

Analysis of Sustainable Business Performance in Staple Food Traders in West Java Province: An Empirical Analysis

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Abstract— Climate change has resulted in an increase in global temperatures, causing an increase in the frequency of extreme weather events such as floods and hurricanes which then give rise to a chain of exposure to infectious diseases. Business and trade are also exposed to transitional risks arising from society's response to climate change. One way for traders to address the impacts of climate change is to create operating performance to improve sustainable business performance. Sustainable business performance also helps traders define their goals, measure their performance, and manage any changes to ensure their operational are more sustainable. In this study, SEM-PLS testing on staple food traders in West Java Province was used to find that sustainable business performance was influenced by operational performance using strategic supplier partnerships and quantity discounts.

Keywords—Sustainable Business Performance, Operational Performance, Staple Food Traders.

Introduction

In today's era of globalization, the economy is one of the most important aspects for every human life to meet every need such as clothing, food, and housing. Even in every line of life there are several economic fields such as agriculture, trade, industry, and many other fields. Therefore, the economic aspect seems to be a life for every human being that cannot be separated from each other, even the economic level can be a benchmark for the level of achievement of each human being (Mulyawisdawati, R. A., 2019).

Economic growth is also a benchmark in the success of a country's economic development. One of the sectors that plays an important role in economic growth comes from the trade sector. To accelerate the economy, trade is necessary as a necessity because it guarantees the continuity of the long-term economic development process with a high and sustainable economic growth rate that results in an increase in per capita income every year (Rapunzel, M. B., et al., 2017).

Trade is the main root of national and regional development that aims to create a developed, independent, and prosperous society. In addition to playing a strategic role to support economic growth, the trade sector plays an important role in creating jobs, encouraging regional development, increasing people's incomes, and alleviating poverty (Rapunzel, M. B., et al., 2017).

On the other hand, climate change has resulted in an increase in global temperatures, causing an increase in the frequency of extreme weather events such as floods and hurricanes that then give rise to a chain of exposure to infectious diseases. Climate change activism went viral. People around the world are becoming more and more concerned about their environmental footprint. Business and trade are also exposed to transitional risks arising from society's response to climate change (Coppola, M., et al., 2019).

One way for traders to overcome the impact of climate change is to create operational performance to improve the sustainable business performance. In practicing sustainability, traders may have gone through stages instead of going all out, adopting a total sustainability strategy. Several maturity scales for sustainability strategies have been created to illustrate how traders and businesspeople range from initial sustainability strategies to fully integrated strategies (Long, T. B., 2019).

Sustainable business performance also helps traders define their goals, measure their performance, and manage any changes to ensure their operational are more sustainable (GRI, 2013).

According to research Sihombing, R. P. (2015) states that the success of a trade is not solely determined by their profits, but also by economic and environmental aspects. Kumar, K., et al., 2012 also stated that to ensure all businesspeople will prosper in the long run, they must consider economic and environmental issues. In addition, environmental issues such as carbon emissions, ozone layer depletion, hazardous and toxic waste management, and climate change are now becoming increasingly important (Gamble, G. O., et al., 1996). Therefore, traders must start carrying out their sustainable business performance more profitably for the environment and the economy.

Therefore, research on the analysis of sustainable business performance in traders, especially staple food vendors, is indispensable. Researchers choose staple food traders because staple food traders are considered to have the most complicated types of supplies in terms of destructive power, both raw materials, semi-finished products and or finished products. However, there has not been much research focused on staple food traders. This research will support the sustainability of staple food traders, especially in West Java Province. So that these staple food traders can survive despite the many problems of climate change risks.

2. Materials and Methods

2.1. Conceptual Model Determination

At this stage, as much information as possible is collected relating to all company activities, with the aim of knowing the real condition of the object to be studied, namely Staple Food Traders in West Java Province. The conditions obtained from field studies are expected to be sufficiently detailed and complete, so that they can be used in formulating variables with clear specifications.

After going through the field study stage, it is necessary to formulate variables, dimensions and indicator items that will be used in solving existing problems. The formulation of these variables was carried out at this stage by referring to the research of Nyamah, E. Y., et al. (2022), Huang, Y. S. et al. (2015), Chopra, S. et al. (2016) and Raut, R. D. et al. (2019) researchers used a research model to examine the operating performance of basic food traders in West Java Province with an inventory strategy approach which can be seen in Figure 1.

2.2. Hypothesis Determination

Figure 1 shows the new synthesis model to be tested by researchers. From Figure 1 the researcher identified the following hypotheses:

H1: The Economic Order Quantity (EOQ) strategy significantly and positively increases Operational Performance (OP) for food traders.

H2: The Just-in Time (JIT) strategy significantly and positively increases OP Operational Performance (OP) for food traders. H3: Strategic Supplier Partnership (SSP) significantly and positively increases Operational Performance (OP) for food traders.

H4: The Quantity Discount (QD) strategy significantly and positively increases Operational Performance (OP) for food traders.

H5: Operational Performance (OP) significantly and positively increases Sustainable Business Performance (SBP) for food traders.

