

# **A study on enhancing the learning capability of knitted garment export industry in tirupur: emphasis on influencing factors and opportunities**

\* Ms. Jayabharathi

## **ABSTRACT**

*The global business milieu today is turbulent than ever before and today's organizations are forced to find innovative ways of managing business to cope up with the environmental pressures. Indian organizations are no exception. In the current scenario of economic recession and stringent business challenges, they are forced to learn continuously and update their competencies to survive and grow in the long run. In this knowledge driven world, Learning has become a necessity. It is a never-ending process. It adds value, gives confidence and steers an organization along the road to prosperity. It is in this context, the concepts like Organizational Learning, Learning Organization, Knowledge Management etc. have gained momentum. This paper elaborates upon a study conducted to examine the facilitating and inhibiting factors that influence the learning capability; and various learning opportunities of select knitted garment export units at Tirupur, one of the prominent knitted garment export hubs in India. The Research is descriptive in nature and survey method is used for collection of data. Data was collected from a sample of 191 knitted garment export units in Tirupur. A judicious combination of relevant statistical tools was used to bring out useful findings. The major findings of the study indicated that the extent of possession of learning facilitating factors and inhibiting factors; and utilization of learning opportunities in Tirupur knitted garment export units is moderate. There are significant differences found across select categories of the industry in all learning aspects. Based on the results, the study proposes suggestions for improvement in areas like learning from external sources, promotion of organization wide learning and implementation of learning oriented Human Resource practices.*

## Introduction

Turbulence and uncertainty are hallmarks of the current business scenario. The significant forces that necessitate Organizational learning are global competition, technology growth, changing workplace, worker diversity and dynamics, increasing power of customers, knowledge orientation, changes in employee profiles etc. These changes are forcing organizations to learn continuously from the environment and modify their internal policies, systems and processes to respond to the changes. They are pressed to learn continuously and update their competencies to combat competition and prosper in the long run. Slow learners or complacent organizations may have to settle for low market share and eventually face expulsion from the business. Continuous learning can help them to keep track of environmental demands and respond quickly. They can accomplish organizational goals by encouraging their employees to learn continuously and update their skills. Learning is not a mere process or by-product; but a necessity in the current scenario.

The present study is conducted to identify and analyze the various influencing factors that affect the learning capability; and the utilization of learning opportunities in a dynamic industry like knitted garment export industry in Tirupur, a prominent knitted garment export centre in India.

It elaborates upon the different facilitating factors, inhibiting factors and practical opportunities that form avenues for developing the learning capability of the knitted garment export units. The units were categorized based on years of existence, size and performance to check for any differences in the influencing factors and utilization of the learning opportunities. The study offers suggestions to improve the learning capability of the units to face the challenges posed by external environment.

## Learning Capability of Organizations

Learning is a universal phenomenon and is as old as mankind. From ancient times, man learned various things for survival and growth. Without learning, he would not have progressed in various facets of life. It is a fundamental law of ecology that for any organism to survive, its rate of learning must be equal to or greater than, the rate of change in its environment. It is true of organizations also and hence to survive in the fast changing environment, today's organizations have to learn systematically. The distinctive advantage for organizations comes from learning faster than the competitors. In the present business parlance, knowledge and information are being increasingly described as resources, power bases, assets, competitive advantage and strategic weapons. The current trade scenario is facing stringent challenges than ever before. There is an increasing need for an ongoing information exchange

between individual organizations and the external environment. This exchange can help the firms to manage turbulent changes and crisis situations so that they can respond well ahead of their competitors. All this, evidently, leads to the fact that today's organizations have to become true learning organizations in all aspects to survive in the business. In dynamic business situations, organizations have to become capable of fostering continuous learning by its employees and itself.

