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Title: Competitiveness of Bangladesh's Textile Industry: A Porter's Diamond Model and H&M Analysis

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Section-1

1. Introduction

This report looks at the textile and ready-made garment (RMG) industry in Bangladesh, which is one of the most important sectors in the economy and world trade in the country. In the last thirty years, Bangladesh has evolved into a large manufacturing centre, predominantly agricultural, mainly through the skyrocketing of its own textile and apparel industries. Bangladesh is today rated as the second-largest exporter of textiles and apparel worldwide, after China, with the sector taking the bulk of the country's export income and putting millions of workers to work (Siddiqi, 2025). Landner (2025) reported that the textile and garment exporting is approximately 80-84% of the total export earnings; therefore, it is the pillar of the foreign exchange earnings and the industrialisation of Bangladesh.



Country	Textile exports	% of world exports
 China	\$303,000	32.2%
 Bangladesh	\$57,700	6.13%
 Vietnam	\$48,800	5.18%
 India	\$41,100	4.36%
 Germany	\$40,000	4.25%
 Turkey	\$36,700	3.89%
 Italy	\$36,700	3.9%
 United States	\$29,800	3.17%
 Pakistan	\$22,100	2.35%
 Spain	\$20,300	2.16%

Figure: Top 10 textile exporting countries (Roy, 2025)

Economic data, industry performance and the Diamond Model of National Advantage by Michael Porter will be critically used to analyse the competitiveness in the industry, the challenges in the structure and the strategic positioning of the country in the sector in order to determine its competitiveness in the industry globally.

2. Industry and Country Overview

The textile sector is the biggest manufacturing industry in Bangladesh, and its growth pattern has influenced the country economically. Traditionally, the industrial environment in Bangladesh was characterised by agriculture and jute production, but the opening of trade policies and globalisation of supply chains in the 1980s and 1990s gave the garment industry fertile grounds to develop (Masum et al., 2025). The industry involves the production of yarn, fabric and finished apparel products to be used in the global market, and it is a major contributor to industrialisation and job creation in the nation.

2.1 Size, Scope & Economic Importance

The textile sector is one of the key sectors of the Bangladesh economy, contributing to GDP, employment and export incomes. Ken Research (2026) reports that the textile manufacturing market as a whole (yarn, fabrics, and garments) was estimated to be around USD 19 billion, with the RMG segment contributing most of the export earnings. Ken Research (2026) also reports that the industry has more than 4 million employees and it has a contribution of over 13% to the national GDP. The number of people working in the textile industry is truly astounding, with millions of people being employed by the industry, with most being women (Masum, Ashadullah and Rayhan, 2024). As per Tariqujjaman (2025), more than half of the industry workforce is usually comprised of women, which promotes female labour input and socio-economic inclusion. Nevertheless, the global examination of labour conditions has come as a result of the safety issues following the Rana Plaza collapse in 2013, which led to changes in the standard of factory safety and workers' welfare (United Nations Global Compact, 2021)