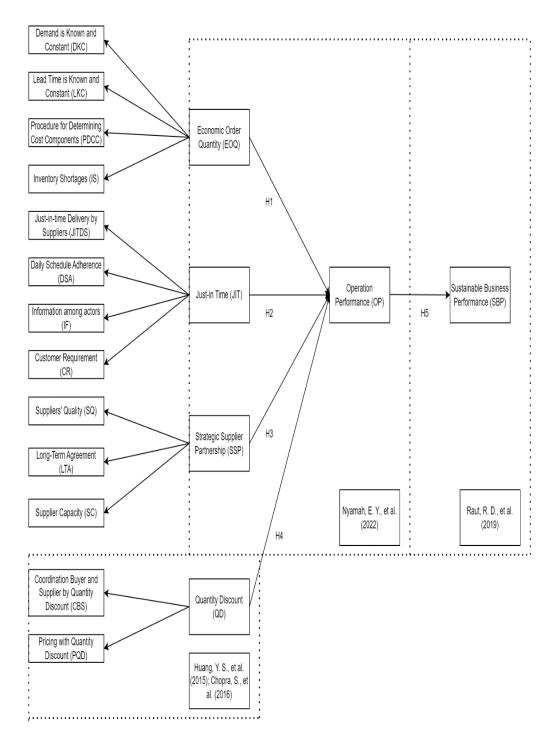


Figure 1. Research Conceptual Model

2.3. Data Collection and Model Experiments

Data collection was carried out through a questionnaire to test the suggested hypotheses from the determinants that have been coded and have a reliable decision. Operational variables on the questionnaire should be coded in precisely defined terms (see Appendix A).

The questionnaire is divided into three stages. At the first stage, the researcher clarifies the relationship between the synthesis model of the research proposal and the measurement scale used in individuals. All items in the questionnaire were measured using 5 Likert scales starting where 1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, and 5 = strongly agree described in Appendix A. Research design consists of six main determinants of Economic Order Quantity (EOQ),

Just-in Time (JIT), Strategic Supplier Partnership (SSP), Quantity Discount (QD), Operational Performance (OP), Sustainable Business Performance (SBP) that researchers form and incorporate into the research model.

In the second stage, an experiment was carried out through the distribution of questionnaires to all students of the logistics business study program using a google form. The population of respondents in this study was all staple food traders in West Java Province. Based on the selection of samples will use purposive sampling, namely withdrawal with certain criteria. The criteria for withdrawing this sample are staple food traders who sell necessities. The number of samples to be used in this study is based on Hair Jr., J. F., et al. (2021) who explained that the minimum sample size based on the minimum R2 values starts from 0.1, 0.25, 0.5 and 0.75 in the endogenous construct in SEM for significance levels of 1%, 5% and 10% by looking at the maximum number of constructs in the PLS Path Model. Based on the number of free variables of this study in the SEM size there are 5 with a minimum of R2 0.75 and a significance level of 5%, the minimum number of samples is 36.

3. Results

3.1. Descriptive Statistical Analysis of Variables

Descriptive analysis was carried out to provide an overview of the research questionnaire data filled out by respondents. This analysis is carried out by categorizing the average value per question indicator (mean), standard deviation value, excess kurtosis value, skewness value and the average of each variable (total mean).

Table 1. Descriptive Variables

Name	Mean	Table 1. Descriptive Standard deviation	Excess kurtosis	Skewness
CR1	3.406	1.098	-0.369	-0.349
CR2	3.412	1.077	-0.422	-0.311
CR3	3.524	0.959	-0.05	-0.33
CR4	3.618	1.012	-0.083	-0.479
D1	3.812	0.97	0.726	-0.473
D2	3.971	0.836	-0.021	-0.823
D3	3.706	1.021	-0.229	-0.452
D3		0.975		-0.433
	3.729		-0.048	
DKC1	3.776	0.999	0.086	-0.611
DKC2	4.224	0.893	2.062	-1.357
DKC3	4.165	0.765	1.444	-0.928
DSA1	3.971	0.778	0.356	-0.478
DSA2	3.9	0.872	0.239	-0.555
DSA3	4.259	0.738	2.039	-1.075
DSA4	3.953	0.866	-0.249	-0.456
DSA5	4.276	0.759	1.032	-0.92
F1	4.065	0.869	0.564	-0.778
F2	4.076	0.847	1.522	-0.967
F3	4.129	0.83	0.332	-0.745
F4	3.8	0.937	0.003	-0.499
IF1	4.194	0.87	1.045	-1.039
IF2	3.924	0.84	-0.052	-0.454
IF3	4.094	0.799	0.421	-0.661
IF4	3.582	1.088	-0.24	-0.462
IS1	3.894	0.79	0.17	-0.386
IS2	3.841	0.843	-0.262	-0.286
IS3	3.906	0.863	0.742	-0.649

JITDS1	3.747	1.012	-0.084	-0.539
JITDS2	3.771	0.927	0.686	-0.689
JITDS3	3.9	0.912	0.741	-0.74
JITDS4	3.888	0.836	0.547	-0.578
JITDS5	3.953	0.86	-0.061	-0.526
LKC1	3.976	0.797	0.823	-0.732
LKC2	3.906	0.849	0.21	-0.459
LKC3	3.941	0.831	0.096	-0.509
LTA1	3.935	0.869	-0.422	-0.363
LTA2	3.924	0.894	-0.56	-0.346
LTA3	4.006	0.844	0.133	-0.604
LTA4	3.812	0.861	-0.04	-0.295
PC1	3.471	0.995	-0.194	-0.297
PC2	3.459	0.989	-0.309	-0.216
PC3	3.665	0.945	0.271	-0.505
PC4	4.065	0.889	0.804	-0.838
PDCC1	3.965	0.766	0.498	-0.494
PDCC2	3.888	0.808	-0.175	-0.266
PDCC3	3.9	0.802	0.048	-0.369
PQ1	3.965	0.887	0.474	-0.747
PQ2	4.071	0.918	0.672	-0.878
PQ3	3.976	0.926	0.339	-0.714
PQ4	3.959	0.843	-0.12	-0.457
SC1	3.965	0.804	-0.136	-0.347
SC2	3.859	0.821	-0.353	-0.182
SC3	3.941	0.852	-0.254	-0.405
SC4	4.053	0.842	0.745	-0.757
SQ1	3.841	0.843	-0.459	-0.167
SQ2	3.947	0.806	-0.043	-0.378
SQ3	3.918	0.836	0.399	-0.513
SQ4	3.782	0.884	-0.681	-0.072
CBS1	3.406	1.098	-0.369	-0.349
CBS2	3.812	0.97	0.726	-0.823
CBS3	3.776	0.999	0.086	-0.611
PQD1	3.971	0.778	0.356	-0.478
PQD2	3.747	1.012	-0.084	-0.539
PQD3	4.065	0.869	0.564	-0.778
EP1	3.965	0.887	0.474	-0.747
EP2	3.976	0.926	0.339	-0.714
EP3	3.965	0.804	-0.136	-0.347
ECP1	3.941	0.852	-0.254	-0.405
ECP2	3.841	0.843	-0.459	-0.167

