

RMG sector faces talent crunch

SUMAN SAHA

THE apparel industry that accounts for 75 percent of exports from Bangladesh is facing a dearth of skilled professionals, especially at mid-managerial levels.

The current crunch is also likely to deepen by 2021, unless immediate steps are taken to develop and nurture a pool of talent by rigorously implementing structured training and necessary curriculum modifications, say management experts.

"The apparel sector, especially knitting, has witnessed continuous growth over 35 percent in the last few years," says NEA Shibly, chief executive officer (CEO) of Pro-edge, a leading management and human resources (HR) consulting house in Bangladesh. "But the sector suffers badly from a shortage of skilled manpower as demand is much higher than availability."

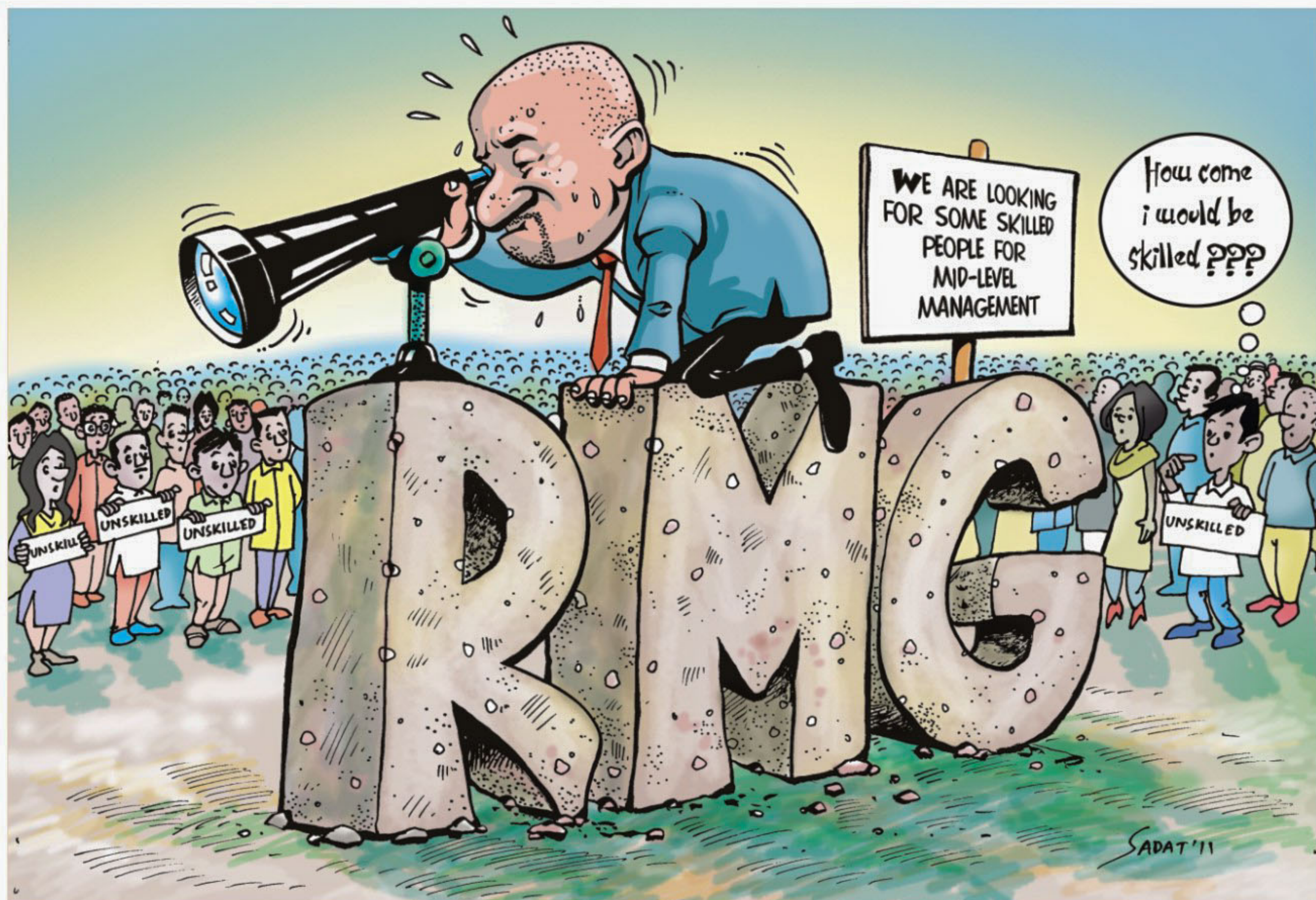
"The gap has widened due to an acute shortage of high-caliber employees, especially for mid-level management," he adds.

Around 20 years back, some tech-savvy young entrepreneurs, inspired by a group of Koreans who relocated their factories to Bangladesh, ventured into the garments business to try their luck.

"Today, the readymade garments sector is the main engine of our national economy and so, immediate attention is required to develop and groom mid- and senior-level professionals," says M Zulfiqar Hussain, CEO of Grow n Excel, another leading management consultation organisation in Bangladesh.

"Otherwise, the shortage will be more severe in the next ten years, as yesterday's success cannot be made to face tomorrow's more dynamic and challenging situation, without offering any pragmatic solutions. The waves of change have started to roll in and the sector should address the shortfalls in talent professionally and efficiently," he says.