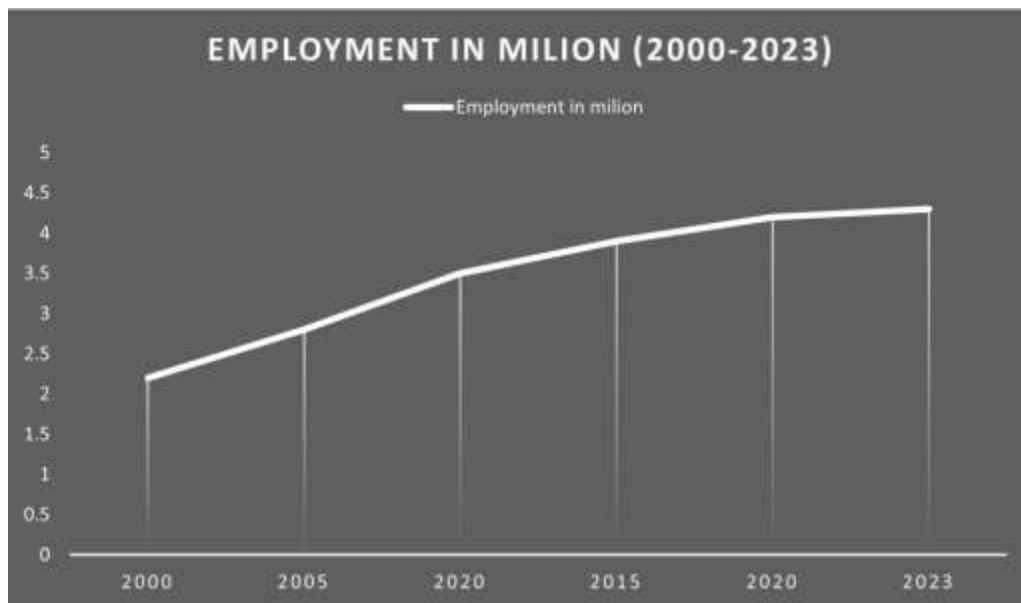


Figure: Employment through the textile industry over the years (Shakil, 2025)

Bangladesh Textile Manufacturing Industry Study Market Size (In USD Billion)

Bangladesh Textile Manufacturing Industry Study Market
Bangladesh Textile Manufacturing Industry Study Market Size (In USD Billion)

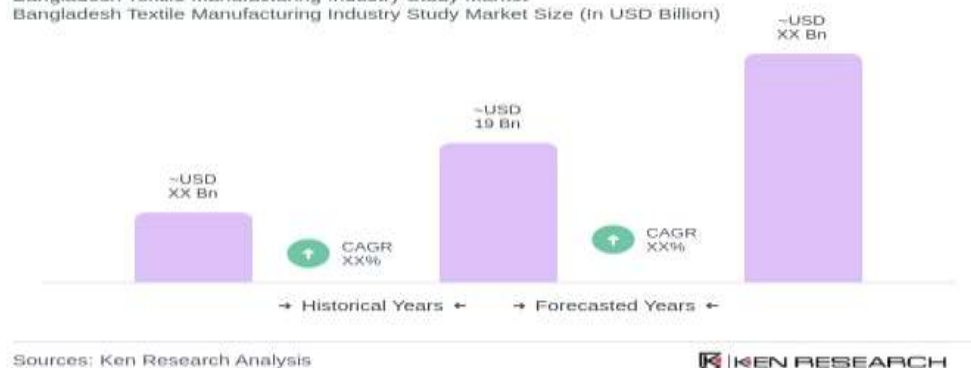


Figure: Bangladesh textile manufacturing industry market size (Ken Research, 2026)

According to Moades (2026), the textile industry in Bangladesh exhibited a robust yet decelerating growth in 2025, and the apparel exports were about 39.35 billion dollars. Decent performance in early 2025, including a 24.9% growth in July, was offset by sluggish annual growth, as a result of political instability, labour unrest and, in certain instances, a decline in late 2025/early 2026. Over the last 20 years, Bangladesh's textile exports have expanded significantly. Exports soared from \$5 billion in 2001 to \$40 billion in 2023 (Shakil, 2025).