Judging from Table 1 above, based on all items in the instruments presented to analyze Economic Order Quantity (EOQ), Just-in Time (JIT), and Strategic Supplier Partnership (SSP), Quantity Discount (QD), Operational Performance (OP) and Sustainable Business Performance (SBP) in staple food traders in West Java Province, it is known that the perception of respondents is dominated by neutral answers to statements in the instruments presented.

It is also known for the highest index in the DSA5 statement, namely "We give time for delays in goods" where this item is in accordance with the behavior of staple food traders who provide additional time if there is a delay in their goods.

As for the lowest index in CR1's statement, it is "Our customers provide information to us in the process of purchasing our goods". This is appropriate because the customers of staple food merchants rarely provide information to merchants in the process of purchasing goods because some customers come directly to the staple food merchant outlets.

3.2. Data analysis

3.2.1. Outer Model Test

Evaluation of the measurement model is carried out to assess the validity and reliability of the model. The research measurement model in PLS-SEM is an outer model consisting of a set of relationships between indicators and latent variables (Hair et al., 2017).

Convergent Validity Testing

To analyze reflective models, outer loading greater than 0.6 is recommended by Hair et al. (2017). However if the outer loading is less than 0.4, the reflective indicator should be removed. When outer loading between 0.4 and 0.7 it is recommended to keep or delete items depending on the outer load (height) of other items (Hair et al., 2017; Avkiran & Ringle, 2018). Based on this theory, researchers took a value of 0.6. Furthermore, by looking at the average variance extracted (AVE) should be greater than 0.5 more recommended; This ratio implies that more than 50% of the variants of reflective indicators have been taken into account by latent variables.

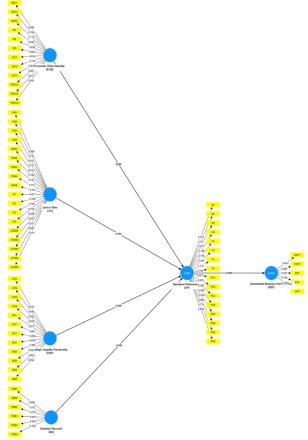


Figure 2. Convergent Validity Test Results **Source:** Smartpls 4.0 Output Results (2022)

 Table 2. Outer Loading Test Results

Indicator	Outer Loading	Result
CBS1	0.698	Valid
CBS2	0.752	Valid
CBS3	0.722	Valid
CR1	0.689	Valid
CR2	0.791	Valid
CR3	0.812	Valid
CR4	0.757	Valid
D1	0.752	Valid
D2	0.751	Valid
D3	0.671	Valid
D4	0.744	Valid
DKC1	0.690	Valid
DKC2	0.704	Valid
DKC3	0.713	Valid
DSA1	0.813	Valid
DSA2	0.768	Valid
DSA3	0.725	Valid
DSA4	0.772	Valid
DSA5	0.741	Valid
ECP1	0.850	Valid
ECP2	0.884	Valid
EP1	0.837	Valid
EP2	0.796	Valid
EP3	0.894	Valid
F1	0.795	Valid
F2	0.818	Valid
F3	0.724	Valid
F4	0.764	Valid
IF1	0.677	Valid
IF2	0.789	Valid
IF3	0.766	Valid
IF4	0.753	Valid
IS1	0.848	Valid
IS2	0.839	Valid
IS3	0.827	Valid
JITDS1	0.826	Valid
JITDS2	0.853	Valid
JITDS3	0.827	Valid
JITDS4	0.836	Valid

JITDS5	0.815	Valid
LKC1	0.810	Valid
LKC2	0.733	Valid
LKC3	0.810	Valid
LTA1	0.875	Valid
LTA2	0.849	Valid
LTA3	0.852	Valid
LTA4	0.870	Valid
PC1	0.671	Valid
PC2	0.679	Valid
PC3	0.697	Valid
PC4	0.840	Valid
PDCC1	0.827	Valid
PDCC2	0.817	Valid
PDCC3	0.842	Valid
PQ1	0.810	Valid
PQ2	0.800	Valid
PQ3	0.779	Valid
PQ4	0.850	Valid
PQD1	0.815	Valid
PQD2	0.820	Valid
PQD3	0.798	Valid
SC1	0.917	Valid
SC2	0.907	Valid
SC3	0.860	Valid
SC4	0.676	Valid
SQ1	0.900	Valid
SQ2	0.938	Valid
SQ3	0.903	Valid
SQ4	0.894	Valid

Based on Figure 4.1 and Table 4.2, all measuring items have met the outer loading value testing requirements so that they can be said to be valid and can be used to measure each of the latent variables.