### **Tirupur knitted garment export industry**

The apparel industry in India includes woven and knitted sectors. Knitted garments have now made a good mark in exports because of its comfort and demand in major countries, leading to an exceptional growth. The chief knitted garment export hubs in India are Tirupur, Ludhiana, Delhi, Kolkata and Mumbai. Out of these centres, Tirupur knitted garment export sector is one of the prominent earners of foreign exchange. This industry is also called as Hosiery sector, Hosiery garment sector, Knitted garment apparel sector and Knitted garment sector. The knitted garment export industry of Tirupur was protected by secured orders through quotas till 2004. From January 2005, the industry is in the free trade regime. From then, heavy competition has surged in the sector and the export units are compelled to learn faster than their competitors. Its learning needs have increased and continuous adaptation

to the environmental changes is demanded. To remain competitive in prices and still make profits, there is a need to improve productivity and learning capabilities. Becoming true Learning organizations can help the knitted garment export units to manage the current environmental demands. Despite various problems, the industry is continuing to be a major contributor to the Indian export earnings, with a strong network of Supporting institutions and commitment to growth.

#### **Influencing factors and opportunities for enhancing learning capability**

There are many factors that influence the learning capability of the knitted garment export units in Tirupur. Keeping track of the environment is a necessity for the units especially in times of economic recession and cut throat competition. Continuous improvement of the learning capability will help the units to be updated of the environmental demands and be responsive and proactive to rapid changes. Some of the facilitating factors that influence learning capability of the knitted garment export units in Tirupur are identified as Corporate philosophy and policies; Leadership, Organization structure, culture, climate and communication; HR policies and practices; etc. Some of the inhibiting factors that hinder the enhancement of learning capability of the units are identified as Unorganized worker

groups; Risk averse attitude; High resistance to change etc. Some of the learning opportunities are identified as the job itself; Job rotation; Training programmes and the like.

### **Objectives and hypotheses of the study**

The major objectives of the study are as follows.

1. To analyze the factors that facilitates learning in the knitted garment export units.
2. To analyze the factors that inhibits learning in the knitted garment export units.
3. To analyze the learning opportunities utilized by the knitted garment export units.
4. To analyze the influencing factors and opportunities for learning in general and across categories of the knitted garment export units.

Based on the above objectives of the study, the following hypotheses are framed.

1. There is no significant difference in the mean scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'experience'.
2. There is no significant difference in the mean scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'annual turnover'
3. There is no significant difference in the mean

scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'number of employees'

### **Research methodology**

The study is descriptive in nature and survey method was used to collect data. The universe consists of all the knitted garment export units in Tirupur. A sample of 191 units was selected using simple random sampling technique. The study utilizes both primary and secondary data. The primary data was collected from the respondent units using a schedule. The secondary data was collected from the manuals, booklets, journals and internet. The statistical tools used for data analysis are simple percentage analysis, average score analysis and one way ANOVA. The organizational categories like Age of the organization (represented by experience), Size of the organization (represented by number of employees) and Performance of the organization (represented by annual turnover) are used for detailed analysis. The results of these analyses are meaningfully interpreted and recommendations are proposed to improve the learning capability of the knitted garment export units in Tirupur.

#### **Analysis of influencing factors and learning opportunities**

The results and discussions of the analysis of influencing factors for learning capability of knitted garment export units in Tirupur and their learning opportunities are as follows.

**Table - 1**

**Means and standard deviations of influencing factors and opportunities for enhancing learning capability**

S. No.	Factor	Mean	Standard deviation
1.	Facilitating factors	38.91	7.61
2.	Inhibiting factors	42.07	7.77
3.	Opportunities	44.00	6.9

The above table shows the means and standard deviations of facilitating factors and inhibiting factors; and opportunities for enhancing learning capability of the respondent units. These values are used to segregate the responses into low, medium and high categories.

