

Qualitative Analysis on Supply Chain Management on Garments Industry in Bangladesh: From Modern Perspective Era

Mohammad Shahparan

Silk Road International University of Tourism and Cultural Heritage, Smarkand

Corresponding Author: Mohammad Shahparan,

mohammad.shahparan.uots@gmail.com

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ABSTRACT

This paper aims to locate the idea of supply chain management in the garments industry in Bangladesh from modern perspective era. The export-based garments industry has some special qualities, which is different from other businesses. Different kinds of parties like as the suppliers, manufacturers, buyers, etc. are involved in different steps of the supply chain of garments industry in modern era. They all are follow the modern information technology which is uses in garments industry, procurement, manufacturing, replenishment, customer order every sector is used technology to reach the goals and objectives. Modern information technology is dissected with the assistance of weighted arithmetic mean and it has been concluded that a huge number of supply chain management practices are being embraced by the garments industries.

INTRODUCTION

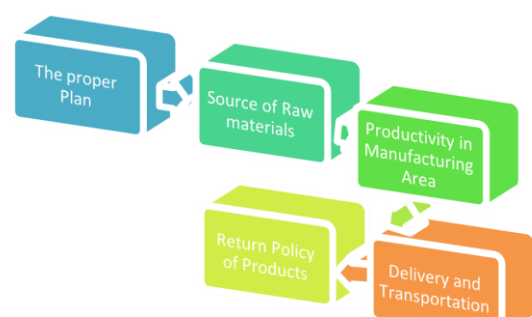
Bangladesh is one of the most export trade has countries of garments and Apparel products in the international market. Generally Bangladesh started their garments industry in the late of 1970s. After 10 years later Bangladesh expended it very quickly without any restrictions of business rules and regulations. Than after 20 years latter it spread

tremendously in 1990s and it became the crucial part of economy .It has contributed to change the economic status in Bangladesh. This garments industry in Bangladesh hold a long time sound economic status of Bangladesh. Bangladesh is now hold second position as exporter of clothing after China all over the world. RMG make up 80 percent of the country's \$24 billion in annual exports and 15 percent share of

GDP (Anner, Bair & Blasi, 2017). Consultancy firm McKinsey and Company has said Bangladesh could twice its garments exports in the next 10 years. Bangladesh is one of the biggest exporters of garments products employing a great share percent of the labor force in the country. Bangladesh exported garments worth USD 3.8bn in December 2021 and this took the annual export figure to USD 35.57bn. This figure was USD 2.5bn higher than the previous record of USD 33.07bn which was set in 2019.(Uddin Mostafiz ,2022) .The garments industry is one of the largest industry in Bangladesh and is still expanding, Though it faces some important challenges, principally because the country does not produce enough raw materials which is necessary, trade policies, and lack of encouragements for development. I look below charts which represent the picture of the export of garments in comparative total export from Bangladesh. Supply chain management systems support in decrease catalog, operational costs, reduce order cycle time, improved asset productivity as well as improvement the companies' responsiveness to the market. Besides these benefits, the apparel industry can achieve a quick response through efficient supply chain management practices. Quick response is a concept about the collaboration and sharing of information among manufacturers, suppliers, and distributors, allowing them to respond more rapidly to the needs of the customers. From this above chart find that total garments export from Bangladesh, starting from 1984 to 2019. We can easily understand from this chart how the garments sector contributes to the Bangladesh economy.

LITERATURE REVIEW

Supply chain management is the management of the flow of products and services and includes all processes that transform raw materials into final products. It involves the active streamlining of a business's supply-side activities to maximize customer value and gain a competitive advantage within the marketplace. Supply chain management represents an attempt by suppliers to develop and implement supply chains that are as efficient and economical as possible. Supply chains cover everything from production to development to the knowledge systems needed to direct these undertakings. (ADAM HAYES, AMY DRURY;2020).Typically, SCM attempts to centrally control or link the assembly, shipment, and distribution of a product. By managing the availability chain, companies are ready to cut excess costs and deliver products to the buyer faster. This is often done by keeping tighter control of internal inventories, internal production, distribution, sales, and therefore the inventories of company vendors. SCM is predicated on the thought that almost every product that involves market results from the efforts of varied organizations that structure a supply chain. Although supply chain management has stayed for ages, most companies have only nowadays given attention to them as a value-add to their operations. In SCM, the availability chain manager coordinates the logistics of all aspects of the availability chain which consists of five parts:



BGMEA and BKMEA reports, audit reports, Bangladesh Economic review, newspapers, and publications on Bangladesh. Published and unpublished materials and papers available on the internet have also been reviewed for the purpose. On the other hand, interviews of professionals and merchants.

Figure 1. Components of Supply chain Management.

We know that nothing is possible to gain without proper planning, Planning is the primary requirement of all garments industry .The supply chain management system tries to every time shortages and keep costs down. The work isn't not only about logistics and buying inventory. Consistent with supply chain managers, make recommendations to grow productivity, high quality, and efficiency of operations. Many public know about the concept of supply chain management but many are of them not sure how to use and how to plan for the proper supply chain management.

Supply Chain management is very multidimensional. In the readymade garments sector the SCM is even more complex due to the features of global supply chain. Now is the time to consider for the decision maker and planner in Bangladesh to implement of supply chain management properly. It will happen with much more curiosity and productivity (Jasmine, Afrin;2016).

METHODS

The data have been collected on a primary as well as on a secondary basis. The study is mainly based on secondary data and absolutely on primary data. The secondary data have been collected from different books, journals, articles, online databases, digital libraries,

RESULT AND DISCUSSION

The garments industry is very vast and dynamic industry producing millions of garments per day. It need to minimize the direct or indirect costs engaged with the production of the garments and the right solutions to use the supply chain management. If supply chain management can properly use in the garments sector, it will be less cost and reduce the unnecessary cost of production.