 Table 3. Outer Loading Test Results

Variable	Average variance extracted (AVE)
Economic Order Quantity (EOQ)	0.625
Just-in Time (JIT)	0.608
Operational Performance (OP)	0.579
Quantity Discount (QD)	0.591
Strategic Supplier Partnership (SSP)	0.761
Sustainable Business Performance (SBP)	0.728

Based on Table 4.3, it can be seen that all average variance extracted (AVE) is above 0.50 so that it can be said to be valid and can be used to measure each of the latent variables.

Discriminant Validity Testing

Since there is no problem with convergent validity, the next step tested is the problem related to discriminant validity for each construct with the correlation value between the constables in the model (Wong, 2019). This method is often called Cross Loadings.

Table 4. Discriminant Validity Test Results - Cross Loadings

Table 4. Discriminant Validity Test Results - Cross Loadings						
Indicator	Economic Order Quantity (EOQ)	Just-in Time (JIT)	Strategic Supplier Partnership (SSP)	Quantity Discount (QD)	Operational Performance (OP)	Sustainable Business Performance (SBP)
DKC1	0.690	0.607	0.509	0.722	0.583	0.509
DKC2	0.704	0.654	0.537	0.689	0.631	0.537
DKC3	0.713	0.644	0.571	0.644	0.638	0.611
LKC1	0.810	0.709	0.641	0.695	0.690	0.681
LKC2	0.733	0.627	0.560	0.616	0.640	0.576
LKC3	0.810	0.700	0.683	0.717	0.658	0.671
PDCC1	0.827	0.738	0.732	0.742	0.726	0.753
PDCC2	0.817	0.736	0.804	0.734	0.718	0.778
PDCC3	0.842	0.712	0.774	0.721	0.692	0.720
IS1	0.848	0.723	0.805	0.711	0.715	0.745
IS2	0.839	0.708	0.825	0.717	0.712	0.777
IS3	0.827	0.726	0.871	0.737	0.728	0.816
JITDS1	0.682	0.826	0.665	0.820	0.651	0.664
JITDS2	0.696	0.853	0.708	0.798	0.714	0.726
JITDS3	0.724	0.827	0.749	0.804	0.750	0.778
JITDS4	0.741	0.836	0.768	0.759	0.728	0.762
JITDS5	0.745	0.815	0.752	0.733	0.737	0.771
DSA1	0.809	0.813	0.802	0.815	0.766	0.786
DSA2	0.728	0.768	0.711	0.692	0.715	0.714
DSA3	0.722	0.725	0.659	0.683	0.711	0.660
DSA4	0.704	0.772	0.705	0.708	0.662	0.673
DSA5	0.715	0.741	0.660	0.712	0.714	0.664
IF1	0.630	0.677	0.586	0.619	0.644	0.608
IF2	0.746	0.789	0.742	0.721	0.737	0.740
IF3	0.695	0.766	0.667	0.679	0.728	0.692
IF4	0.558	0.753	0.545	0.689	0.638	0.597
CR1	0.503	0.689	0.483	0.698	0.540	0.515
CR2	0.562	0.791	0.540	0.710	0.597	0.577
CR3	0.666	0.812	0.638	0.769	0.661	0.671
CR4	0.547	0.757	0.526	0.671	0.576	0.556
SQ1	0.808	0.741	0.900	0.718	0.761	0.884

SQ2	0.837	0.797	0.938	0.811	0.811	0.888
SQ3	0.797	0.739	0.903	0.748	0.765	0.849
SQ4	0.784	0.701	0.894	0.698	0.700	0.812
LTA1	0.757	0.782	0.875	0.757	0.742	0.797
LTA2	0.744	0.768	0.849	0.751	0.723	0.768
LTA3	0.770	0.759	0.852	0.763	0.739	0.790
LTA4	0.789	0.716	0.870	0.721	0.749	0.808
SC1	0.830	0.811	0.917	0.816	0.801	0.894
SC2	0.809	0.772	0.907	0.759	0.786	0.874
SC3	0.712	0.730	0.860	0.711	0.694	0.850
SC4	0.583	0.638	0.676	0.632	0.684	0.703
CBS1	0.503	0.689	0.483	0.698	0.540	0.515
CBS2	0.658	0.644	0.696	0.752	0.752	0.714
CBS3	0.690	0.607	0.509	0.722	0.583	0.509
PQD1	0.809	0.813	0.802	0.815	0.766	0.786
PQD2	0.682	0.826	0.665	0.820	0.651	0.664
PQD3	0.725	0.724	0.701	0.798	0.795	0.705
PQ1	0.685	0.737	0.719	0.722	0.810	0.837
PQ2	0.712	0.720	0.676	0.739	0.800	0.746
PQ3	0.663	0.701	0.660	0.683	0.779	0.796
PQ4	0.723	0.743	0.759	0.765	0.850	0.785
D1	0.658	0.644	0.696	0.752	0.752	0.714
D2	0.678	0.668	0.664	0.692	0.751	0.661
D3	0.564	0.550	0.562	0.534	0.671	0.566
D4	0.606	0.622	0.612	0.596	0.744	0.642
PC1	0.540	0.613	0.555	0.561	0.671	0.562
PC2	0.537	0.545	0.546	0.537	0.679	0.577
PC3	0.542	0.603	0.552	0.582	0.697	0.592
PC4	0.743	0.763	0.733	0.778	0.840	0.753
F1	0.725	0.724	0.701	0.798	0.795	0.705
F2	0.702	0.740	0.682	0.777	0.818	0.702
F3	0.675	0.625	0.599	0.685	0.724	0.615
F4	0.649	0.667	0.664	0.664	0.764	0.679
EP1	0.685	0.737	0.719	0.722	0.810	0.837
EP2	0.663	0.701	0.660	0.683	0.779	0.796
EP3	0.830	0.811	0.917	0.816	0.801	0.894
ECP1	0.712	0.730	0.860	0.711	0.694	0.850
ECP2	0.808	0.741	0.900	0.718	0.761	0.884

Based on Table 4.4 shows that all cross loading values on each intended construct are greater than the cross loading values with the other constructs. It can be concluded that all indicators are valid and there are no problems with discriminant validity.

