Supply Chain Management in the Indonesian Fashion Industry and Analysis of Corporate
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Abstract-----The purpose of the study is to determine the role of risk and performance on maintaining the SSCM level, to regulate the role of sustainable supply chain management on maintaining the sustainable product, to discuss the mediating role of SSCM between the role of risk and performance and the sustainable product and to examine the role of PLS assessment product on maintaining the sustainable product. Through e-mail survey has been chosen, and questionnaires has been dispersed by using simple random sampling method. The three hundred (300) questionnaires has been dispersed among fashion industry model of Indonesia. The result shown that Risk and Performance, SSCM and PLC Assessment possess a positive association on Sustainable Product. Further, the results of the investigation uncover that these organizations in Indonesia center altogether around provider consistence with their set of accepted rules, utilizing further checking and inspecting exercises to avert production issues in creating nations, enhance generally sustainability criteria and supply chain performance for their providers.

Keywords— supply chain management, product fashion, sustainability

1. Introduction
The broadened supply chains in present day commercial activities, SSCM has begun to draw in expanding consideration from the two researchers and professionals as of late. The consideration of experts has been brought by a switch up in center from business sustainability of the supply chain because of weights forced by worldwide and neighborhood directions, non-legislative associations (NGOs), clients and contenders [1]. These improvements in the business world have thusly activated insightful consideration for hypothesis building [2], metric advancement [3], case examination [4] and overviews.

Novel research endeavors have been created on separate or all the coordinated measurements of SSCM, to be specific low-cost, condition and civilization, which collected are likewise called the triple main concern [5]. Combination of these measurements would be profoundly important as the current writing about SSCM has been unidimensional along with a serious spotlight on the earth [6]. Existing conceptualization and encircling endeavors have prompted distinctive meanings of SSCM and diverse ramifications for academic research in different fields. SSCM has been typically characterized by assessing the segments of its coordinated structure. Inside its general structure, SSCM incorporates SCM and sustainability. In this manner, it may be categorized as "the management of material, data and capital streams and moreover association between organizations with the supply chain while making objects from each of three proportions of sustainable development into consideration which are obtained from buyer and partner needed [6]. SSCM can likewise is considered as the combination of business sustainability with SCM by the key measurements of business sustainability are joined with SCM qualities [7]. Nonetheless, paying little mind to the nonexclusive definition acknowledged, SSCM suggestions shift contingent upon the construction of the supply chain they have a place with. Sustainability prerequisites of, for instance, a strengthen in supply chain might be entirely unexpected than the chain of supply for kids' toys or fast fashion dress. In this way, a sectorial depiction is required for the recommendation of additional requests in driving for spreading part practices to contending supply chains. This article endeavors to give such exertion depiction to the fast fashion garments industry.

The fast fashion business be indebted its rare highlights and construction to its prerequisites for abbreviated lead-times, earlier stock businesses and high request satisfaction rates for client request at its pinnacle focuses [8]. The business has an exceedingly aggressive structure that puts weight on costs, as well as the capacity to offer the "most up to date" conceivable pattern to the clients [9]. In this manner, it needs a high level of receptiveness joined with a specific level of effectiveness. This responsiveness to request is fulfilled through the appropriation of supply chain techniques like
without a moment to spare sourcing [10], speedy reaction frameworks [11] and light-footed SCM [12]. In any case, to end up and remain responsive, different moral [8], business [13] and ecological issues are being ignored, which is making an unmaintainable sectoral construction. Some past investigations have concentrated on sustainability fashion or dress supply chains [14]. Be that as it may, to the best of the creator’s information, no current examination has joined the nonspecific concept endeavors of SSCM with genuine applications in fast fashion supply chains of fast fashion. To explore guarantees about no sustainability in the supply of fast fashion. The followings are the objectives of the study:

1. To determine the role of risk and performance on maintaining the sustainable supply chain management level
2. To regulate the role of sustainable supply chain management on maintaining the sustainable product
3. To discuss the mediating role of sustainable supply chain management between the role of risk and performance and the sustainable product
4. To examine the role of PLS assessment product on maintaining the sustainable product