"The RMG sector will require around eight lakh skilled professionals in mid-level positions by 2021 to lead the organisations," says Anwar-Ul-Alam Chowdhury Parvez, former president of Bangladesh Garment Manufacturers and Exporters Association (BGMEA). "Currently, the sector suffers a shortfall of nearly two lakh professionals."



"Unfortunately, experienced and qualified employees from our neighbouring countries are filling the current shortage," says Shibly.

They are around 15 percent of the mid- and senior-level professionals in the entire industry, he says.

Management practitioners say "our entrepreneurs' lack the eagerness to spend money to train and develop local talents." Inadequate technical and vocational institutions, back-dated curricula, a lack of social recognition of garment jobs, poor compensation packages and unfavourable working conditions are the main deterrents to the talent development.

Most employers are nonchalant about imparting any structured or continuously competent training programmes to employees due to business exigencies and also because they fear losing their trained employees, says Shibly.

But, Mosharraf Hussain, managing director of Standard Group, a leading RMG manufacturer, says, "The RMG sector should arrange training for its workforce to survive in the competitive world markets as market forces constantly demand efficiency. We spend around 5 percent of profits on training and development."

Shibly says local institutes and training centres in Bangladesh are not equipped to keep pace with the ever-increasing demand for quality employees with appropriate skills, knowledge and abilities.

Recently, both BGMEA and Bangladesh Knitwear Manufacturers and Exporters Association have taken initiatives to produce skilled workers for the sector by imparting training at as many as 31 centres.

However, this is not enough because most public and private universities do not offer any courses

on RMG related subjects, says Parvez.

Mustafizur Rahman, executive director of Centre for Policy Dialogue, says the government and sectoral associations should forge public-private partnerships to strengthen technical and vocational education. The government will provide infrastructure facilities and the associations will design the course curricula, based on market demands, he added.

Most organisations in the sector have failed to attract quality graduates and professionals due to poor compensation packages, dingy work environments and a lack of career path, says Hussain of Grow n Excel.

However, the Standard Group MD disagrees. He says that most young talents seem disinterested to pursue a professional career in RMG as they are under myriad pressures and challenges.

The Pro-edge CEO says the value of a 'learning organisation', where there

is a culture of continuous learning and development, is the immediate solution to meeting the short supply of talent at mid-level positions because changing the national education system or the practical orientation curricula is a long and winding process.

The good news is, some organisations in the apparel sector, like Viyellatex Group, have introduced their management trainee schemes. It is also mandatory for managers at all levels to attend the management development programmes run throughout the year, says Shibly.

The owner and top management have to demonstrate full commitment and involvement along with treating the employees with dignity and respect to make the development programme a success, says M Zulfiqar Hussain.

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Craft a career out of RMG

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MOST students are in a dilemma over choosing a career path. They worry about moving forward in the right direction. A business expert, however, urges them to build a career in the garments and textiles sector, as it will enhance possibilities of becoming an entrepreneur in the future.

"Young talents should pursue a career in the garments and textiles sector as it will help them start their own businesses when they have developed expertise on the matter," says Asif Ibrahim, managing director of Newage Group of Industries, a leading manufacturer and exporter of readymade garments (RMG) in Bangladesh. "But this might be impossible, if they pursue a career in multinational companies or banks."

Ibrahim, who is also the president of Dhaka Chamber of Commerce and Industry, says, "The prospect of having a career in the sector is also quite good as this industry is poised to take-off over the next five to seven years, due to the China plus one strategy."

The "China plus one" strategy means that a company should invest not only in China but also another country because the cost of produc-



Asif Ibrahim

tion has gone up substantially in China.

So, the global companies are looking for an alternative destination to source garments. Bangladesh will

have preference because of cost competitiveness. Hence, the industry would require a lot of skilled human resources, says Ibrahim.

The RMG sector needs human

capital for both the factories and back offices, to lead the organisation. Factory operations consist of various departments -- designing room, sampling room, cutting, sewing, and quality control. The back office consists of merchandising, commercial operations and accounts department.

But the country has a looming crisis in mid-management positions, such as production managers, supervisors, line operators and floor in-charges, to execute factory work efficiently, says Ibrahim.

Back office operations would also require skilled human resources, as the company needs to automate its current operations by implementing Enterprise Resource Planning solutions to be efficient in a highly competitive market, he adds.

Ibrahim, who holds a business degree from the University of North Texas in US, says most mid-level factory managers cannot deliver beyond a certain limit, as they lack formal education and training. They started their careers at entry-level position, like sewing operators and later, took on greater responsibilities because of work experience. Hence, they have limitations and can deliver only up to a certain limit.

But, the good news is that university graduates recently have pursued

careers in the RMG sector because of great career prospects, says Ibrahim.

The factory personnel needs to work on production operations, process costing and assembling line management. Office executives must also have computer skills, like Microsoft office applications and sending e-mails, to carry out day-to-day work.

So, Ibrahim, who has nearly 18 years of experience in the RMG sector, calls upon students to get enrolled on undergraduate courses on garments and textiles at the BGMEA Institute of Fashion and Technology (BFIT), if they are interested to build a career in the sector.

He also suggests graduates take a diploma or short-term course from BFIT and other training institutions because the sector needs both formal education and technical training.

The sector has also some other challenges, like long working hours, deadline driven pressures and initial financial difficulties. So, they have to accept the challenges, overcome the initial financial difficulties, build excellent working relationships with workers and have a good rapport with buyers if they want to build a career here, says Ibrahim.

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