Construct Reliability Testing

The reliability of each latent construct is assessed using cronbach's alpha and composite reliability values, however, in addition to using cronbach's alpha and composite reliability, rho_A values can be considered to ensure the reliability of the PLS construction score, as defined in Henseler, J., et al., (2015). Cronbach's alpha and composite reliability is higher than 0.70 (Fornell & Larcker, 1981) while the rho_A value should be 0.70 or greater indicating its composite reliability.

Table 5. Construct Reliability Test Results

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)
Economic Order Quantity (EOQ)	0.945	0.947	0.952
Just-in Time (JIT)	0.962	0.963	0.965
Operational Performance (OP)	0.951	0.954	0.956
Quantity Discount (QD)	0.862	0.871	0.896
Strategic Supplier Partnership (SSP)	0.971	0.972	0.974
Sustainable Business Performance (SBP)	0.906	0.907	0.930

Table 5 shows that the results of the construct reliability test show that all latent variable values have Cronbach's alpha, rho a and composite reliability values ≥ 0.70 . Thus, the construct can be accepted for reliability.

3.2.2. Testing of Structural Models (Inner Models)

After the estimated model meets the criteria of the measuring model (outer model), the next structural model (inner model) testing is carried out. According to Ghozali (2015), the evaluation of structural models (inner models) aims to predict relationships between latent variables. Hair et al. (2017) in Ramayah et al. (2017) suggest looking at the value of the coefficient of determination (R2), the value of effect size (f2), and the fit model to assess the structural (inner model).

Coefficient of Determination Testing (R-Square)

In assessing the model with SEM-PLS begins by looking at the R-Square (R2) for each endogenous latent variable. The R-square coefficient of determination (R2) shows how much an exogenous variable explains its endogenous variable. The value of R-Square (R2) is zero to one. When the value of R-Square (R2) gets closer to one, then the independent variables provide all the information needed to predict the variation of endogenous variables. Conversely, the smaller the R-Square (R2) value, the more limited the ability of independent variables to explain the variation of endogenous variables. The value of R-Square (R2) has the disadvantage that the value of R-Square (R2) will increase every time there is the addition of one exogen variable even though the exogenous variable has no significant effect on the endogenous variable.

In this study, there is one endogenous variable, namely Entrepreneurial Intention (EI) which is influenced by 3 exogenous variables, namely Economic Order Quantity (EOQ), Just-in Time (JIT), and Strategic Supplier Partnership (SSP).

Tabel 6. Hasil Uji Koefisien Determinasi (R-Square)

Variable	R-square	R-square adjusted
Operational Performance (OP)	0.845	0.841
Sustainable Business Performance (SBP)	0.819	0.818

From Table 4.6 above, the value of R-Square (R2) or the coefficient of determination of the Operational Performance (OP) construct is 0.845. These results show that the endogenous Operational Performance (OP) variables can be explained by exogenous variables, namely Economic Order Quantity (EOQ), Just-in Time (JIT), Strategic Supplier Partnership (SSP), and Quantity Discount (QD) of 84.5% while the rest are explained by other exogenous variables outside this study. Based on Table 4.6 above, the value of R-Square (R2) or the coefficient of determination of the Sustainable Business Performance (SBP) construct is 0.819. These results show that the endogenous Sustainable Business Performance (SBP) variable can be explained by the exogenous variable, namely Operational Performance (OP) of 81.9% while the rest is explained by other exogenous variables outside this study.

Cohen Effect Testing (f-square)

The f2 test is known as the simultaneous test or Anova test, which is a test to see how all its free variables affect together on their bound variables. The effect size according to Cohen (1988) is small (f2>0.02), medium (f2>0.15), and large (f2>0.35).

Table 7. f-Square Test Results

Variable	f-Square	Effect Size
Economic Order Quantity (EOQ) -> Operational Performance (OP)	0.008	Small
Just-in Time (JIT) -> Operational Performance (OP)	0.019	Small
Strategic Supplier Partnership (SSP) -> Operational Performance (OP)	0.079	Small
Quantity Discount (QD) -> Operational Performance (OP)	0.138	Small
Operational Performance (OP) -> Sustainable Business Performance (SBP)	4.521	Large

Based on the test results in Table 4.7, it can be found that Economic Order Quantity (EOQ), Just-in Time (JIT), Strategic Supplier Partnership (SSP), and Quantity Discount (QD) have a small influence on Operational Performance (OP), while Operational Performance (OP) has a major influence on Sustainable Business Performance (SBP).

Fit Model Testing

Testing the fit model in this study was carried out using two testing models, including standardized root mean square residual (SRMR) and normal fit index (NFI) proposed by Hu and Bentler (1998) in Ramayah et al. (2017) that the model will be considered to have good fit if the value of the standardized root mean square residual (SRMR) is below 1.00 (Hair, et al., 2014). Another conformity index is the normed fit index (NFI) with the calculation of the value of Chi2 (Bentler and Bonett, 1980). The Chi-square value is then compared with the given benchmark in the context of Goodness of Fit. Referring to Bentler and Bonett (1980), acceptable conformity values when using Chi-square as a measurement are greater than 0.9 (Chi2> 0.9).