2. Literature Review

Sustainability and fast fashion supply chains issues present authoritative fluctuations in the business of fashion resumed around thirty years previous once the conservative luxury fashion industries for some time make stable structure had been tested by a few natural deviations, particularly globalization, fluctuations in its customer base, and the corridor of candidates into already confirmed markets [17]. At that level, the fashion business had taken after a settled schedule of conversation fairs and exhibiting the expected season's designs [18]. This made it conceivable to conjecture request if a year prior to the season of utilization considering past deals information [19]. Under the effect of factors, this steady circumstance has advanced to other model called "brisk fashion" [19], fast fashion Doeringer.

Fast fashion has been portrayed by the change of stylish outline with the articles that may be purchased by the majority [21]. This business intends to pull in clients into stores as regularly as conceivable to build the recurrence that they buy fashionable styles [15]. This has been proficient through minimal effort and low-value attire that remaining parts on the racks for a smaller dated than the customary dress industry. This prompts abbreviated market cycles, more seasons and a few authoritative purchasing prerequisites, for example, exceedingly adaptable assembling and outline capacities, mixing in vogue garments crude material and supplies, at short lead times [15].

As shoppers of apparel industry products turned out to be more fashion-cognizant [16], the straightforward institutionalized outlines delivered for the majority were rendered pointless, prompting the disposal of large scale manufacturing in the fashion business and an adjustment in fashion supply of chain constructions [17]. By the 1980s, the fashion supply chains were unequivocally ensured by substantial retail locations to rivalry out of the business sectors [15]. In any case, they at that point began to be supplanted by purchaser situated, deliberately connected, exceedingly responsive, ease supply chains with smaller times [18]. Such basic changes were accomplished using in the nick of time methodologies, spry supply chain structures [12] and data driven procedures, for example, snappy reaction frameworks observing ongoing information at deals indicates and reacting rapidly current market data [9]. [19] contend that even settled provider purchaser relatives to the fast fashion business ought to have a short-reaction nature to apply both lean and lithe supply chain methodologies, while their inward capacities ought to be coordinated to assist a smooth purchasing process. In any case, these changing conditions and better approaches for working together into the fast fashion business have impact sly affected both condition and society. To react to these expanding ecological and social issues, fast fashion organizations have begun to receive maintainable methodologies and performs.

A standout between the most vital elements animating the ascent of maintainable performs in supply chains of fast fashion is globalization of both obtaining and circulation. As indicated over the most recent 30 years, materials producing has moved altogether to less created nations. For instance, forty-two % of the EU27's garments imports were provided by China in 2012, Bangladesh with Turkey representing a further 13%. The rundown of nations sending out materials to Europe is intriguing for the extensive variety of areas of the best ten import accomplices. Even though the EU's general material imports are ruled by faraway nations, there are additionally close exchange accomplices supporting the altering step in the business. In any case, even administrations, Marks and Spencer and Zara, using to rely upon residential obtaining, have prolonged their sourcing
The globalization of the business has influenced supply chains in two unique measurements. Right off the bat, the migration of assembling destinations negatively affected customary European businesses like turning and weaving, bringing about joblessness for European materials and dress industry laborers [13]. Although organizations in Western nations still claim real fashion retailers and the brands [20], the quantity of specialists in these nations utilized in the part has declined measurements: for instance, – it weakened by 3% by 2012.

The number two critical effect of the expanded supply chain of fashion has been the substantial ecological weight it forces from expanded transport mileage. This has been exacerbated when weight on fast fashion business instructions, which implies that most of shipments are conveyed via air, essentially expanding CO2 outflows [21].

Separated the effect of globalization, the nature of the business itself forces encourage ecological and social weights. Production forms in the materials business utilize synthetic compounds and non-sustainable normal assets that mischief the earth [13]. Expanded time weights on the request series of the fast fashion business result in worker manhandle and other untrustworthy working practices at assembling destinations [15]. A large portion of fashion industry work is in seaward nations and made from youthful, ineffectively instructed individuals, since the assembling procedure in this division does not require high aptitudes. Ladies and kids make up the greater part of the workforce in creating nations, since these hindered individuals acknowledge work at bring down wages. Also, there is a lot of constrained work in specific nations, for example, Bangladesh. Inside this business structure, the workforce is profoundly powerless against segregation, terrible treatment, low wages and long working hours.

