTRACT

### **Keywords:**

*Supply Chain Management, Competitive Advantage, Company's Performance.*

*This study wanted to know whether there was a basic effect of Creation network The board to high ground and company's show. Stock organization The leaders factors assessed by 3 pointers, to be explicit Fundamental Supplier Association, Client Relationship, and Information Sharing. Advantage factors assessed by 5 pointers, to be explicit expense, quality, transport consistency, thing advancement, and time to grandstand. While the association's show factors assessed by 2 pointers, explicitly money related execution and utilitarian execution. The data were assembled by spreading surveys. The unit of assessment of the investigation was associations in Surabaya. Respondents were 90 managers. The assessment procedure used in testing the hypothesis was Basic Condition Showing (SEM) by using Partial Least Square (PLS).*

*This study had the choice to show the presence of a basic relationship of Creation network The leaders to high ground, Stock organization The board to association execution, and as well as Advantage to Association's Show.*

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## INTRODUCTION

As indicated by (Handfield, 2002), current cutthroat circumstances can be said that these days changes are happening rapidly, beginning from innovative advances, globalization of the exchange framework, and world political financial security. Also, with the rising number of unfamiliar and homegrown contenders, associations are supposed to work on their outer and inside execution so they can stay serious on the lookout. In this manner, associations are expected to have the option to adjust to current circumstances which are progressively present day and require an association to move in accordance with existing changes. In confronting these circumstances, associations need an upper hand technique to keep a situation on the lookout. With an upper hand technique inside the organization, it is trusted that the association can keep up with its cutthroat situation against contenders (Doorman ME, 1985).

As per Doorman (1993), upper hand fundamentally creates from the worth that an association can make for its purchasers which surpasses the association's costs in making it. Esteem is something purchasers will pay, and unrivaled worth comes from offering a value that is lower than that presented by contenders with equivalent advantages or giving novel advantages that more than offset the greater cost. This is more aimed at how associations can make products that can be given a higher worth than the expenses caused and shoppers should feel that by buying merchandise from the association, purchasers feel they are getting benefits that are more prominent than the worth of the penances brought about (costs).

Contest is a condition that each association needs to focus on, so the association should have a procedure that can be utilized as a weapon to win the current rivalry.

Supportable upper hand is a hierarchical key course that isn't the last objective, yet is an instrument to accomplish hierarchical objectives, in particular hierarchical execution that produces somewhat high benefits (Ferdinand, 2003). So this means separated from the association enjoying a cutthroat benefit which expects to win rivalry in the business climate, the association likewise involves upper hand as a method for accomplishing the ideal hierarchical presentation objectives.

Authoritative execution is the genuine outcome or result delivered by an association which is then estimated and contrasted and the normal outcomes or result (Jahanshahi, et al., 2012).

So associations can contend and have great hierarchical execution, they can be upheld by carrying out Production network The executives. Production network the executives is a bunch of ways to deal with smooth out the coordination of providers, assembling, stockrooms and capacity, so merchandise are created and circulated in the right amount, at the right area, brilliantly to limit costs and offer support fulfillment to purchasers. As per (Christopher, 1998) Inventory network the board is an authoritative organization that includes upstream and downstream connections in various cycles and exercises that offer some benefit as items and administrations to buyers.

### Competitive Advantage

Upper hand essentially develops from the worth or advantages that an organization can make for its purchasers which is more than the costs the organization needs to cause to make it. This worth or advantage is the thing purchasers will pay, and prevalent worth comes from offering a lower value than contenders' costs for identical advantages or offering one of a kind advantages that surpass the cost offered (Watchman, 1993).

As per Philip Kotler and Gary Armstrong (2003) «Characterizing upper hand is a benefit over contenders that is gotten by offering lower esteem or by giving more noteworthy advantages in light of the fact that the cost is higher.

### **Competitive Advantage Indicators**

There are a few pointers that can be utilized to quantify an organization's upper hand. (Li, B. Ragu-Nathan, T.S. Ragu-Nathan and Rao, 2006). estimating the organization's upper hand utilizing pointers; cost, quality, conveyance steadfastness, item advancement, and time to advertise.

#### **1. Price**

Kotler (2005) describes cost as how much worth that clients exchange for the upsides of purchasing or using a thing or organization. So it will in general be assumed that cost is a money related compensation made by clients to get benefits from using work and items.