Table 8. Model Fit Test Results

Fit Summary	Saturated model	Estimated model
SRMR	0.077	0.081
d_ULS	14.410	15.901
d_G	n/a	n/a
Chi-square	infinite	infinite
NFI	n/a	n/a

Based on Table 4.8, the results showed that the model in this study had a good fit because it had a standardized root mean square residual (SRMR) value below 1.00 and the normal fit index (NFI) and Chi-square values were not detected in this study because the models in this study had quite a lot of pathways.

3.2.3. Hypothesis test

This hypothesis testing stage is carried out after the structural model evaluation stage is carried out. This stage is carried out to find out whether the research hypothesis proposed on the research model is accepted or rejected. To test the proposed hypothesis, it can be seen from the value of path coefficients and T-Statistical values through the bootstrapping procedure. The hypothesis proposed is as follows:

- H1: The Economic Order Quantity (EOQ) strategy significantly and positively improves Operational Performance (OP) in staple food traders.
- H2: Just-in Time (JIT) strategy significantly and positively improves OP Operational Performance (OP) in staple food traders.
- H3: Strategic Supplier Partnership (SSP) significantly and positively improves Operational Performance (OP) in staple food traders.

- H4: The Quantity Discount (QD) strategy significantly and positively improves Operational Performance (OP) in staple food traders.
- H5: Operational Performance (OP) significantly and positively improves Sustainable Business Performance (SBP) in staple food traders.

According to Hair et al. (2014), the value of the path coefficient that is in the range of values -1 to +1, where the value of the path coefficient close to +1 represents a strong positive relationship and the value of the path coefficient that is -1 indicates a strong negative relationship. Meanwhile, the limit of T-statistical values to reject and accept the proposed hypothesis is ± 1.96 , where if the T-statistical value is in the range of values -1.96 and 1.96 then the hypothesis will be rejected or in other words accept the null hypothesis (H0). While T-Statistic (bootstrapping) is used to see which significance value between constructs. Hair et al. (2017) in Ramayah et al. (2017) suggest bootstrapping procedure with a re-sample value of 5,000. The limit for rejecting and accepting the proposed hypothesis is ± 1.96 , where if the t-statistical values are in the range of values -1.96 and 1.96 then the hypothesis will be rejected or in other words accept the null hypothesis (H0).

Based on Figure 2, Table 7 and Table 9, it can be seen that Economic Order Quantity (EOQ) and Just in Time (JIT) do not affect Operational Performance (OP) while Strategic Supplier Partnership (SSP) and Quantity Discount (QD) significantly and positively improve Operational Performance (OP), as well as Operational Performance (OP) significantly and positively improve Sustainable Business Performance (SBP). This is shown by the test results between Economic Order Quantity (EOQ) and Operational Performance (OP) showing the T-Statistical value of 0.976 (<1.96), f-square value of 0.008 and p-value of 0.329 (>0.05), test results between Just in Time (JIT) and Operational Performance (OP) showing the existence of a T-Statistical value of 1,410 (<1.96), an f-square value of 0.019 and a p-value of 0.159 (>0.05), while the results of the Strategic Supplier Partnership (SSP) and Quantity Discount (QD) hypothesis tests with Operational Performance (OP) respectively showed the existence of T-Statistical values of 2,622 and 3,811 (>1.96), f-square values of 0.079 and 0.138 and p-values of 0.009 and 0.000 (<0.05), test results between Operational Performance (OP) and Sustainable Business Performance (SBP) showed the existence of T-Statistical values of 56,971 (>1.96), The F-Square value is 4,521 and the P-value is 0.000 (<0.05). Theorem-type environments (including propositions, lemmas, corollaries etc.) can be formatted as follows:

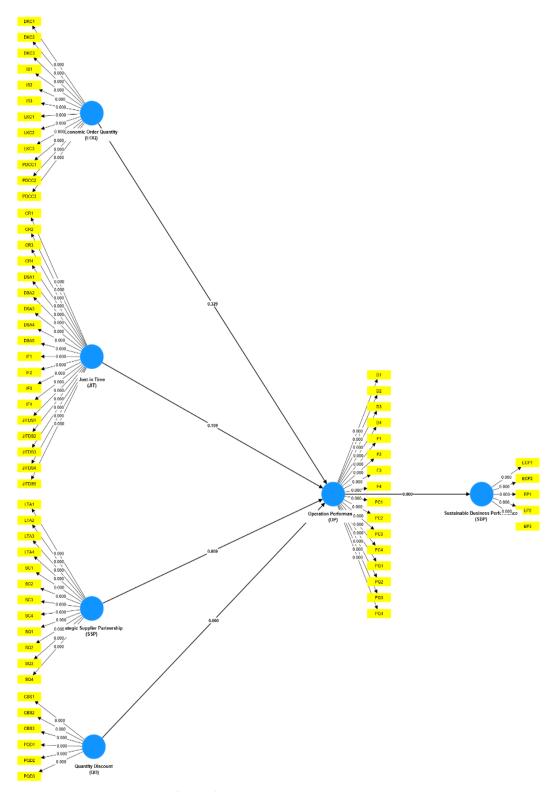


Figure 2 Bootstrapping Test Results **Source:** Smartpls 4.0 Output Results (2022)

Table 9. Hypothesis Testing Results

Hypothesis Testing	Original sample (O)	T statistics (O/STDEV)	P values
Economic Order Quantity (EOQ) ->			
Operational Performance (OP)	0.091	0.976	0.329
Just-in Time (JIT) -> Operational			
Performance (OP)	0.161	1.410	0.159
Strategic Supplier Partnership (SSP) ->			
Operational Performance (OP)	0.256	2.622	0.009
Quantity Discount (QD) -> Operational			
Performance (OP)	0.450	3.811	0.000
Operational Performance (OP) ->			
Sustainable Business Performance (SBP)	0.905	56.971	0.000

4. Discussion

This study aims to conduct a Sustainable Business Performance (SBP) analysis on staple food traders in West Java province.