Fast fashion organizations into two primary gatherings. The main gathering is made from those organizations that oppose sustainability homes and just attempt to get by in an exceedingly requesting condition. The second gathering is made from organizations attempting to embrace and enhance maintaining to their supply chains by the usage of apparatuses, for example, eco-naming, management frameworks, natural and social reviews, networks of training, reasonable exchange and clean transportation modes. Be that as it may, as the negative environmental and public belongings of this business, there is an obligation for an area wide acknowledgment of the last gathering’s system. To make vital move, fast fashion venders take distinctive measures and impart these from their sustainability information.

For instance, the worldwide fast fashion vender H&M positions that they are executing concentrated sustainability homes in their obtainment, partner management, human asset management and ecological procedures [22]. Correspondingly, Inditex Group records a progression of vital activities inside their ecological arrangement for 2011–2015, covering activities, for example, eco-effective outline of stores, lessened natural effect of coordination’s exercises, eco-accommodating products, and so on [23]. As per their Code of Practice standards, Next states that they led 1647 reviews in 570 providers that they worked with in 44 unique nations amid 2012.

2.1 Sustainable Supply Chain Management (SSCM)

Existing SSCM inquire about the fast fashion business is concentrated on the presentation of subjective and measurable maintainable pointers that put on to both interior and outer supply chains [13], the investigation of purchaser recognitions and conduct towards sustainable fashion supply chains [24], and the utilization of mindfulness rising performs through big names for the ease back fashion development to include customers in structure a more maintainable supply chain [25].

Despite these different and expanding endeavors to coordinate sustainability into fast fashion examine, a more extensive point of view on the industry is by all accounts missing with respect to the current requests. Yearly reports that organizations utilize to impart their maintainable rehearses through corporate detailing plans every year can be significant hotspots for investigating mechanical practices.
To cross over any barrier in the writing with respect to exertion more extensive viewpoint, this investigation draws on a SSCM system to direct a recurrence content examination on the maintainable reports of driving fast fashion organizations to quantify the tolerance of performs.

The SSCM system utilized in the investigation is produced from [26] hypothetical approach towards the concept of SSCM. In the wake of assessing the current writing on SSCM, [26] build up a calculated structure with three primary parts. The initial segment distinguishes the triggers and motivating forces animating the central organization to receive SSCM hones. These by and large originate from by and large partners, clients and particularly governments. The central organization at that point passes these sustainability weights onto its providers through two standard systems.

2.2 Risk and Performance and Sustainable Supply Chain Management (SCM) and Sustainable Product

[26] construct their structure on [27] separation between supply of greening the procedure and green supply of product-based. They propose provider assessment for RP and SCM for SP as the other two sections of their system. These have been two reciprocal standard methodologies, with the reception of one ready to prompt the accomplishment of the other in specific cases. The sub-measurements of the two standard methodologies are systematized for an orderly investigation of SSCM requests in extensive assembling organizations working in Turkey.

As indicated by [26], provider assessment for risk and performance (RP) centers around related risks and boundaries with the chain of supply and additionally presentation worries from an inner viewpoint. This is associated with a provider assessment arrange for where checking, inspecting and assessment happen. This assessment procedure has two goals: enhancing the general performance of providers and staying away from risks in chain of supply. Reliance, adaptability, excellence and rapidity have been the critical criteria for estimating enhancements in provider presentation, while the conceivable risks are assessed by the measurements of the triple primary concern.