**Table - 2**

**Extent of possession of facilitating factors for learning**

S. No.	Extent of possession	No. of respondent units	Percentage
1.	Low	32	16.75
2.	Moderate	115	60.21
3.	High	44	23.04

The above table shows the extent of possession of facilitating factors for learning in the respondent units. It is clear from the table that majority of the respondent units (60.21 %) possess facilitating factors to a 'moderate' extent. A vast majority of the firms are found to possess either low or moderate level of facilitating factors and they need improvement.

**Table - 3**

**Extent of possession of inhibiting factors for learning**

<b>S. No.</b>	<b>Extent of possession</b>	<b>No. of respondent units</b>	<b>Percentage</b>
1.	Low	5	2.62
2.	Moderate	149	78.01
3.	High	37	19.37

It is clear from the above table that majority of the respondent units (78.01 %) possess inhibiting factors for learning to a 'moderate' extent. A vast majority of the firms are found to possess either moderate or high level of inhibiting factors and they need to be removed for better learning.

**Table - 4**

**Extent of utilization of learning opportunities**

<b>S. No.</b>	<b>Extent of possession</b>	<b>No. of respondent units</b>	<b>Percentage</b>
1.	Low	37	19.37
2.	Moderate	127	66.49
3.	High	27	14.14

It is clear from the above table that majority of the respondent units (66.49%) utilize Learning opportunities to a 'moderate' extent. A vast majority of the firms are found to utilize Learning opportunities either to a moderate or low extent.

**Table - 5**

**Mean scores of facilitating factors for learning**

<b>S. No.</b>	<b>Facilitating Factors</b>	<b>Mean Score</b>
1.	Corporate philosophy and policies	3.48
2.	Leadership	3.74
3.	Organization structure	3.13
4.	Organization culture	3.18
5.	Organization climate	3.17
6.	Organization communication	3.21
7.	HR policies and practices	2.99
8.	Reward system	3.12
9.	Working conditions	3.09
10.	Welfare facilities	2.97
11.	Training	3.00
12.	Assistance from Supporting Institutions	3.82

The above table shows the mean scores of various facilitating factors for enhancing learning capability. It is clear that the factors 'Assistance from supporting institutions', 'Leadership' and 'Corporate philosophy and policies' are prominent compared to others. These factors should be strengthened for better learning in the organizations. Also, it can be noted that the factors 'HR polices and practices' and 'Welfare facilities' are lower than the others. These factors should be improved for enhancing learning in the firms.

**Table – 6**

**Mean scores of inhibiting factors for learning**

<b>S. No.</b>	<b>Inhibiting factors</b>	<b>Mean Scores</b>
1.	Unorganized worker groups	2.91
2.	Risk averse attitude	2.93
3.	High resistance to change	2.91
4.	Fixation on job description boundaries	2.90
5.	Lack of time for experimentation	3.34
6.	Low interest and willingness to learn	2.63
7.	Rapid changes in fashion trends	2.06
8.	Buyer norms	2.68
9.	High costliness of mistakes	2.70
10.	High vertical integration	2.68
11.	Export Procedures and regulations	2.98
12.	Post quota challenges	2.97
13.	Certification / Accreditation norms	2.93
14.	Tight Delivery Schedules	2.72
15.	Increasing Competition	2.73

The above table shows the mean scores of various inhibiting factors for learning. It is clear that the factors 'Lack of time for experimentation', 'Export procedures and regulations' and 'Post quota challenges' are prominent than the others. These factors should be managed for better learning in the organizations. Also, we can see that the factors 'Rapid changes in fashion trends' and 'Low interest and willingness to learn' are lower than the others. These factors are found not to inhibit learning much, but however they have to be managed for better learning.