Based on the test results on the Strategic Supplier Partnership (SSP) and Quantity Discount (QD) against Operational Performance (OP) respectively, it shows the presence of T-Statistical values of 2,622 and 3,811 (>1.96), f-square values of 0.079 and 0.138 as well as p-value values of 0.009 and 0.000 (<0.05) so that it can be concluded that the third (H3) and fourth (H4) hypotheses are accepted where the Strategic Supplier Partnership (SSP) and Quantity Discount (QD) positively and significantly increase the Operational Performance (OP). This is in accordance with the research of Hussain et al. (2014), Khan & Siddiqui (2018), Lwiki et al. (2013) and Srinivasan et al. (2011) which states that traders manage their inventory by developing strong and long-term partnerships with suppliers, encouraging suppliers to develop large capacities. The Strategic Supplier Partnership (SSP) is also one of the most widely used inventory management strategies as it allows traders to share resources, skills, and expertise with their employers. This result is also supported by Hussain et al. (2014), Khan and Siddiqui (2018), Lwiki et al. (2013) and Srinivasan et al. (2011). The research found that the SSP strategy became one of the most preferred inventory strategies as it allowed traders to share resources, skills, and expertise with their key suppliers. Similarly, the Quantity Discount (QD) strategy, according to Huang, Y. S., et al. (2015) a coordination mechanism for quantity discounts is proposed to facilitate the proper dynamics between the allocation of buyer order quantity and supplier selling price.

Meanwhile, based on the test results on Economic Order Quantity (EOQ) and Just in Time (JIT) on Operational Performance (OP) shows that there are T-Statistical values of 0.976 (<1.96) and 1.410 (<1.96), f-square values of 0.008 and 0.019 respectively and p-value values of 0.329 (>0.05) and 0.159 (>0.05) so that it can be concluded that the first (H1) and second (H2) hypotheses are rejected where Economic Order Quantity (EOQ) and Just in Time (JIT) are not affects Operational Performance (OP). The results of this study are in line with research conducted by Nyamah, E. Y., et al. (2022) which found that the Just-in Time (JIT) inventory strategy was found not to affect Operational Performance (OP) activities. The JIT strategy was found to have no significant effect on the OP of trader studies because the JIT technique was not appropriately carried out in staple food traders because usually this technique is used in companies that emphasize standardization rather than customization, while in staple food merchant studies it is rare to standardize products or customize products, because staple food merchants usually only sell basic necessities supplied from suppliers without having to standardize or customize products First. On the other hand, this study is not in line with research conducted by Nyamah, E. Y., et al. (2022) which found that the Economic Order Quantity (EOQ) inventory strategy was found to affect Operational Performance (OP) activities. In this study, EOQ did not affect the operating performance of staple food traders because EOQ is usually carried out to evaluate activities in a year to plan optimal orders that need to be carried out in the future, while traditional market traders rarely carry out these plans and calculate the goods for a year at a minimum cost for a year as well.

Based on the test results on Operational Performance (OP) against Sustainable Business Performance (SBP) shows the existence of a T-Statistical value of 56,971 (>1.96), an f-square value of 4,521 and a p-value of 0.000 (<0.05). The results of this study are in line with research conducted by Raut, R. D., et al. (2019) which found that Operational Performance (OP) was found to affect Sustainable Business Performance (SBP) activities. According to Raut, R. D., et al. (2019), Dubey et al. (2017), Sharma et al. (2017), Gunasekaran et al. (2017), sustainable business performance is primarily measured by environmental performance, economic performance, and operational performance. Environmental performance includes

reducing air pollution (emissions), water, and solid pollutants. Reduced costs of energy consumption, materials, waste disposal, and service costs are economic factors. Operational performance includes precise delivery times, better capacity utilization, and quality.

5. Conclusions

Based on the results of hypothesis testing and discussion stated in the previous chapter, several conclusions can be obtained. Based on the results of the research findings, it can be known that out of 5 research hypotheses, 3 research hypotheses were found to be accepted and 2 others were rejected. From the conceptual model of research, Economic Order Quantity (EOQ) and Just-in Time (JIT) do not affect the Operational Performance (OP) of staple food traders in West Java Province while the Strategic Supplier Partnership (SSP) and Quantity Discount (QD) significantly and positively increase the Operational Performance (OP) of staple food traders in West Java Province. From the conceptual model of research, it can also be seen that Operational Performance (OP) significantly and positively increases the Sustainable Business Performance (SBP) of staple food traders in West Java Province. This study also prove that Operational Performance (OP) influenced by inventory strategies, namely Strategic Supplier Partnership (SSP) and Quantity Discount (QD) significantly and positively increases the Sustainable Business Performance (SBP) of staple food traders in West Java Province. Finally, to be able to maintain sustainable business performance in the face of many problems of climate change risks. Staple food traders in West Java Province are advised to use the supplier partnership and quantity discount strategy on their operating performance.

