

ENGINEERING THE CLOTHING INDUSTRY TOWARDS COMPETITIVE ADVANTAGE: A MANAGERIAL DILEMMA

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ABSTRACT

The global economy which is enhanced through changing technologies of all types is pressurizing organisations to improve productivity of their business processes. Competition is forcing organisations to focus their energy on “core competencies.” Like many industries, the clothing industry is witnessing changes in technology, diversification of labour, managerial implications while competing on the global market. The South African clothing and textile industry has the potential to create jobs, but this potential has been steadily diminishing over the last ten years before 2007 [7]. In this context the performance of the clothing industry, whether in terms of efficiency, working conditions or degree of social protection, is

unstable. The industry’s ability to generate sustainable and productive employment varies according to geographical locations.

This paper explores the experiences of employees at a clothing manufacturer in South Africa through empirical data that was gathered through a series of focus group and individual interviews and analysed in terms of the idyllic relationship between management commitment and process improvement implementation in the workplace. In the development of these insights, the study aims to inform the process of the implementation of business process improvement particularly for the clothing industry in South Africa [1].

Keywords: clothing industry, business process improvement, management commitment

LITERATURE REVIEW

The current economic distress faced by many manufacturing companies in South Africa both large and small has forced the leadership to review business performance and implement measures to reduce costs across all levels [4]. The competency of leaders comes into question when a business faces difficult times. According to the findings of a report by [10] assessing the management status in South Africa, South Africa lacks competent managers. Nienaber [10] concludes that proper and relevant education and training is critical in mastering “management” both in theory and practice.

According to [2] many companies are in the process of radical transformation aimed at achieving the ability to respond

simultaneously and efficiently to meet heightened customer requirements in quality, service, innovation, speed, and price. In a global business environment, organisations are seeking ways to maintain a competitive edge. From past studies as quoted by [6] it is widely accepted that organisations must build an effective management strategy by implementing managerial skills that embrace improvement which produces high quality products or services.

Leaders provide the driving force to create the values, expectations, goals and the systems in order to guide and sustain the pursuit of quality excellence in satisfying customer requirements and performance improvement. However, according to [10], South African managers cannot create and maintain competitive advantage and therefore neglect customers.

According to [8], the problem of poor organisational performance is rife in many organisations in South Africa. They state that this problem is further highlighted by the annual research conducted and published by the World Economic Forum. The World Competitive Reports of 1997, 1998 & 1999 indicate that South African business organisations fare exceptionally poorly when compared to other developed and developing nations. Furthermore, a few of the more disconcerting facts are that the capacity of management to identify and implement competitive practices falls in the bottom 25% for all developed and developing nations and South African organisations fall in the bottom 10% for productivity when compared with other developing nations. [8] states that this situation requires leadership of organisations in South Africa particularly to take responsibility for developing new management skills and applying these skills sensitively to their specific workforce situation [13].

LEADERSHIP COMPETENCIES

Leadership competencies can be defined as the ability to adapt effective interpersonal communication, and good decision-making skills in order to be an effective teamplayer [2]. Leadership competencies are considered important for several reasons, including the fact that they guide direction, they are measurable, and competencies can be learned [2].

According to [8]. from their study of leadership competencies in a manufacturing environment in South Africa, they recommended that the main focus of SA manufacturing companies should be instilling the following competencies; leadership with credibility, having a sense of mission and purpose, ability to communicate a vision, ability to inspire others, emotional intelligence, ability to participate fully with people on all levels, ability to detect positive qualities in others, and the willingness to share responsibility in a measure appropriate to those qualities and willingness to learn, adapt and grow since change is often a step into the unknown.

SURVEY EVIDENCE THROUGH CASE STUDY APPLICATION

A qualitative approach using a case study is used in the implementation of line balancing methodology. This production facility manufactures men's and ladies fashion wear and operates in a small town in Kwa-Zulu Natal. Currently, approximately 300 people work in the plant. The factory opened in 1970 and did not implement modern technology due to financial constraints. The facility had 16 supervisors and a plant manager.