Upper hand can be acquired assuming that each organization can introduce each cycle in its business tasks better in creating excellent labor and products at cutthroat costs. So the subsequent item can contend as far as quality, cost, item conveyance and adaptability contrasted with its rivals on the lookout (Heizer and Render, 2004).

#### **2. Quality**

Thing quality is the essential fixation in the association, quality is one of the huge techniques in extending the reality of a thing. Koufteros (1995) describes quality as «the limit of a relationship to offer thing quality and execution that makes higher motivator for clients». This implies a thing can should have the choice to battle watching out in case the association can offer a thing that offers more advantage/benefits to clients.

So item quality is a work to meet or surpass client assumptions, where an item has quality that is as per foreordained norms, and quality is a condition that is continuously changing in light of the fact that buyer tastes or assumptions for an item are continuously evolving.

#### **3. Delivery Dependability**

Conveyance trustworthiness is utilized to screen a provider's execution as far as conveying the item expected by clients on time, orders conveyed total and with the most ideal quality (Harrison and Van Hoek, 2008). Conveyance time can be a wellspring of upper hand for an organization, when the organization can lessen the conveyance time for customer arranges or diminish the ideal opportunity for offering types of assistance to buyers (Stonebrake and Leong, 1994).

#### **4. Product Innovation**

As per Amabile (1996) development is a more extensive idea that examines the utilization of novel thoughts, items or cycles. Development is the aftereffect of imaginative thoughts claimed by the organization. So organizations are supposed to frame groundbreaking insights in confronting contenders and clients with different existing requests.

Powerful item development/new item improvement methodologies frequently decide the achievement and endurance of an organization. New item advancement requires exertion, time, and capacity, including huge dangers and expenses of disappointment. Be that as it may, assuming the item development did produces positive outcomes and can grow portion of the overall industry, then this is a major benefit for the organization. Cooper (2000) makes sense of that the prevalence of new items is vital in this exceptionally cutthroat worldwide time. This benefit can't be isolated from the advancement of the creative items delivered, with the goal that they will

enjoy a benefit in the market which will then, at that point, win in the opposition.

#### 5. Time to Market

Time to Market is the degree into an association can present/send off new items quicker than different contenders (Vessey, 1991). Time to advertise is a significant element of upper hand (Holweg, 2005). At the point when an organization can send off new items quicker than contenders, this permits the association to have the option to catch piece of the pie first and, surprisingly, have the option to lead the market and will produce higher benefits.

#### **Company performance**

Performance is a depiction of the level of achievement of endeavors in a relationship, with an ultimate objective to grasp the goals, targets, mission and vision of the affiliation (Bastian, 2001).

#### **Company Performance Indicators**

Some of specialists uncover that the organization execution estimates most frequently utilized in exact exploration are monetary execution, functional execution and market-based execution (Jahanshahi, Rezaie, Nawaser, Ranjbar and Pitamber, 2012).

#### 1. Financial Performance

Performance is typically surveyed utilizing estimations in view of bookkeeping information or monetary information. The impediment of all bookkeeping information put together estimations is their concentration with respect to past execution (Kaplan and Norton, 1992). Very little information from earlier years can show the future capability of an organization. In this way, organization execution can't be estimated exclusively founded on bookkeeping information based estimations (Ursula and Wilderom, 1997). A few specialists use return on deals, benefit, deals development, upgrades in work efficiency, and enhancements underway

expenses to gauge monetary execution (Cho, Ellinger, Ellinger, and Klein, n.d.; Prieto and Revilla, 2006).

#### 2. Operasional Performance

Aside from estimating organization execution in light of monetary execution, estimating in view of non-monetary performance is likewise significant. The rising utilization of the decent scorecard idea shows that non-monetary presentation is additionally a significant viewpoint in estimating organization execution (Kaplan and Norton, 1992). This non-monetary exhibition is otherwise called functional execution where the perspectives can quantify execution whenever accessible data connected with open doors as of now exists, however has not yet been acknowledged monetarily (Container, 2004). This functional exhibition can be estimated utilizing estimations, for example, piece of the pie, new item dispatches, quality, showcasing viability, and consumer loyalty (Container, 2004; Container and Hofer, 2006; Venkatraman and Ramanujam, 1986).

#### 3. Market Based Performance

Overall market-based execution will be affected when the market acknowledges information about association assignments that is avoided from financial execution results (Compartment, 2004). These market-based execution measures include: speed of return to financial backers, market regard added and yearly advantages (Holder, 2004).