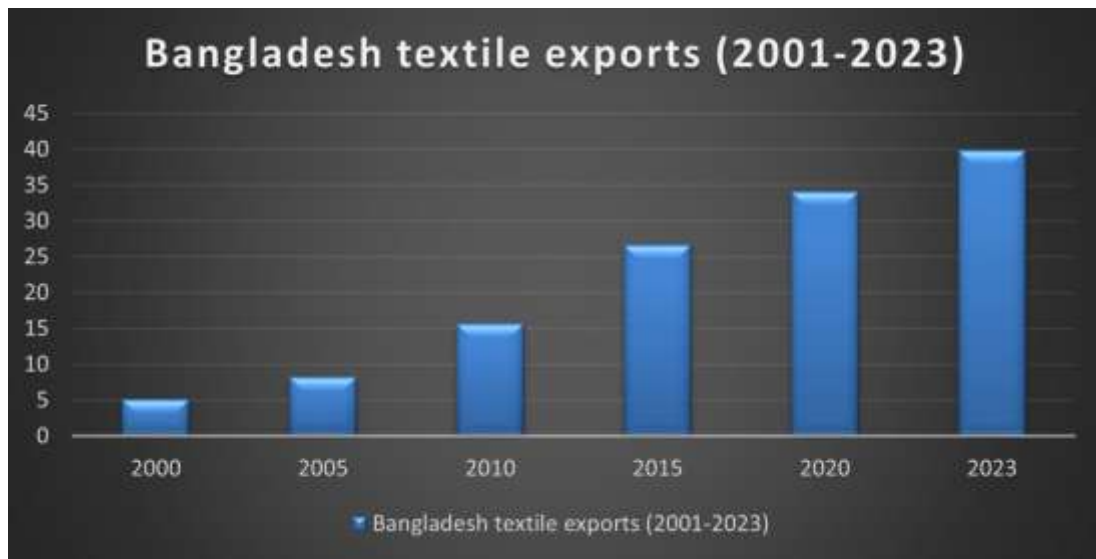


Figure: Bangladesh textile exports for the last 20 years (Shakil, 2025)

2.2 Major Domestic and Multinational Firms

Epyllion Group is another leading RMG business in Bangladesh, which focuses on knit and woven products and also on knitwear export. Beximco Textiles Ltd is a subsidiary of the multi-faceted Beximco Group, which practices vertical integration and production of yarn to final apparel and has a strong presence in the export markets. Square Textiles is an important local company that produces yarns and textiles to serve local and international markets. Pacific Jeans is an esteemed production company of denim that has strong export networks, especially to the European and American markets. Textile production in Bangladesh is mostly export-oriented via local companies, with global brands and merchants intricately woven into the industry's supply chain. H & M, Zara (Inditex), Uniqlo (Fast Retailing), Gap Inc., and Walmart are some of the prominent buyers who make purchases with Bangladeshi manufacturers (Textile Focus, 2024). These linkages underscore the industry's incorporation into global garment value chains, whereby local manufacturers manufacture products under contract for international fashion companies.

In Bangladesh, local businesses usually compete by focusing on cost efficiency, production volume, and reliability. Many local companies have started to source yarn and textiles locally, reducing their dependence on imports and boosting their competitiveness.

The industry's strategy focuses on using low-cost labour, producing in large quantities, meeting international standards, and building lasting relationships with global buyers. This situation makes Bangladesh especially attractive for companies seeking cost-effective manufacturing compared to other garment production hubs (Rahman, Masud-All-Kamal, and Sabastini, 2025). Bangladesh stands out among regional competitors such as Vietnam, Cambodia, and India due to its large workforce, operational scale, and established export infrastructure. However, Hoque (2025) argued that it faces challenges in adopting technology and diversifying its products.

3. Critique of Michael Porter's Diamond Model of National Advantage: Bangladesh's Textile Industry

The textile sector in Bangladesh has emerged as a powerhouse in the global market, mostly due to a set of special circumstances which are aided by the Diamond Model of National Competitive Advantage created by Michael Porter. This model comprises four main determinants that are the factor conditions, demand conditions, related and supporting industries, and firm strategy, structure and rivalry. Also, the industry is affected by government policy and changes in terms of its global competitiveness. Although the textile industry has been made very competitive in Bangladesh because of the factors mentioned in the Diamond Model, some challenges and criticisms should be taken into account in a critical analysis.

