ABSTRACT

The small fashion industries in Bogor has been running for decades but they never developed into a big industry. they understand the rapidly changing of fashion industry environment, but they have not been able to make strategic decisions and run the manufacturing process quickly because their industrial supply chains are not yet effective. In any fashion industry, there is at least 4 seasons adjusting trend in Europe. Fashion industries in Bogor is required to follow the global trend because the Indonesian people themselves are already affected by the effects of globalization. Various trademarks of the fashion industry in Bogor should be swift and agile to face it especially when big brands and even bigger brands can launch their products up to 20 seasons per year with seasonal intervals one and other seasons only a few weeks.

The purpose of this study to analyze Strategic Flexibility and Manufacturing Flexibility on Supply Chain Agility and the impact on Business Performance. The population of the study was all small and medium enterprises (UMKM) who had concentrate in fashion industry, where respondents are the owner of each small and medium fashion industry. The samples in this study were 158 respondents. The method of collecting data through questionnaires. This study uses analytical techniques of Structural Equation Modeling (SEM) with AMOS 22.0 as the analysis instrument.

The result shows that the Strategic Flexibiliy has a positive and significant effect on Supply Chain Agility, Manufacturing Flexibility has a positive and significant effect on Supply Chain Agility, Strategic Flexibility has a positive and significant effect on Business Performance, Manufacturing Flexibility has a negative impact on Business Performance, and Supply Chain Agility has a positive and significant effect on Business Performance.

Keywords : Strategic Flexibiliy , Manufacturing Flexibility, Supply Chain Agility, Business Performance