**Table – 7**

**Mean scores of learning opportunities**

<b>S. No.</b>	<b>Learning opportunities</b>	<b>Mean Scores</b>
1.	The Job itself	4.30
2.	Job Rotation	2.74
3.	Training Programmes	4.34
4.	Services of Supporting Institutions	2.82
5.	Visits abroad by Key People	1.58
6.	Knowledge Sharing Forums	2.93
7.	Journals, Magazines & Industry Publications	2.98
8.	Internet, Intranet, & e-learning tools	3.27
9.	Periodical Meetings	3.60
10.	Committees & Task groups	2.73
11.	Employee Suggestion Schemes	2.73
12.	Formal & Informal Work Teams	2.74
13.	Discussions with Buyers	4.43
14.	Discussions with Trade Partners	2.81

The above table shows the mean scores of various Learning opportunities. It is clear that the opportunities 'Discussions with buyers', 'Training programmes' and 'The job itself' are prominent than the others. These opportunities are utilized more than the others and can be strengthened to improve learning. Also, we can see that the opportunities 'Visits abroad by key people', 'Committees and task groups' and 'Employee suggestion schemes' are utilized comparatively lesser than the others. These opportunities have to be utilized more to enhance learning in the knitted garment export units.

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Table – 8

**'F' ratios for the influencing factors and opportunities for learning in relation to experience of the respondent units**

Variables	F Value	P Value	Significance
Facilitating factors	67.913	0.00	*
Inhibiting factors	9.673	0.00	*
Opportunities	23.592	0.00	*

\* Significant at 0.05 level (pd" 0.05)

#### **Null Hypothesis 1:**

There is no significant difference in the mean scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'experience'.

The above table shows that the obtained 'F' value is found to be statistically significant at 0.05 level. It indicates that the mean scores the factors and opportunities differ significantly across different categories of knitted garment export units categorized on the basis of experience. Hence the null hypothesis is rejected. The results imply that possession of various facilitating factors; inhibiting factors and opportunities for learning differ across new and old organizations. Therefore, Hypothesis 1 is accepted.

**Table 9**

**'F' ratios for the influencing factors and opportunities for learning in relation to annual turnover of the respondent units**

<b>Variables</b>	<b>F Value</b>	<b>P Value</b>	<b>Significance</b>
Facilitating factors	45.002	0.00	*
Inhibiting factors	8.069	0.00	*
Opportunities	9.259	0.00	*

\* Significant at 0.05 level (pd" 0.05)

**Null Hypothesis 2:**

There is no significant difference in the mean scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'annual turnover'.

The above table shows that the obtained 'F' value is found to be statistically significant at 0.05 level. It indicates that the mean scores the factors and opportunities differ significantly across different categories of knitted garment export units categorized on the basis of annual turnover. Hence the null hypothesis is rejected. The results imply that possession of various facilitating factors; inhibiting factors and opportunities for learning differ across high and low performing organizations. Therefore, Hypothesis 2 is accepted.

**Table 10**

**'F' ratios for the influencing factors and opportunities for learning in relation to number of employees of the respondent units**

<b>Variables</b>	<b>F Value</b>	<b>P Value</b>	<b>Significance</b>
Facilitating factors	68.729	0.00	*
Inhibiting factors	8.121	0.00	*
Opportunities	14.123	0.00	*

\* Significant at 0.05 level (pd" 0.05)

**Null Hypothesis 3:**

There is no significant difference in the mean scores of various influencing factors and opportunities for learning across different categories of the knitted garment export units based on 'number of employees'.

The above table shows that the obtained 'F' value is found to be statistically significant at 0.05 level. It indicates that the mean scores the factors and opportunities differ significantly across different categories of knitted garment export units categorized on the basis of number of employees. Hence the null hypothesis is rejected. The results imply that possession of various facilitating factors; inhibiting factors and opportunities for learning differ across small and large organizations. Therefore, Hypothesis 3 is accepted.

## **Major findings of the study**

Based on the objectives of the study and analysis of data, the prominent findings are presented as follows.