H1: there is a relationship of risk and performance and SSCM
H2: there is a relationship of SSCM and sustainable product
H4: there is a noteworthy interceding part of SSCM over risk and performance and Sustainable Product

2.3 Life Cycle Assessment and Sustainable Product

Then again, assessment of life cycle is a generally utilized device to accomplish SCM for SP ‘to fathom a wide product range that have or go for an enhanced natural and communal quality, which can be connected back to the as of now specified execution of ecological and social norms’ [26]. It requests different least criteria necessities from providers when planning or delivering the products. What's more, SP require exceptional correspondence with providers while enhancing their sustainable practices. To accentuate that management frameworks, assume a critical part inside the whole arrangement of SSCM. By coordinating every one of these elements inside a hypothetical structure, it is essential to examinations fashion organizations with reference to their activities regarding these variables to assess how they adapt to the fast fashion-sustainability problem.
Present SSCM examine on the fast fashion business is concentrated on the presentation of subjective and numerical sustainability pointers that apply to both inner and outer supply chains [13], the investigation of shopper recognitions and conduct towards sustainable fashion supply chains [24], and the utilization of mindfulness rising practices through famous people for the ease back fashion development to include buyers in building a more SSC.

Despite these different and expanding endeavors to coordinate sustainability into fast fashion inquire about, a more extensive point of view on the industry is by all accounts missing with respect to the current applications. The yearly reports that organizations use to impart their sustainability hones by corporate revealing plans every year can be important hotspots for investigating mechanical practices. To overcome any issues in the writing regarding exertion more extensive point of view, this investigation draws on a SSCM system to direct a recurrence content examination on the maintainable reports of driving fast fashion organizations to quantify the tolerance of these practices.

The system of SSCM utilized in the examination is created from [26] hypothetical approach towards the concept of SSCM. Afterward investigating the current writing on SSCM, [26] build up a calculated system with three principle parts. The initial segment recognizes the triggers and motivating forces fortifying the central organization to receive SSCM hones. These by and large originate from by and large partners, clients and particularly governments. The central organization at that point passes these maintainable weights onto its providers through two standard techniques.

2.4 Risk and Performance (RP) and Sustainable Supply Chain Management (SCM) and Sustainable Product

[26] construct their system on [27] separation between "greening the supply procedure" and "product-based green supply". They propose provider assessment for RP and SCM for SP as the other two sections of their system. These are two correlative standard systems, with the reception of one ready to prompt the accomplishment of the other in specific cases. The sub-measurements of the two standard techniques have been schematized for a precise investigation of SSCM applications in extensive assembling organizations working in Turkey [28]- [34][41] [42].

As per [26], [35], [36] [45] provider assessment for RP centers around related risks and obstructions along the supply chain and presentation worries from an inward point of view. This is associated with a provider assessment arrange for where observing, reviewing and assessment occur. This assessment procedure has two targets: enhancing the general performance of providers and maintaining a strategic distance from risks in the supply chain. Reliance, adaptability, quality and speed are the vital criteria for estimating upgrades in provider performance, while the conceivable risks are assessed by the measurements of the triple primary concern.

H1: there is a relationship of risk and performance and Sustainable Supply Chain Management
H2: there is a relationship of Sustainable Supply Chain Management and sustainable product
H4: there is a huge intervening part of Sustainable Supply Chain Management over risk and performance and Sustainable Product

2.5 Life Cycle Assessment (LCA) and Sustainable Product (SP)

Then again, LCA has been a usually utilized instrument to accomplish SCM for SP "to understand a wide range of products that have or go for an enhanced natural and social quality, which can be connected back to the as of now specified usage of ecological and social norms" [6]. It requests different least criterias prerequisites from providers when outlining or delivering the products. What's more, SP need extraordinary correspondence with providers while enhancing their sustainable practices. To underline that organization frameworks, assume a critical part inside the whole arrangement of SSCM. By incorporating every one of these components inside a hypothetical system, it is vital to examinations fashion organizations with reference to their activities in regard to these variables to assess how they adapt to the fast fashion-maintainable problem. H3: There is a significant association between Life Cycle Assessment and Sustainable Product.

