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## SUCCESSFUL SUPPLY CHAIN MANAGEMENT STRATEGIES IN GARMENT MANUFACTURING AND EXPORTING SMES

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### **ABSTRACT**

This research investigates the supply chain management (SCM) practices that have been successfully implemented by SMEs in the Sri Lankan garment exporting industry. A comprehensive literature review and initial telephone interviews revealed that generally the value added generated in garment manufacturing in Sri Lanka is low. Recognising this, the paper focuses on identifying the factors leading to improved value generation, drawing on case studies of three firms with 'more successful' SCM strategies, which are compared against 'less successful' counterparts. Multiple interviews were conducted with senior managers from each these three firms. The interviews were recorded, and transcribed verbatim and analysed using NVivo10 software together with documentary evidence collected. Theoretically derived and indigenous codes were used in combination as the coding strategy.

The results of the data analysis suggested that successful SCM strategies which improve valued addition of the final garment products are: effective logistics cost management techniques, improved quality management, innovations in terms of designs and reduced product development times, low range of products, productive employees, and proper customer order path management.

**Keywords:** Supply Chain, SMEs, Garment Exporting Industry, Value Addition