In this exploration, organization execution estimation might be addressed by monetary execution and functional execution. This is on the grounds that market-based execution estimations must be done on open organizations, though the items in this examination are not really all open organizations. So in such circumstances, a mix of estimating monetary execution and functional execution is adequate to address the organization's general presentation (Container, 2004).

### **Supply Chain Management**

Supply Chain Management is a methodology used to accomplish additional effective coordination of different associations from providers, makers, wholesalers, retailers and clients. This implies that merchandise are created in the right amount, brilliantly and perfectly positioned determined to accomplish least in general framework costs and furthermore accomplishing the ideal help level (David Simchi Levi, 2000). The point of Production network The board is to boost the general worth created to fulfill client needs and needs. Then again, the objective is to limit generally speaking expenses (requesting costs, capacity costs, natural substance costs, transportation costs, and so on) ( Cophra and Meindl, 2004).

### **Supply Chain Management Indicator**

Li, S., Ragu-Nathan, B., Ragu-Nathan, T.S. and Subba Rao, S. (2006) additionally expressed that in a coordinated production network there are the accompanying cycles:

#### **1. Vital Provider Organization**

Vital provider organization is characterized as a drawn out connection between an organization and its providers. This is finished to work on the technique and functional capacities of provider organizations in taking part in organizations pointed toward accomplishing anticipated objectives (Stuart, 1997; Balsmeier and Voisin, 1996; Monczka et al. 1998; Sheridan, 1998, Honorable, 1997). This procedure zeros in more on completing joint preparation (common preparation) and putting forth joint critical thinking attempts between the organization and providers (Gunasekaran, 2001). By executing a methodology that accomplices with providers, it is feasible for organizations to work really with a few providers who will share liability regarding making and making an item effective.

#### **2. Client Connections**

Client connections are an assortment of practices pointed toward overseeing client grumblings, fabricating great long haul associations with clients, and expanding consumer loyalty (Claycomb et al. 1999, Tan et al. 1998). Honorable and Tan et al expressed that client connections are a significant part in carrying out store network the executives. What's more, on the off chance that an organization has clients who will focus on building connections, this is a benefit for the organization. By having great associations with clients, this permits an organization to separate its items from rivals, increment client devotion, and make an incentive for clients.

#### **3. Data Sharing**

Data sharing alludes to the degree to which significant data is conveyed to an organization's colleagues (Monczka RM, et al. 2008). Dividing data among colleagues can incorporate key strategies, general economic situations, and data about clients. By trading data between individuals in the Store network, this data can be utilized as a wellspring of upper hand. As per Stein and Swet, colleagues in the Store network The executives series who trade data consistently can function as one unit and together they can comprehend end client needs better and the organization can answer market changes all the more rapidly.

### **RESEARCH METHODS**

This exploration will look at the impact of SCM on upper hand and company execution. This examination utilizes a quantitative worldview. To test the speculation, Halfway Least Square investigation is utilized.

This examination dissects the impact between SCM factors, upper hand, and monetary execution. Coming up next is the functional meaning of every one of these factors:

1. SCM is a methodology used to accomplish additional productive joining of different

organizations from providers, makers, merchants, retailers and clients. This implies that products are delivered in the right amount, brilliantly and perfectly positioned determined to accomplish least in general framework costs and furthermore accomplishing the ideal assistance level (David Simchi Levi, et.al, 2000)

2. Upper hand is an organization's capacity to make esteem that contenders don't have and can't emulate.
3. Organization Execution is the degree of accomplishment of the organization in doing exercises or exercises for which it is dependable in upgrading the accomplishment of the vision, mission and objectives set by the organization which can be evaluated by contrasting accomplishments and targets or with the presentation of a few organizations in a similar industry.

Experimental pointers for the three factors utilized are joined in Supplement.

To test the speculation in this exploration, essential information was utilized as poll answers conveyed to administrators who work at assembling organizations that carry out SCM in Surabaya.

The number of inhabitants in this exploration are supervisors who work in assembling organizations that carry out SCM in Surabaya. The testing procedure utilized was purposive examining with the example rules being chiefs who work in assembling organizations, situated in Surabaya, who carry out and grasp SCM, and have insight as a director for something like 1 year. From

Of the 178 surveys circulated, it was found that main polls met the example standards, yet just 90 polls were delegate for use as an example.

The speculation in this exploration will be tried utilizing Halfway Least Square (PLS) examination. PLS examination has two models, in particular the external model and the inward model. The external model (external relationship/estimation model) shows the details of the connection among factors and their markers. In the mean time, the internal model (internal connection/underlying model) shows the determinations of the connection between idle factors, in particular between exogenous/autonomous factors and endogenous/subordinate factors (Ghozali, 2008).