Factor Conditions

The factor conditions are the first determinant of Porter's Diamond Model, and they are a country's resources (both natural and human) that assist in the competitiveness of the industries. The presence of cheap labour is one of the greatest assets in the case of the Bangladesh textile industry (Hasan, 2025). Bangladesh can manufacture garments and textile-related products at a fraction of the cost of developed countries because of the abundance, cheapness and easy availability of the labour force. In 2024, the average monthly wage of a textile worker in Bangladesh would be approximately 12,500 BDT (approx. \$113–\$115 USD), which is significantly less than that of competitors, such as Vietnam, India, or China (Fair Labour Association, 2024). The mix of this wage benefit

and the relatively low cost of production in the country allows Bangladesh to hold a dominant role in the international garment sector, especially in the low to middle-quality garments.

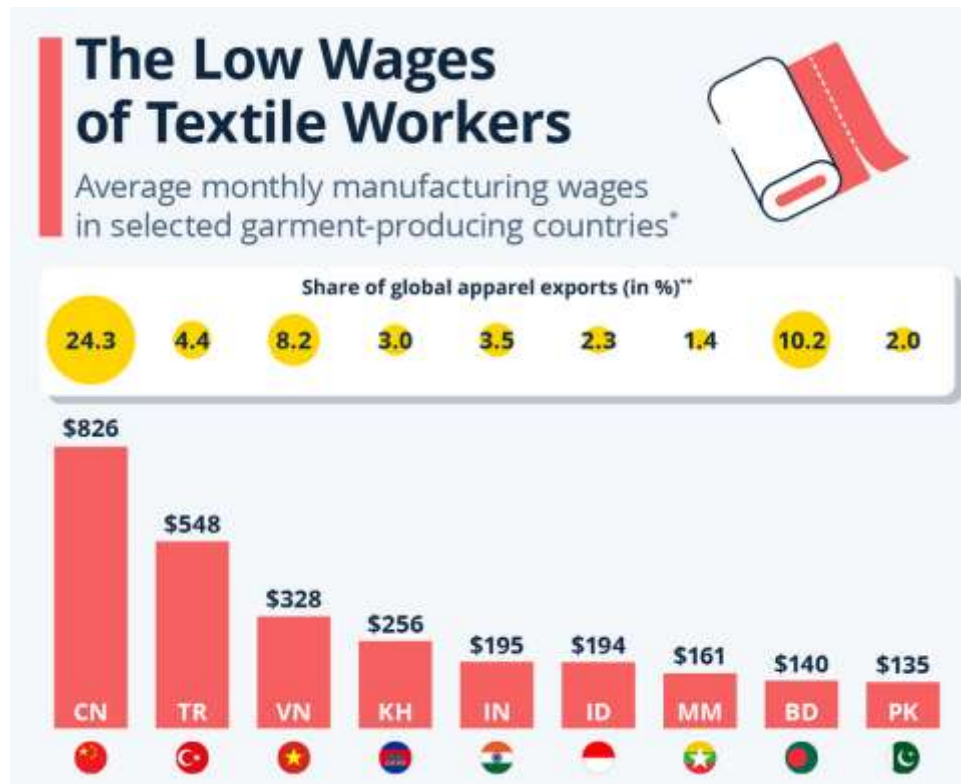


Figure: Wages of textile workers in Asia (Richter, 2025)

Nonetheless, this reliance on cheap labour has a couple of major shortcomings. Those who oppose the practice cite low productivity and safety issues that are caused by the high dependence on cheap labour, particularly in unsafe working environments (Siddiqi, 2025). The Rana Plaza disaster that took the lives of more than 1,100 employees in 2013 dramatically pointed to the structural weaknesses of the labour environment in Bangladesh. Despite the reforms that have been implemented in the sector, including better factory safety measures and inspection, the workers continue to encounter major problems, including working long hours and poor salaries compared to the contribution they make to the sector. For this, the Institute of Race Relations (2023) claimed that cheap labour is a weakness because it is a competitive advantage or a weakness in that the

cheap labour may bring about scrutiny by international bodies, a damaged brand reputation, and even instability in future.

Furthermore, technological infrastructure is an issue. Although the industry has been doing well in the aspect of mechanisation, most factories continue to use old machines that restrict their productivity, and consequently, they are unable to produce high-value products such as technical textiles (Mallik et al., 2025). This poses a dichotomy in the positioning of Bangladesh: it is good at making plain clothes, but there is a barrier to technological uptake, which makes it slow in making the transition into more value-added segments.