The plant manager agreed to perform a pilot project on line balancing to determine its effectiveness. The sewing department used to the bundle system of manufacture. Work is passed to sewing machines in bundles of cut pieces. The number of cut parts in the bundle may vary according to weight or the complexity of operations required, but the principle remains the same: the operator unties the bundles, sews the cut parts together, re-ties the bundle, processes the work ticket and places the bundle into a bin or on a transporter system (a U shaped manual conveyor). The bundle then goes to another machinist who repeats a similar sequence; a bundle may be tied and untied several times before it completes its lengthy journey. Units move from operator to operator for completion of the respective operation. The bundle production system is a prominent production system used in the clothing industry. Manufacturers use it as a "buffer feeder" and fail to implement process improvement techniques to enhance production flow. Bundles of work-in-progress are found at workstations and sub-assemblies [3].

Before the year 2000 the production facility was accustomed to lot sizes of between 2000 and 10000 units per order. Currently, there are lot sizes of approximately 100 units per order. The garments were not as complex in construction as the ones received currently. The factory was "flooded" with high lots of work-in-process throughout the plant. Employees who were loyal and employed for the last 30 years said that the environment in which they worked was hostile and they did the same operation for several

years. It is important to note that there was no process improvement methodologies implemented at this organisation.

RESULTS AND DISCUSSION

This section contains a qualitative discussion of the experiences of the people involved in the implementation of line balancing in the organisation. Employees felt that management commitment and education/training is the most important aspect of any initiative in an organisation[6].

LEADERSHIP QUALITIES

The workforce of the organisation complained that management did not treat them as “assets” of the organisation. They claimed that they are often treated poorly and management would not consider their views on issues. Labour relations are considered “sub-standard” as management regard workers as another “input” for production. Workers mentioned that all management is concerned about is production, and didn’t care how it is achieved. The portrayal of an authoritative management style is common in the clothing industry due to its labour intensity. But the ability to improve the morale through the philosophy of total management could have a positive impact on the output performance of the industry [12].

The organisation realised the benefits of work-study principles, but complained that they did not have the capacity to apply the process improvement principles. The implementation of innovative practices with regards to production techniques, design and development of production, manufacturing processes, supply chain management and labour relations should enable clothing manufacturers to maintain and grow within the industry. The multitude and magnitude of challenges facing the SA clothing and textile industry are clear from the information presented. Both the domestic and international markets are demanding and require a new operating framework that could assist in the survival of the industry.

Management commitment

Any change in the organisation stems from top management. Commitment from management drives the process of change and nothing can be achieved if management does not support the initiative. Once management gives their approval any change is possible, but employees need to understand and support the changes for it to be successful. Management realised that in order to counteract the competitive pressures of the industry they would try out the line balancing methodology. Employees were delighted that the plant manager supported the initiative and frequently visited to find out how they were performing. An employee of the team briefly summarized how he felt.

Any project has to have the “blessings” of management and the acceptance from employees for it to be successful. The managing director of the organisation initiated the process of change in terms of funding labour for the project. Support from management, especially in terms of funding is important for a project of this nature.

The planning, organising, leading and controlling of the project are important as it would benefit the organisation over a period of time. The clothing industry is in need of radical change that would be able to counteract the competition faced. Employees were thankful that they had commitment and the necessary expertise from the management team.

Education and training

A number of training sessions were held with the team of employees to provide orientation with the objectives of the project. Employees held discussions regarding their concerns so that everybody understood their role in the project. The researcher explained that this was a pilot project for the purpose of adding value to the organisation and if it did not work, they would revert back to the old system.

The organisation invested in training and development of employees on an ongoing basis. It was mentioned that training of employees in the latest developments would enhance

employee skills and workers would embrace changes in future. Another employee's experiences was that people would be willing to change if they knew what the change was all about and how it would impact on their work. Mention was made that employee involvement from the very outset would clear any negativity that may be spread through the grapevine within the organisation. It was said that management discussions behind closed doors regarding changes are unhealthy for an organisation. Open communication and the building of trust among the people are extremely important.

An employee mentioned that learning can only take place by change in attitude and behaviour. She also mentioned that training makes employees aware of what is happening and what to expect and it removes barriers between people and is also a great motivator for the workforce.