## RESEARCH RESULTS AND DISCUSSION

Information for this examination was acquired by dispersing surveys to 178 organization supervisors in Surabaya. Of the 178 organization chiefs who filled in, it was found that 105 organizations carried out Store network The board. In the wake of getting 105 organizations that execute Store network The executives, the following stage is to check the comprehension of supervisors as respondents with respect to Store network The board carried out in their organizations. From this stage, there were 5 organization supervisors who didn't respond to the inquiries with respect to this seeing accurately, so there were just 100 organizations that carried out and comprehended Inventory network The executives.

Then, at that point, in the last stage, arranging is completed on the responses given by respondents. Of the 100 information, 10 information were found that were not delegate so they must be rejected from information handling estimations because of the homogeneity of the responses, the presence of one marker point which was viewed as degenerate, the information was not filled in that frame of mind, there was a «pattern» in the responses given, so just There are 90 organizations that will be utilized as tests in



this exploration. In view of the aftereffects of information examination utilizing PLS, it was found that every one of the observational markers utilized had met the external model test which included focalized legitimacy, discriminant legitimacy and composite unwavering quality.

### Convergent Validity

Gohzali, 2008 expressed that convergent validity is an estimation of the relationship between's marker scores and dormant variable scores.

For this exploration, a stacking component of 0.5 to 0.6 is thought of as adequate, in light of the fact that it is the underlying phase of fostering an estimation scale and the quantity of markers per develop isn't enormous, going from 1 to 3 pointers. Aside from that, the score of the t-measurement should likewise be more noteworthy than 1.96. Assuming these two boundaries have been met, it tends to be presumed that the pointers utilized are substantial.

**Table 1.** Result of Loading Factor

	<b>Original Sample (O)</b>	<b>Standard Error (STERR)</b>
X01 <- SCM	0.631192	0.117471
X02 <- SCM	0.691416	0.074385
X03 <- SCM	0.715793	0.096615
X04 <- SCM	0.540904	0.080805
X05 <- SCM	0.709382	0.077298
X06 <- SCM	0.757876	0.096870
X07 <- SCM	0.649441	0.081506
X08 <- SCM	0.710483	0.093187
X09 <- SCM	0.579033	0.087592
X10 <- SCM	0.702121	0.091220
X11 <- SCM	0.672406	0.076911
X12 <- SCM	0.607581	0.081825
X13 <- SCM	0.571309	0.081856
Y01 <- CA	0.520277	0.093531
Y02 <- CA	0.552404	0.086758
Y03 <- CA	0.526988	0.099958
Y04 <- CA	0.593912	0.118537
Y05 <- CA	0.653097	0.114849
Y06 <- CA	0.621011	0.101113
Y07 <- CA	0.525970	0.062413
Y08 <- CA	0.534955	0.073960
Y09 <- CA	0.712647	0.105738
Y10 <- CA	0.589448	0.105067
Z01 <- OP	0.643896	0.106154
Z02 <- OP	0.559189	0.098003
Z03 <- OP	0.573745	0.101519
Z04 <- OP	0.598009	0.113974
Z05 <- OP	0.738591	0.074514
Z06 <- OP	0.742707	0.084091
Z07 <- OP	0.608081	0.090953
Z08 <- OP	0.608824	0.096427
Z09 <- OP	0.833179	0.088843
Z10 <- OP	0.667499	0.092673

The external stacking worth of the SCM variable in the examination has a unique example esteem more prominent than 0.5 so every one of the markers that structure the factors being referred to have met merged legitimacy. For the Store network the executives variable, the biggest commitment to its development was given by X6 (Key Provider Association), and the most reduced commitment to its arrangement was given by Y2 (Cost), and in the Organization Execution variable the biggest commitment to its development is given by Z9 (Functional Execution) and the least commitment to its development is given by Z3 (Monetary Execution) And it very well may be seen that the t-measurement worth of the factors Inventory network The board, Upper hand and Execution The organizations in this study were more noteworthy than 1.96. This shows that these markers are legitimate.

**Discriminant Validity**

The following test in fractional least square examination is discriminant legitimacy. A marker is said to meet discriminant legitimacy on the off chance that the pointer’s cross stacking an incentive for its build is the biggest contrasted with different develops. Coming up next are the consequences of the cross stacking yield.