3. Methodology

The research method has been the most vital part of study. The optimal of appropriate technique for the data analysis must be related with the type of the problem. This study is relied on quantitative research technique. Though, accordance with the nature of the research, the cross-sectional design has been designated. A survey has been conducted to gather the data from an Indonesian fashion industry
models. The 5-point Likert scale has been applied to gather the data. Through e-mail survey has preferred, and questionnaires has been distributed by applying simple questionnaire. Moreover, SmartPLS 3 (SEM) has been used to analyze the data. Random sampling technique. Though, the sample size has been designated based on inferential statistics. In accordance with this series, “sample size less than 50 respondents would perceive to be a weaker; a sample of 100 would have been weak; 200 will be satisfactory; a sample of 300 as good; 500 was very good while 1000 would be excellent.” Therefore, 340 sample sizes were chosen. Initially, the e-mail IDs has been composed by many e-logistic models. Therefore, 340 questionnaires have been distributed. 210 were return. 189 questionnaires were useable.

4. Data Analysis

Smart partial least square SmartPLS is used to analyze the data.

4.1 Measurement Model Assessment

SmartPLS 3 has been applied to examine the measurement of the model. Factor internal consistency process, AVE, Cronbach's alpha with the Composite reliability have been measured. Fig. 2 shows the measurement model assessment. The results of measurement model assessment have been given in Table 2. The results show that all the items had a factor loading more than 0.70. No items having value in the factor loading below 0.70 but above 0.60. Internal consistency has been attained as the factor loading is more than 0.50 approving the convergent validity. AVE and Composite reliability have also been more than satisfactory range 0.70 and 0.50, respectively. The external consistency, furthermore, for the discriminant validity used the Fornell & Larcker criteria to approve. Table 3 exhibits the results of discriminant validity.

4.2 Structural Model Assessment

Table 4 exhibits the measurement model assessment puts direct effects. It comes to know that all the direct associations having t-value more than 1.96 at 0.05 level of significance. So, all the relations have been significant. Furthermore, β-value exhibits a positive association. Therefore, all the hypotheses (H-1, H2, H-3) have been approved as shown in Table 4. Furthermore, Table 4 exhibits the size of effect (f2). The recommendations of found that Risk and Performance and SSCM having minor effect (f2). SSCM and SP have reasonable effect. Similarly, PLC Assessment have reasonable and SP have strong effect.

5. Findings

The literature shows that there have been several variables prompting SP. Though, the most conclusive variables, Risk and Performance, SSCM and PLC Assessment. The t-value is greater than the standard value of 1.96 at 0.05 significant level is acceptable. Further, the path between RP and SSCM (β=0.210, t-value=1.99, p<0.05), shows a positive significant relationship. Therefore, the current research originated a significant positive relationship between RP and SSCM, supporting H1. It proves that increasing one variable would increase other variable towards the same direction.

Similarly, SSCM→SP (β=0.141, t-value=4.120, p<0.05), values show a positive significant association between two variables, further β indicating that 14% contribution of SSCM. Therefore, there is a significant positive association between SSCM→SP, therefore if support for H2. Therefore, it exhibits that increasing one variable would increase other variable towards the same direction.

Finally, the mediation role of SSCM between Risk and Performance and SP (β=0.216, t-value=3.241, p<0.05), values show a strong mediation role of SSCM between Risk and Performance and SP. In terms of mediation, the existing study shows the complementary mediation. So, this study results exhibits the SSCM between Risk and Performance and SP, Hence H4 supported.

<table>
<thead>
<tr>
<th>Construct</th>
<th>Cronbach Alpha</th>
<th>Composite reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk and Performance</td>
<td>0.852</td>
<td>0.871</td>
<td>0.635</td>
</tr>
<tr>
<td>Sustainable supply chain management</td>
<td>0.792</td>
<td>0.894</td>
<td>0.674</td>
</tr>
<tr>
<td>PLC Assessment</td>
<td>0.836</td>
<td>0.916</td>
<td>0.834</td>
</tr>
<tr>
<td>Sustainable Product</td>
<td>0.912</td>
<td>0.963</td>
<td>0.851</td>
</tr>
</tbody>
</table>

