

An assessment of the technology components and technological capability improvement in Sri Lankan apparel industry

KDD Perera

The world apparel industry is growing faster with numerous technological progressions. Sri Lankan apparel industry also to be competitive in the global market place need more advanced technological improvement in all aspects. This assessment therefore, was made surrounding this conception, to identify the existing technology components and technological capability improvement in Sri Lankan apparel industry as a comparison between the foreign owned firms and domestic firms.

According to literature, technologies can be embodied in people, materials, cognitive and physical processes, plant, equipment and tools. Supported by literature, Technoware (Tools), Humanware (Human Skills), Infoware (Facts) and Orgaware (Routines) were identified as four technology components for this assessment and technological capability was assessed under three main capabilities: Production, Investment and Innovation capability.

A quantitative data analysis was done by a structured questionnaire and interview survey for a sample of fourteen apparel manufacturing companies. Data were analyzed using statistical software package SPSS. The results revealed that the overall technology components of foreign owned firms are higher than domestic firms. Among the four technology components, evident by a significant difference in mean values obtained for the two categories of firms, technoware component of foreign owned firms are more advanced compared to domestic firms. Foreign owned firms are therefore considered to be more equipped with sophisticated technologies while domestic firms are still running with primitive technologies.

The results further revealed that the technological capability level of foreign owned firms were also prominent compared to domestic firms. However, both categories of firms are yet to improve their technological capabilities. There is no any significant difference found in the mean values obtained for three different technological capabilities. Therefore, the need to improve the overall technological capability levels and technology components of Sri Lankan apparel manufacturers is a necessity to survive in the fast growing world apparel industry.

Key words: Technology components, Technological capability, Apparel industry, Foreign owned firms, Domestic firms