

CHAPTER IV

CONCLUSIONS

This chapter contains the conclusions and suggestions of the research.

6.1 Conclusions

This research aims to determine the effect of Supply Chain Management on company performance in the Small and Medium bakery Industry in Padang. Based on data processing and discussion, the following conclusions can be drawn:

1. Supply chain management has a positive (+) and significant effect on company performance. This condition implies that by implementing supply chain management in the Small and Medium bakery Industry in Padang, this would affect a better company performance both financial and operational performance, so that SMEs in Padang can achieve their goals in improving company performance so that the company can sustain in the competition.
2. The variable that has the most influence on supply chain management is the customer relationship variable. Where customer relationship is how the company establishes a communication relationship with its customers and how the company at handling customer complaints, creates good long-term relationships with customers, maintains customer satisfaction and can fulfill customer demands. Good relationships with supply chain members, including customers are needed for the successful implementation of SCM practice. The bakery SMEs in Padang, the majority of companies can fulfill this aspect.
3. The variable that has the least influence on the formation of Supply Chain Management is the information sharing variable. Most companies are not able to fulfill demand if the customer suddenly changes the information to the demand. Supply chains partner who exchanges information effectively

and able to work together as a single entity can understand the needs of the end customers better and hence can respond to market demand change quicker.

6.2 Suggestion

1. Small-Medium Bakery Industry in Padang

This research is expected to provide input for alternative solutions and considerations in making decisions related to improving bakery SME supply chain management and it has been proven that improving the supply chain management will have a positive effect on company performance, both in financial performance and operational performance. In addition, to increase SME knowledge regarding supply chain management and what variables influence in it.

2. Government

This research is expected to be a reference for related parties such as the Dinas Tenaga Kerja dan Perindustri Kota Padang to commit to maintaining a supply chain management system. Dinas Tenaga Kerja dan Perindustri Kota Padang can provide a consultation program related to the implementation of SCM standards for bakery SMEs in Padang and also partner with other agencies, such as universities through community service programs. And also more active in socializing the importance of supply chain management, because there are still many bakery SMEs who do not know the entire supply chain management in Padang.

3. Future Researcher

As for some suggestions that need to be considered for future researchers can add some additional SCM variables that may affect company performance in SME bakery Padang else than strategic supplier partnership variables, customer relationships and information sharing variables. And use scoring table for the questionnaire validation from expert judgment to gather more valid questionnaire.