There are three important flow of garments industry in Bangladesh which is involved in success of garments business with other countries. These three types of important flow are Information Flow, Materials and Goods Flow, Fund Flow.



Figure 2. Flow of Supply Chain Management in Garments Sector

Information Flow plays a crucial role in the garments sector, Information flow is about knowledge of supplier,

manufacturer, goods, service, distributors, consumers etc. This flow can be one side or both side of supplier, manufacturer, goods, service, distributors, consumers etc. Without a smooth flow of information this unable to work correctly. Information about market demand and what kind of trend are running must convey the respective people so that they can plan and easily arrange the raw materials from different sources.

Materials & Goods flow is flow from supplier to the manufactures than distributors to consumers. Fund flow related to the materials flow. Fund flow and the materials flow are the same like as one coin two side of this coin.

Supply chain management in garments industry in Bangladesh:

Supply Chain may be a progression by which unprocessed materials like accessories makeover from Supplier to Garment Industries within the bartering of order and payment. The general elements of the supply chain process are raw materials from textile mills to garments factory, the most important section of garments factory are printing or embroidery section, washing section, carton or poly section which are help to create the finished goods

Figure 3. Supply Chain Management cycle for Modern garments Industries in Bangladesh

Garments factory production:

The Bangladeshi Garments industry is extremely dependent on imported raw material from other countries. Raw materials are commodities that are buy and sell on commodities exchanges worldwide, Garments owners or traders buy and sell raw materials in what's called the factor market because raw materials are factors of production as are labor and capital. There are many raw materials necessary for garments industries in Bangladesh. Woven which are included different kinds of fabrics, different kind of thread, zipper, button, hook, interlining, lining, elastic, labels, tags, Poly etc. In the Knit which is combined with Yarn/Fabric, thread, button, hook, lace, elastic, labors, tags, and poly Etc.

Production of Finish goods such as dyeing, cutting, embroidery, printing, sewing, washing, garments, dyeing, dry process, finishing, and packing. After that Inspection, Inspections at all levels of production followed by final inspection and acceptance by Buyer and finally shipment which is transportation of goods by cover van up to port then by ship.

Supply Chain Management in garments Factory and Non-Government factory in Bangladesh:

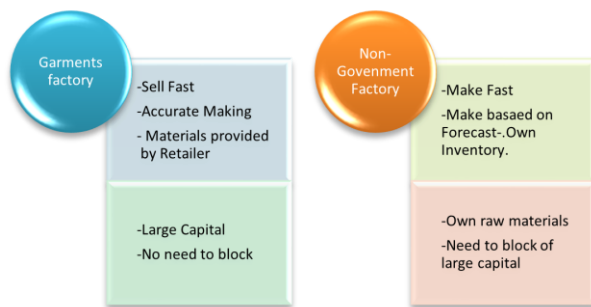


Figure 4. Garments Factory Vs Non-Government Factory.

Responsibility for supply chain management in the garments industry from modern perspective era:

Marketing is the most common issue for garments industry in Bangladesh, The main aim of industry to negotiates with the buyers from different sources and confirm the orders of goods. Now a days it is happen in online with the help of different modern equipment's of IoT. Seller negotiates with buyer via social media platforms as a result it save the time and can make order decision quickly.

The second task of garments industry in Bangladesh is merchandising. By merchandising can make estimate of materials and can arrange procurement easily. It can monitors all kind activities as an example from order to shipment.

The third task is storage of raw materials and experiment in right way. Raw materials are the primary sources of production. The huge amount of production depends on the raw materials, so raw material can be storage in the smart warehouses, in the smart warehouses raw materials are remain in good and can easily observe by the

contribution of information technology tools.

Ensure of Timely Shipment:

Merchandise to maintain complete monitoring from order to shipment .should use separate to CPM diagram for each PO and identify bottlenecks for action. Production monitoring by production Team from cutting to shipment.

CONCLUSION AND RECOMMENDATION

Supply chain management actually is nothing but it is one kind of important discipline that control properly in garments sector in Bangladesh the stages of supply through all the proper stages of a production cycle. The Garment Industry industries in Bangladesh play a significant role in international business sector as well as the sector of economy and labor forces. If we observed at the garments industries in Bangladesh the export rate from the beginning from the 1980s to 2019's then we can easily understand the evolution of this process. Supply Chain management process in the garments sectors is developing day by day in the modern etc. Bangladeshi garments sectors now can competent in the global markets easily for their proper management of supply chain. Now a days the Garments sectors of Bangladesh follow the standard procedure of supply chain management and can gain the famous of the garments industry worldwide. Bangladesh garments industry follows the conceptual model invented by the researcher in this exploratory research then it will be more effective to efficient in the global market. The findings of this paper provide educators and lectures with ideas for teacher and learning resources for

students. This paper will help garments industries related people to focus their aim more quickly and efficiently about the supply chain management in garments sector in future.

In Garment sector Supply Chain Management is the more beneficial ones for producing the order to the shipment from the beginning to last stage accurately as per the garments factory and the buyer's contract. Buyers around the sectors force product as they want it when they want it, and the best possible price so that the supply chain management can do a lot to this concern in reality with accurately. Supply chain management different in garments factories to other factories. The most important of garments sector is inventory management system that should be improved. On the other hand it is required to teamwork for improvement in garments sectors by follow the supply chain management system. If any garments sector follow the monitoring, scheduling and controlling support without any problem than the garments industry will be more and more beneficiary. Some important modern tools like as ERP software, CPM can be used for developing the garments sector in Bangladesh.

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