

ABSTRACT

The emergence of micro, small, and medium enterprise (SME's) in Indonesia and the ever-increasing number of SME's trade sparked the development of a competitive and qualified SME's in various sectors of the industry, the one of them is creative industry. There are three major city centres of growth in the creative industry SME's in Indonesia, one of them is Bandung. In Bandung, there are various types of SME's and the largest is *fashion*. In order to realize the hopes of a competitive and qualified SME's, businessmen should be able to apply a three wheel basic functions of the company, i.e. marketing, production/operations, and finance. However, in its application, the company will suffer the constraints of each of these functions, including the operation function. Constraints on operating functions certainly cannot be separated from the problem of the complexity of the supply chain at the developing company, the company's SME'S are no exception. Therefore this research would like to know the constraints or risks that impede the performance of the supply chain SME's industry *fashion* companies in Bandung, West Java and the most dominant risk.

The number of respondents in this study was the perpetrator of the SME is 122 *fashion*. The method used is the quantitative analysis of factors. Based on the results of the research there were nine risks impeding the performance of supply chain SME's industry *fashion* companies in Bandung, West Java is the Logistic Side Risk, Corporate Strategy risk, Manufacturing side Risk, Product Risk, Transportation, Market Risk, Downside Risk, Union Strike, and Inventory.

Keywords : SMEs, Supply Chain Risk, fashion industry, factor analysis