- Majority of the knitted garment export units are found to possess the facilitating factors for learning to a moderate extent (60.21%).
  - Majority of the knitted garment export units are found to possess the inhibiting factors for learning to a moderate extent (78.01%).
  - Majority of the knitted garment export units are found to possess the learning opportunities to a moderate extent (66.49%).
  - The facilitating factors for learning 'Assistance from Supporting institutions', 'Leadership' and 'Corporate philosophy and policies' are found to be higher than the others and the factors 'HR polices and practices' and 'Welfare facilities' are found to be lower than the others.
  - The inhibiting factors for learning 'Lack of time for experimentation', 'Export procedures and regulations' and 'Post quota challenges' are found to be higher than the others and the factors 'Rapid changes in fashion trends' and 'Low interest and willingness to learn' are found to be lower than the others.
- The learning opportunities 'Discussion with buyers', 'Training programmes' and 'The job itself' are found to be utilized better than the others and the opportunities 'Visits abroad by key people', 'Committees and task groups' and 'Employee suggestion schemes' are found to be utilized lesser than the others. .
  - There is significant difference found in the facilitating factors, inhibiting factors and opportunities across various categories of the knitted garment export units categorized on the basis of age, performance and size of the knitted garment export units.

## **Suggestions for improvement**

Based on the analysis and interpretation of data, the following suggestions were proposed to the knitted garment export units in Tirupur for enhancing their learning capabilities.

- The facilitating factors like 'HR policies and practices' and 'Welfare facilities' have to be improved by providing improved welfare measures and formulating better HR policies as they have shown lower scores.
- The inhibiting factors like 'Lack of time for Experimentation', 'Export Procedures and Regulations' and 'Post Quota Challenges' should be managed through systematic planning and responses as they have shown higher scores.

- The under utilized learning opportunities like 'Visits abroad by key people', 'Committees and task groups' and 'Employee suggestion schemes' should be utilized more through arranging foreign trips for key people, forming work teams and take measures to collect and respond to employee suggestions.
- More professional memberships can help the knitted garment export units to keep track of the environment and make use of trade synergy.
- Various teams like Communities of Practice, Cross functional teams, Small learning groups, Task groups, Committees and Quality circles can be formed in the knitted garment export units to encourage team learning.
- Short term training programmes conducted by Supporting Institutions can be harnessed by sending their employees for a brief period to enhance their technical skills and academic knowledge.
- Learning calendars can be made and displayed in key locations of the organization for effective participation of employees in the learning activities of the organization
- Learning clubs can be formed to facilitate learning in an informal manner
- A learning oriented culture has to be established and sustained through changing philosophy; symbols; procedures; and Human Resource practices;
- Training function should be made more systematic and tailored to the identified learning needs of employees.
- Learning based HRD practices should be designed and implemented to weave learning into the organizational activities
- Prominent learning tools like Learning histories, Action learning programmes, Learning laboratories, After Action Reviews, Scenario planning and E-learning technologies can be installed for boosting learning capabilities of employees.
- A Learning community can be developed with like-minded organizations in the industry to share their learning resources.
- Corporate universities can be set up by very large units to run relevant training programmes and academic courses for their employees and gradually to others.

## **Conclusion**

Learning capability of organizations is increasingly becoming a significant factor for improvement in almost all industries to cope up with the increased competition and market turbulence. The need is more in export sectors as the markets and customers are spread worldwide and the demand is fluctuating and fickle in nature. The export organizations will have competitive disadvantage

if learning is not given priority as a business practice. The present study is conducted among the knitted garment export units in Tirupur to explore their Learning capabilities and other related factors. By and large, the results show that the learning capabilities of the knitted garment export units are moderate and improvements are needed in many aspects. Based on the results, the research emphasizes on the top priority learning areas. It stresses upon learning oriented HRD practices to change the mindset of people towards a learning paradigm and sculpting jobs with inbuilt learning component. The study takes a multi faceted approach focusing on workers, supervisors, work teams and top-level executives of the knitted garment export units to develop their learning capabilities.

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- (Author – Dr. S. Jaya Bharathi, Assistant Professor, Guruvayurappan Institute of Management, Coimbatore.)