

## **ABSTRACT**

*A small food-processing industry is the sector of the industry is able to withstand the economic shocks, because every year food needs increase with increasing population growth. Small and medium industry has an important role in the development of business in West Sumatra, particularly in the food sector. The typical processed food industry field, the industry's potential to be developed, since each region has its own character and traits. The importance of all parties ranging from the supplier, manufacturer, distributor, retailer, and customer cooperates in the process of product creation to product distribution to the consumer end gave birth to the concept of supply chain management. This research aims to analyze how supply chain management influence on performance of the company. Supply chain management approach is done with four independent variable that share information, long term relationships, collaboration, and integration process.*

*The population in this study is small and medium industries in Padang city engaged in the production of processed foods which totalled 736 IKM. Sample using 100 IKM as respondents from the rest of the population, by conducting data collection through questionnaire. The sampling technique in this study using probability sampling with simple random sampling method. Types and data sources used are primary and secondary. Analytical techniques used was multiple linear regression test were analyzed using the test validity, reliability test, test and test the assumptions of classical, goodness of fit, which is operated through the program SPSS 17.0..*

*From the results of multiple linear regression analysis was done to show that the process of integration of the variables has the most influence on the variable performance of SCM company (the dependent) with the value of the coefficient of (0,289), then the variable with the value of information sharing (0,286), further long term relationship variables (0,258) and who has the most influence on small variable cooperation (0,254). This means the fourth independent variable is positive and significant effect on the dependent variable. Determination coefficient ( $R^2$ ) were acquired for (0,318) thus to four independent variables the dependent variable was able to explain by 31,8% while the rest is affected by other variables not examined in this study.*

**Keywords:** *Information Sharing, Long-term Relationship, Cooperation, Integration Process, and Supply Chain Management Performance*