Table 2 shows that every pointer has the biggest stacking factor an incentive for the factors that structure it when contrasted and its incentive for different factors. Subsequently, it tends to be reasoned that every one of the observational pointers utilized have met the discriminant legitimacy models whenever seen from the cross stacking results.

Table 3 shows that all variables in the review have composite dependability values more prominent than 0.7, so it very well may be reasoned that the primary model utilized is great. Aside from the external model, PLS additionally tried the inward model. The

**Table 2.** Result Cross Loading

	CA	OP	SCM
X01	0.619458	0.674644	<b>0.631192</b>
X02	0.489566	0.419919	<b>0.691416</b>
X03	0.508277	0.437683	<b>0.715793</b>
X04	0.382165	0.271209	<b>0.540904</b>
X05	0.519214	0.412342	<b>0.709382</b>
X06	0.520785	0.476182	<b>0.757876</b>
X07	0.546104	0.491373	<b>0.649441</b>
X08	0.508575	0.427271	<b>0.710483</b>
X09	0.501760	0.462508	<b>0.579033</b>
X10	0.476929	0.427372	<b>0.702121</b>
X11	0.516647	0.440922	<b>0.672406</b>
X12	0.506819	0.452396	<b>0.607581</b>
X13	0.496819	0.467746	<b>0.571309</b>
Y01	<b>0.520277</b>	0.381852	0.520634
Y02	<b>0.552404</b>	0.403489	0.387480
Y03	<b>0.526988</b>	0.380492	0.387515
Y04	<b>0.593912</b>	0.346266	0.371167
Y05	<b>0.653097</b>	0.491484	0.537290
Y06	<b>0.621011</b>	0.401859	0.450942
Y07	<b>0.525970</b>	0.474805	0.486724
Y08	<b>0.534955</b>	0.288024	0.515260
Y09	<b>0.712647</b>	0.618063	0.480724
Y10	<b>0.589448</b>	0.438316	0.393845
Z01	0.446973	<b>0.643896</b>	0.358010
Z02	0.488600	<b>0.559189</b>	0.475230
Z03	0.480602	<b>0.573745</b>	0.554375
Z04	0.433496	<b>0.598009</b>	0.354215
Z05	0.442497	<b>0.738591</b>	0.408728
Z06	0.450364	<b>0.742707</b>	0.403229
Z07	0.498223	<b>0.608081</b>	0.508983
Z08	0.475249	<b>0.608824</b>	0.469196
Z09	0.555897	<b>0.833179</b>	0.489838
Z10	0.528006	<b>0.667499</b>	0.525171



consequences of this Internal model should be visible through the R-square worth.

**Table 3.** Result Composite Reliability

	Composite Reliability
SCM	0.908557
CA	0.838183
OP	0.885122

**Table 4.** Score R-square

	R- Square
CA	0.608441
OP	0.582394

Table 4 shows that 60.84% of upper hand factors can be made sense of by SCM factors and 58.23% of organization execution factors can be made sense of by SCM factors and upper hand. Moreover, from this R-square worth, the size of Q2 can likewise be determined utilizing the accompanying computations:

$$\begin{aligned} \text{Score } Q^2 &= 1 - (1-0.608441) \times (1-0.582394) \\ &= 0,83648 = 83,6\% \end{aligned}$$

The resulting Q score implies that how much variety in research information that can be made sense of by the primary model is 83.6% and the excess 27.9% is affected by different elements. Aside from taking a gander at the R-square and Q2 scores for testing inward model, you additionally need to focus on the score unique example (O) and Score t-measurement.

Table 5 makes sense of that the three impacts between factors tried in the speculation have a unique example score (O) which is positive and

**Table 5.** Result Inner Weight

	Original Sample (O)	T Statistics ( O/STERR )
CA -> OP	0.479943	4.752640
SCM -> CA	0.780026	22.270035
SCM -> OP	0.327201	3.128929

the t-measurement is more noteworthy than 1.96, and that implies that the three theories have a positive and critical impact.

In Lisda Rahmasari's (2011) research, it very well may be presumed that production network the board rehearses affect upper hand. Marks of Inventory network The executives incorporate item improvement, vital provider organizations, arranging and control, creation, circulation, data quality, client connections and buying. Store network The executives rehearses significantly affect organization execution. Signs of organization execution incorporate efficiency, deals development and piece of the pie. Upper hand affects organization execution. Signs of upper hand: conveyance trustworthiness, creative items and time to advertise.

