

The Role Supply Chain Management Practices in Enhancing Competitive Advantage and Firm Performance in Handloom Textile Industry

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Abstract: Handloom textile firms experience several difficulties due to inefficiencies within their supply chains, limitations in technology adoption, and increased competition. In this regard, there is a need for efficient supply chain management to boost the organizational performance of such firms. This study seeks to determine the effect of supply chain management practices on firm performance via the mediating role of sustained competitive advantage in the handloom textile industry. The research adopted a quantitative design and data were collected through purposive sampling of respondents in handloom textile firms based in Karur, Tamil Nadu. The data analysis process involved the use of PLS-SEM in SmartPLS 4 and the results indicated that supplier relationship management, information sharing, inventory management, logistics effectiveness and technology integration have significant effects on sustained competitive advantage, which has a significant effect on firm performance. The structural model showed high predictive validity, where the independent variables accounted for 68.5% ($R^2 = 0.685$) of the variance in Sustained Competitive Advantage, while Sustained Competitive Advantage explained 68.5% ($R^2 = 0.685$) of the variance in Firm Performance.

Keywords: Supply Chain Management, Handloom Textile Industry, Sustained Competitive Advantage, Firm Performance

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