



**EVOLVING STRATEGIES, STRUCTURES AND RELATIONSHIPS IN
COMPLEX AND TURBULENT BUSINESS ENVIRONMENTS:
THE TEXTILE AND APPAREL INDUSTRIES OF THE NEW MILLENIUM - PART 2.**

Peter Kilduff
North Carolina State University

ABSTRACT

Over the past three decades the textile and apparel industries have experienced radical changes in their product, process and business technologies, the definition of their markets, the nature of demand, and the form, diversity and intensity of the competition they are facing. As a result, many of today's firms look radically different to their counterparts of twenty years ago in terms of their capital and technical intensity, their manufacturing and business process capabilities, and their business scope, structure and relationships.

In the future, firms will continue to be confronted with growing market diversity, far reaching technological change and intensifying competitive pressures. In combination, these factors will make the competitive environment in which textile and apparel manufacturers operate increasingly, dynamic, diverse, complex and hostile. As a result, the organizational structures and scope of firms in the industries will continue to be re-shaped. New strategies and organisational forms will emerge with a trend towards de-integration, involving a focus on core competencies and the separation of the physical processing functions from the creative 'brain functions' within the supply chain. In some ways, this represents a return to the pre-industrial system of manufacture, where physical production was in the hands of commission manufacturers, while the creative design and marketing functions were performed by merchants.

Keywords: Organization, organizational change, strategy, strategic change, technology, technological change, business environment, competition, information technology

Introduction

Over the past four decades the textile and apparel industries have experienced radical changes as a result of which, many of today's firms look radically different in terms of their capital and technical intensity, their manufacturing and business process capabilities, and their business scope, structure and relationships. The first part of this paper traced the pattern of change

across the textile and apparel industries since the pre industrial era. This concluding part looks forward to consider how the industries may be re-shaped in the future. It also discusses the patterns of change with respect to findings in general business policy literature.

Extrapolating many of the long-term trends discussed in part one into the future, it is possible to consider what strategies and