Appendix A Operational Variable Table

Variable	Dimension	Indicator	Item	Reference
Economic Order Quantity (EOQ)	Demand is known and constant	Customer demand for our goods can be clearly known during a certain period	DKC1	Lee, H. L. (2002); Sanni, S., et al. (2020)
		Customer demand for our goods is constant over a period	DKC2	
		Customer demand for our goods exists continuously for a certain period	DKC3	
	Lead Time is known and constant	The waiting time for the delivery of goods by the supplier can be known by the merchant	LKC1	Lee, H. L. (2002); Sanni, S., et
		Waiting time for delivery of goods by suppliers is constant over a certain period	LKC2	al. (2020)
		Waiting time for delivery of goods by fixed suppliers for each procurement of goods	LKC3	
	Procedure for determining	We use the right procedure to calculate the cost component	PDCC1	Lee, H. L. (2002); Sanni, S., et al. (2020)
	cost components	We use a valid procedure to calculate the cost component	PDCC2	
		The procedure for determining the cost component is specific to each item	PDCC3	
	Inventory Shortages	Shortage of stock of goods is not allowed	IS1	Lee, H. L. (2002);

		Traders adequately prepare themselves for inventory shortages	IS2	Sanni, S., et al. (2020)
		We make safety supplies for our goods	IS3	
Just-in-time (JIT)	Just-in-time Delivery by Suppliers	Suppliers deliver goods in a timely manner and type according to demand	JITDS1	Abdallah and Matsui (2007)
		We take daily delivery of goods from suppliers	JITDS2	-
		We may depend on the delivery of goods from suppliers	JITDS3	-
		Our suppliers connect with us with the system if there is an order for goods, they will send the goods (make to order)	JITDS4	-
		Suppliers often ship their goods to us	JITDS5	-
	Daily	We usually sell every day	DSA1	Khaireddin
	Schedule Adherence	Our store opening schedule is reasonable for our customers and employees	DSA2	M., et al. (2015)
		We usually open as planned	DSA3	-
		We open longer to get maximum revenue	DSA4	-
		We provide additional time for delays in goods	DSA5	-
	Information flow among actors	The delivery schedule of goods from the supplier is conveyed to us	IF1	Patnayakun R., et al. (2015)
		We share our sales data with suppliers	IF2	- ' '
		Inventory data can be known by suppliers as well	IF3	-
		We share information about inventory with suppliers using information technology (WhatsApp, phone, etc.)	IF4	-
	Customer Requirement	Our customers provide information to us in the process of purchasing our goods	CR1	Wong, C. Y., et al. (2011)
		Our customers are involved in our procurement process	CR2	_
		Sharing information related to our goods to customers through information technology (WhatsApp, social media, etc.)	CR3	-

		Sharing information with our customers about the price of goods	CR4	
Strategic Supplier Partnership (SSP)	Suppliers' Quality	The quality of goods is our main criterion in choosing suppliers	SQ1	Khaireddin, M., et al. (2015)
		We rely on a small number of high- quality suppliers	SQ2	
		We strive to build long-term relationships with suppliers	SQ3	
		Our suppliers are actively involved in the <i>Quality Control</i> process of our goods	SQ4	
	Long-Term Agreement	We and Suppliers work together for quite a long time	LTA1	Nyamah, E. Y., et al. (2022)
		Suppliers usually cooperate over a long period of time	LTA2	
		Suppliers do not want to cooperate in a short period of time	LTA3	
		Suppliers cooperate to supply goods in accordance with the black on white cooperation agreement	LTA4	
	Supplier Capacity	The capacity of suppliers in supplying goods is very large	SC1	Nyamah, E. Y., et al. (2022)
		We know the capacity of suppliers in supplying goods	SC2	
		The supplier's capacity to supply goods is notified to us	SC3	
		Supplier capacity is one of the keys for traders to choose suppliers	SC4	
Quantity Discount (QD)	Coordination Buyer and Supplier by Quantity Discount	There are discount promos for customers who buy goods with a certain amount	CBS1	Huang, Y. S., et al. (2015)
		There is a discount promo from the supplier if we order goods with a certain amount	CBS2	
		Suppliers and customers can negotiate with us to determine the price discount of the goods	CBS3	
	Pricing with Quantity Discount	Discounts on goods from suppliers affect the pricing of sales	PQD1	Chopra, S., et al. (2016)
		Discounts on goods from suppliers affect the order of goods placed by us	PQD2	
		To maximize profits, we need discount promos for pricing	PQD3	-

Operational Performance (OP)	Product Quality	Our goods are easy to sell to meet customer needs	PQ1	Wong, C. Y., et al. (2011)
		Get consistent quality goods with little damage	PQ2	
		Offering reliable goods that meet customer needs	PQ3	-
		High quality goods that meet the needs of our customers	PQ4	-
	Delivery	Suppliers deliver the right quantity of goods with the right type of goods	D1	Wong, C. Y., et al. (2011)
		Suppliers deliver goods quickly	D2	_ (2011)
		Suppliers provide timely delivery to us	D3	-
		Suppliers carry out the delivery process reliably to us	D4	
	Production Cost	Getting goods at low prices	PC1	Wong, C. Y., et al. (2011)
		Getting goods at low inventory costs	PC2	
		Obtaining goods with low indirect costs (marketing costs, administrative costs, etc.)	PC3	
		Offer lower prices of goods than our competitors	PC4	
	Flexibility	We can get other brand goods quickly	F1	Wong, C. Y., et al. (2011)
		We get a variety of types of goods	F2	
		We get the type of goods that are tailored to the needs of consumers	F3	
		We can get goods quickly with a large volume	F4	
Sustainable Business Performance (SBP)	Environmental Performance	We recycle packaging	EP1	Raut, R. D., et al. (2019)
		We don't litter	EP2	
		We save water usage	EP3	
	Economic	We make electrical energy savings	ECP1	
	performance	We make service cost savings	ECP2	

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