



The Current Managerial Problems Faced by Garment Factories in Bengaluru

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Abstract

The main objective of garment factories in Bengaluru was to increase production, sales, expenditure outlays and in short achieve the organizational goals of the company. The point to be mentioned is whether the garments have evolved from tailoring shops to modern textile mills? They have transitioned from private to public sector. The research gap tries to find out whether this transition has made the managerial goals align with the company goals. What were the difficulties faced by these managers in increasing production, maintaining capital funds, profit retention ratio, debt equity ratio, keeping shareholder's owners & management happy, assurance of job security, maintenance of machines and other capital equipment, implementing various labour laws, discourage groupism and unionism, undertaking social security measures, prevent company takeovers but what was the result? Were organizational goals achieved? The research methodology followed was both primary and secondary data was collected and used for analysis. The findings showed that most of the garments are still privately owned and they have implemented most of the labor laws but still have enshrined their main goals-profit, sales and growth maximization. Labor absenteeism was not tolerated at all.

Keywords: organizational goals, managerial problems, job security, garment factories labor absenteeism, Joint management councils.

1. Introduction

Bengaluru is the core of all the textiles mills in Southern India. It's also known as the garment capital of India and produces 20% of National Garment Production. It's also the focal point of the retail fashion in India. What made these garments grow in such a monstrous way that the government has made the hitherto private sector industry fall into the purview of public sector. But how are these garment factories driven without an effective management. [3,4] So, to understand this better a survey was undertaken to know what were the challenges posed during the growth sales performance and revenue maximization. of these factories after they have entered the public sector and being governed by the labour laws. Were the gameplan of the managerial staff usher in profit maximization. amidst competition? What were the problems faced by these managers during last two years forms the core of the study. 20 garments were selected for the study and the study area comprised

of Mysore Road Andrahalli Magadi road Metro station Summanahalli and Subramanyapura. Totally 150 samples were collected and analyzed.

2. Review of Literature

Nandhakumar and Magesh (2017) [1] conducted a literature review to examine the performance of the textile and apparel industry in India based on a number of variables, including market size, investment, government initiatives, and important export markets. The author draws the conclusion that the Indian textile and apparel industry is expanding and that the government is offering a number of facilities to support this industry, including the establishment of an integrated textile park, a technology fund for advancement, and 100% foreign direct investment.

Gupta (2017) [2] used the liquidity, solvency, profitability, and managerial effectiveness of textile companies to evaluate their performance. Concluded that Return on Capital Employed, Net



Profit Margin, Current Ratio, Debt Equity, and Fixed Turnover Ratio all differ significantly from one another.

Mohammed (2017) [5] looked at the financial performance of four public sector textile units (Barshi Textile Mills, India United Mill No. 5, Polar Mills, and Tata Mills). The author looked into the factors that might be slowing Maharashtra's textile industry's expansion. The profitability of a few selected textile units in Maharashtra is found to be significantly impacted by solvency ratio and liquidity, but not by turnover ratio.

3. Research Problem

Managers faced a challenging task to meet the company's goals what were these challenges How were they working out? Were they able to meet the organizational goals.?

4. Objectives

- To find out the main problems faced by the managerial staff of garment factories in Bengaluru [12].
- To find out how managers resolved the issues affecting the production in their organization.
- To make a few suggestions regarding the core issues faced by the managerial staff of garments factories.

5. Data Analysis

Very few garment firms had problems regarding production target deadline not being met machinery problem and unavailability of required materials on time. The majority of the manager respondents underlined labour absenteeism as the major problem affecting their factories due to salary payment issues overtime working hours and lack of welfare facilities show in Table 1.

Table 1 Main Problems Faced by Managerial Staff in Garment Factories of Bangalore

Sl no	Sampled area	Total no.of garment facilities sampled	Labour absenteeism	Unavailability of material in time	Paid output targets not met	Maternity leave problem
1	Mysore Road	25	40%	20%	20%	20%
2	Magadi Road	25	35%	25%	30%	10%
3	Subramanyapura	25	35%	20%	20%	25%
4	Yeshvanthpura	25	40%	20%	20%	20%
5	Hebble	25	50%	25%	25%	-
6	Summanahalli	25	40%	20%	20%	20%

Source Field survey 2024 April



Table 2 Measures Adopted by The Managers to Resolve the Organizations Problem

Sl no	Sampled area	Total no.of garment facilities sampled	Profit maximization	Sales optimisation	Very strict work environment	Solving Problem of migrant labour
1	Mysore Road	25	20%	20%	20%	40%
2	Magadi Road	25	30%	30%	10%	30%
3	Subramanyapura	25	30%	25%	10%	35%
4	Yeshvanthpura	25	30%	20%	10%	40%
5	Hebble	25	30%	20%	10%	40%
6	Summanahalli	25	30%	20%	10%	40%

Source Field survey 2024 April

Severe labour shortage crisis post pandemic since last two years 2021-2023 prevailed. Job security is the most important aspect of managers lifeline. Profit maximization through growth and sales maximization of the produced goods of the factory should be made compulsory because disbursement of a share of profits to shareholders, management (owner of the enterprises) and as salaries to labor is crucial task testing their managerial ability in Table 2.

6. Resolution

Can be done by managers by adopting distribution of projects in such a way that all sections are kept satisfied with their shares besides keeping the company afloat with full operations running a part of smoothly so it's very important to retain a part of the profits (debt -equity ratio) is maintained necessarily so as to minimize risks of the company. Take over by bigger and larger garment factories with better financial resources.[11] The other point is that the firm should not run under reserve capacity as it will deplete the company's scare resources. Thus, the responsibility taken by managerial staff in any garment company is huge and risk ridden. The other important factor is sales maximization. Without sales maximization, profit maximization isn't possible. Having a loyal customers base is

important as to shore up the organizations image and market.[6] This is important for the manager to enhance his expertise and skills necessary to handle labor problems arising at the drop of a hat. [7] Industrial Dispute Act of 1947 protects the industrial labor but The Industrial Policy of 1991 has undone all that labor welfare and security as well as trade unions .These labor unions are either muted or disbanded .They are put up with as long as they don't create any friction and conflict .As of now the management holds the reins and absolute decision making power .Despite the Maternity Benefit Act of 1961 giving pregnant women three months maternity leave with salary -this isn't followed in garments instead another personnel is appointed in their place during their absence. Overtime was paid in cash itself. Bigger firms as well as smaller garments employing from ten to twenty-five workers always had to run overtime as targets and deadlines had to be met. Employing women employees after 6 pm and in night shifts was followed to cut costs and meet targets.

7. Observations

- Stiff competition prevailed among all the garment factories [8].
- Trade unions were totally discouraged.



- All companies were driven by profits sales and growth maximization.
- Managers were the main decision makers and always strived to uphold the goals of the organization [9].
- Job security wasn't assured and management would hire and fire at will but due to shortage of skilled and dedicated staff, managers were always cautious. PF and medical cards were given to the employees [10].

Conclusion

Even though the garments factories entered the public sector domain they still functioned as private companies. Work environment was strict and no maternity benefits or creche facilities were provided for women employees. All in all the garment factories sampled in and round Bangalore were more focused on high profits, to get a share of market, increase their earnings, and in increasing of work load in times of getting huge orders.

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