Another employee mentioned that the concept would be ineffective and that government intervention was the only way that the industry could be saved. The researcher interacted with the individual and convinced him of the way forward. The employee admitted that he was sceptical and did not want change, but since there was communication with management and training of workers, he would "go with the flow." The comments suggest that a project such as this needs education, training, communication and management support.

Open communication is important in a project. The sharing of information between management and employees enhances the success of the project [5]. It was mentioned that the dissemination of too much information and the interpretation of the information could cause problems within the work environment. The "grapevine" misinterprets information and employees become despondent. It was mentioned that 15 years ago operators were not allowed to speak and at present communication is encouraged.

An employee mentioned that "this was quite a change for them." It was mentioned that approximately 15 years ago the floor manager had an elevated office at a centralised point on

the machine floor where there was a clear view of all employees. "Management by walk about" (MBWA) had become a prominent feature in the clothing industry. It was mentioned that the manager should be a part of the team on the production floor, know the employees by name and understand the problems experienced. Much could be achieved if team-work is implemented throughout the organisation and all employees strive to achieve the mission and vision of the organisation. Human assets need to be appreciated to enhance their motivational level. Working together could "change a mountain into a molehill," mentioned an employee.

It was mentioned that employees were often ignored and management made all the decisions. Issues such as product quality, customer expectations, productivity were never disclosed to employees. A motivated workforce can achieve labour efficiency without the pressure from management. It was explained that communication among the employees and management improved quality of production and an empowered employee could definitely add value to the organisation, no matter what problems were faced.

The implementation process outcome elucidates that active employee participation with knowledge sharing could improve the performance of the organisation. Sharing information about the costs that go into production and the financial position of the organisation makes employees understand the importance of "right the first time, every time." With work-study officers involved in the process, all work measurement and method study evaluations were done with the team that shared ideas on methods and ergonomics. With the adoption of transparency in all activities employees understood their situation and that of the organisation.

RECOMMENDATION

Strategic focus for manufacturing excellence

The objective of this strategy is on the improvement of quality production, cost and delivery through the application of seven

elements. [9] defines “quality as the development of customer closeness where the workforce understands customer requirements and aims to fulfil these requirements. The researcher concurs with Ng and Hung and considers their approach valuable for the development of the strategies applicable to the clothing industry.

Management approach

- Development of an organisational culture that practices an open and participative management style that supports innovation
- Set achievable goals for the organisation and measure against set standards.
- Understand the production processes and capabilities thoroughly.
- Remove barriers between departments so that processes are seamless to achieve optimal customer satisfaction.
- Manage processes across functional boundaries.
- Managers are to be seen regularly on the production line, engineers in the proximity of the process and there should be regular face to face communication

Manufacturing strategy

- Institute a clear vision and mission of the organization with a long term plan that is understood by everyone;
- Ensure continuous improvement of manufacturing operations.
- Understand globalisation and the impact on the organisation. Develop an understanding of competitive forces.
- Create a plan of action through the involvement of stakeholders in the decision making process.
- All employees should participate in understanding and sharing the strategic intent of the organisation.
- Examine strategies on a regular basis to maintain its applicability.
- Keep abreast with the latest developments that may affect the organisation.

Organisation

- Flatter structures enable effective communication.
- Eliminate “silos” and encourage teamwork between departments.
- Create relationships with strategic stakeholders, suppliers and customers (and even competitors).

Manufacturing capabilities

- Adopt process improvement principles in product, delivery and service in all operations.
- Create operations that are adaptable to customer needs.
- Engineer operations towards the elimination of non-conformances.
- Eliminate harm to the environment by determining the impact of processes.

Performance measurement

- Measure customer satisfaction.
- Create measurement systems that enhance productivity.
- Apply business management principles.
- Align the performance measurement system to the organisation’s strategic objectives.

Human assets

- Empower employees to strive for the accomplishment of the organizations the goals.
- Supervision should be removed and coaching and mentoring should be implemented.
- Coaches should promote team development, team problem solving and team performance rewards.
- Create an enabling environment where change is embraced.
- Initiate comprehensive programmes of learning and development for continuous improvement.
- Treat the workforce as assets of the organisation and encourage loyalty among employees.

Technology

- Strategize towards technological advancement.
- Understand the competitive status and implement technology accordingly
- Align upgrades with infrastructure
- Implement software solutions that provide on time information [11].

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