Research Li, S., Ragu-Nathan, B., Ragu-Nathan, T.S. and Subba Rao, S. (2006) expressed that successful inventory network the executives can possibly be a system to keep up with upper hand and further develop hierarchical execution since current rivalry is between production network the board utilized by organizations. This examination conceptualizes and involves five aspects in production network the executives (vital provider association, client relations, level of data sharing, nature of data sharing, and deferment) and tests the connection between business greatness and authoritative execution. The information

utilized in this examination was gathered by gathering 196 associations and testing them utilizing primary condition displaying. What's more, the consequences of this exploration are that serious utilization of inventory network the board can deliver great upper hands and work on hierarchical execution, and upper hands emphatically affect organization execution.

**Information:**

Supply Chain Management

Strategic Supplier Partnership

- X1: Our company always prioritizes quality as the main criterion in choosing suppliers.
- X2: Our company always solves problems together with suppliers.
- X3: Our company helps (provides input) to suppliers in improving product quality.
- X4: Our company has a continuous improvement program involving suppliers.
- X5: Our company always includes suppliers in making strategic plans.
- X6: Our company always includes suppliers in making strategic planning.

Customer Relationships

- X7: Our company always interacts with customers to set standards (delivery standards, standards in responding to customers).
- X8: Our company always measures and evaluates customer satisfaction. Our company always solves problems together with suppliers.
- X9: Our company is always looking to find out what the market wants in the future (future expectations).
- X10: Our company always facilitates customers who need help / complain.

Information Sharing

- X11: Business partners always inform us about issues that can affect our business.

X12: Our company always exchanges information with business partners in making business plans.

X13: Our company always cooperates with business partners in informing conditions/changes that might affect the business of both.

Competitive Advantage

Price

- Y1: Our company always offers competitive prices compared to competitors.
- Y2: Our company always offers prices that are the same or even lower than competitors.

Quality

- Y3: Our company always offers high quality products compared to competitors.

Delivery Dependability

- Y4: Our company always delivers goods to consumers on time compared to competitors.
- Y5: Our company always delivers goods to consumers according to the quantity and orders compared to competitors.

Product Innovation

- Y6: Our company always provides products according to customer wants and needs compared to competitors.
- Y7: Our company always innovates products in line with changing customer needs compared to competitors.
- Y8: Our company always provides products with new advantages (features) compared to competitors.

Time to Market

- Y9: Our company is a pioneer in introducing products to customers compared to competitors.
- Y10: Our company moves quickly in developing new products compared to competitors.

Company performance

Financial performance

- Z1: Our organization can accomplish the objective degree of return on deals.
- Z2: Our organization can accomplish the designated benefit.
- Z3: Our organization had the option to accomplish the designated deals development rate.
- Z4: Our organization can accomplish the designated efficiency level.
- Z5: Our organization can accomplish designated creation expenses or even lower.

Functional Execution

- Z6: Our organization can accomplish the portion of the overall industry that has been focused on.
- Z7: Our organization generally presents new items with flawless timing.
- Z8: Our organization can offer items/benefits that match client insights.
- Z9: Our organization can cover the whole extent of the designated portion of the overall industry utilizing least assets.
- Z10: Our organization can address client issues.

## CONCLUSION

In view of the aftereffects of estimations and speculation testing in the past part, it tends to be closed as follows: There is a critical and positive impact between Store network The executives on upper hand. Executing great Store network The executives in assembling organizations in Surabaya will actually want to build the organization's upper hand.

1. Carrying out great Production network The executives will actually want to

further develop organization execution, both regarding monetary and functional execution.

2. The organization's rising upper hand will actually want to work on the organization's exhibition also.

## SUGESTIONS

Ideas that can be given from the consequences of additional exploration and to organizations in Surabaya that execute Production network The board:

1. Organizations in Surabaya try to ignore the Essential Provider Organization part of the variable (X4, the organization has a consistent improvement program including providers). Organizations ought to do consistent improvement programs consistently with providers so the quality delivered by providers doesn't diminish. The quality and quality created by providers will impact an organization in endlessly delivering merchandise.
2. In the part of upper hand, organizations need to work on An opportunity to Market marker. The organization is supposed to have the option to present/send off its new items to the market as quickly as possibly with the goal that the organization can catch piece of the pie/lead previously contrasted with contenders. In the event that the organization can turn into a market chief, the organization will produce higher benefits.
3. Future examination is supposed to grow this exploration by directing exploration in assembling, administration and retail businesses that have officially carried out SCM. ▴

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