

Determinants of Supply Chain Performance: Moderating Role of Firm Size in Tourism Hotel Industry in Indonesia

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Abstract- In recent decade, Supply Chain Management is emphasized for determining the performance of firms in any industry. SCM contribute in enhancing performance of firms to perform better in competitive environment. Current study emphasized on predictors of supply chain performance in tourism industry of Indonesia. Study entails integration with supplier and information sharing to be influential on supply chain performance. The study determined the relationship between exogenous and endogenous variable with the moderating role of firm size. Smart PLS is used to analyze the data collected from respondents associated with tourism industry of Indonesia. Measurement model and structure equation model is used by using PLS to analyze direct effect and to determine moderating role. The study can be considered as empirical work that investigates important factors to be influential on supply chain performance of tourism hotel industry of Indonesia.

Keywords: *Supply Chain Performance, Tourism*

1. Introduction and background

The success of the business in modern era and highly competitive environment depends upon supply chains as instead of autonomous efforts of business.

Technology has changed the basis of competition and business management around the world also entered in global and technological era. Previous decade focused on competition in terms of products

or store to store and brand versus brand; now the new era entails and recognized role of suppliers and it has become supplier-brand-store versus supplier-brand-store in competitive world. The management of business entity and its relation with other related businesses ensure the success of business [1], [2].

Supply chain management is referred as relationship management among different nodes involved in supplies from raw material to finished goods. Supply chain is not only express the inside business chain but network of multiple businesses relationship including supplier and distributors. The relationship of inter and intra company management creates synergy at business and success and goals of firms becomes achievable due to effective supply chain [2]. The excellence of business processes and novelty in management addresses by supply chain management (SCM) with external operators and internal activities.

Currently, the importance of supply chain has been recognized over time in business and its accomplishment of goals. The effectiveness of supply chain at business relations and processes play important role in overall success of business, so it must be carried out effectively. Therefore, through supply chain management (SCM) must be enforced in order to gain effective results and efficient relationship among suppliers to achieve success [3]. For achievement of maximum productivity and value addition, further helping for