Note: Risk and Performance, SSCM, PLC Assessment, PLC Assessment
### Table 3: Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>Risk and Performance</th>
<th>SSCM</th>
<th>PLC Assessment</th>
<th>Sustainable Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>Risk and Performance</td>
<td>0.893</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SSCM</td>
<td>0.654</td>
<td>0.851</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PLC Assessment</td>
<td>0.729</td>
<td>0.619</td>
<td>0.913</td>
<td></td>
</tr>
<tr>
<td>Sustainable Product</td>
<td>0.712</td>
<td>0.740</td>
<td>0.826</td>
<td>0.816</td>
</tr>
</tbody>
</table>

*Note: Risk and Performance, SSCM, PLC Assessment, sustainable product*

### Table 4: Direct Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β-value (STDEV)</th>
<th>T Statistics</th>
<th>P-Value</th>
<th>f²</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 RP→SSCM</td>
<td>0.210 (0.106)</td>
<td>2.101</td>
<td>0.041</td>
<td>0.01</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2 SSCM→SP</td>
<td>0.141 (0.054)</td>
<td>4.120</td>
<td>0.000</td>
<td>0.14</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3 PLCA→SP</td>
<td>0.197 (0.083)</td>
<td>12.103</td>
<td>0.024</td>
<td>0.27</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Additionally, Table 5 exhibits that mediation effect has been significant with t-value 3.241 with positive β-value. Thus, SSCM is a mediating variable between Risk and Performance and SP. Hence, H-4 is accepted.

### Table 5. Mediation Result

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>β-value (STDEV)</th>
<th>T Statistics</th>
<th>P-Value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H4 RP→SSCM→SP</td>
<td>0.216 (0.095)</td>
<td>3.241</td>
<td>0.000</td>
<td>Mediation</td>
</tr>
</tbody>
</table>

5. **Conclusion**

The results of the investigation uncover that the organizations consider revealing their maintainable exercises in SCM. Utilizing [26] model, the examination proves that these administrations of Indonesia especially center around joining workers into their framework with the area that they obtain their maintainable method acceptably. In making so, they have made their own implicit rules in view of for the most part recognized standards of the global occupational network or culture everywhere and suppose critical responsibility and continuous from their workers. Furthermore, the Indonesia administrations thoroughly survey the development of these workers through observing and inspecting exercises amid the detailing time frame. Along these lines, it can be asserted that consistency, observing and inspecting are the principle part of current SSCM to maintain a strategic distance from risks, enhance supply chain performance and set clear criteria for providers. Even though these free activities have essentially enhanced maintainable rehearses in the segment, it appears there is still a considerable measure to improve the situation the idea to be disguised by Indonesian organizations all through the supply chain and implant them into the center reasoning of the triple primary concern. There is a need to receive a large-scale viewpoint and execute part wide techniques that prompt a profound rebuilding along organization supply chains that would empower a performance worldview change in the industry [13].

This would not exclusively be essential to give an intelligible and reliable consistence framework for existing and potential providers in every single Indonesian nation yet would likewise help conquer the issues caused by the divided idea of current consistence frameworks. Over the long haul, expanding cooperation and coordinated effort among the performers in the division can likewise
help in the progress to a maintainable worldview \[29\], \[35\], \[36\] - \[39\] \[40\] \[43\] \[44\] and to spread the principle thought of maintainable to every single significant partner.

Indonesian organizations can likewise create different key reactions to decrease risks. While currently conveying their commitments to the nearby open and laborers in the providers' nations, organizations are associated with CSR or systems administration exercises. Thinking about the expanding interest for providers, it may be normal that organizations can multiply and enhance their exercises and find better approaches for being sustainable along the chain.

Fast fashion industry, power has moved to customers from vendors, so if they request maintainable, it will apparently strongly affect industry rehearses. For example, the ongoing pattern for moderate fashion points not to take out fashion and garments from purchasers' lives yet to change the way it is acknowledged today. Nonetheless, considering the expanding interest of shoppers for fashion products and the longing of makers to get better money related outcomes, it may be normal that the moderate fashion idea can't be generally perceived by the part's pioneers. Given the maintainable difficulties of this segment because of the extension of its operations all through the creating scene, Indonesian organizations may attempt to discover new arrangements and take different measures to stay maintainable yet still fast.

References


[34] Inditex Group. Accessed 03.11.13, 2013.