Demand Conditions

The second determinant by Porter is the demand conditions, which concentrate on the local and foreign demand for goods and services produced by a nation. The worldwide fashion of low-cost clothing, especially in developed countries like the United States, the European Union and Canada, has been instrumental in the ascendancy of Bangladesh. As recent statistics indicate, Bangladesh ranks second in the world as an exporter of textiles with 7.9% of the world's garment export market (OEC, 2026). Affordable fashion has gained a lot of demand over the years, particularly in the fast-fashion market.



Figure: Growth of affordable fashion (Intel Market Research, 2026)

H&M, Zara (Inditex), and Primark brands have been moving their garment production to Bangladesh because of its affordability and responsiveness in production (Al Jazeera, 2023). With these brands struggling to meet the increasing demand for fast and cheap apparel, the country of Bangladesh has been advantaged by the fact that it is able to produce in large quantities with relatively short delivery times, a factor that has enhanced its position in the world market.

The volatility of demand, however, is a major challenge to Bangladesh. The industry is very sensitive to the changes in the global economic climate, trade barriers and shifts in consumer preferences. As an example, the COVID-19 pandemic decreased garment export earnings by \$6 billion due to cancelled orders by Western retailers (Paul, 2020). This was an indication of the weakness of the garment industry in Bangladesh, which is highly dependent on demand and price sensitivity. Therefore, although Bangladesh has made a good position owing to international demand, it has no control over the external market forces, which puts it at risk of economic shocks and instability.

Related and Support Industries

The third force of the Porter's Diamond Model, which is associated with conducive industries, are associated with the availability of suppliers, industries and infrastructure that favours the main industry. The textile industry of Bangladesh enjoys the advantages of its backward interconnection with the yarn production industry, fabric weaving, dyeing and finishing industry (Siddique,2022). The nation has, over the years, developed independence in supplying 90% the raw materials, particularly yarn needed in the making of garments (Mirdha, 2022). This integration helps cut imports and costs, and enhances the competitiveness of local companies. An example of this is Beximco Textiles and Epyllion Group, which are major participants in the integrated textile production, dealing with all the processes of producing yarns, manufacturing fabrics and stitching garments. Such an integration improves efficiency and quality management in the industry.

There are, however, certain shortcomings in terms of technology and innovation. Although in expansion, the fabric and yarn sectors continue to be in the backwash compared to other countries such as China and India in terms of advanced textiles (e.g., smart fabrics or high-end fabrics), which limits the country's ability to access additional niche and high-value markets (Hasan, 2025). Although Bangladesh has achieved great progress in terms of production of textiles, the infrastructure that supports it, such as transport logistics, efficacy of ports and energy supply, can frequently hinder further growth. The ports, such as Chittagong, are overcrowded, and the energy scarcity sometimes halts production, resulting in delays and extra expenditures (Hoque,2025). Therefore, even with developments in vertical integration, infrastructural issues are still hurting the productivity of the associated industries.

Firm Structure, Strategy and Rivalry

The fourth determinant, firm strategy, structure and rivalry, explains the way companies are organised and their competitive behaviour. The low-cost and high-volume strategies are commonly taken up by domestic firms in Bangladesh to compete within the global markets (Hasan, 2025). Since there is a lot of competition among the local manufacturers, companies are struggling to ensure that their prices remain competitive and that supply chains are efficient as well. Examples of companies that have established competitive

strategies using economies of scale and international relationships with global retailers include Big companies such as Pacific Jeans, Square Textiles and DBL Group.

But the absence of product diversification and innovation amongst firms is criticised by Karhan (2024). Most local manufacturers are mostly engaged in the production of simple clothing products like t-shirts, jeans and jackets. The emphasis on low cost and mass production implies that local companies are not encouraged to invest in product development or brand building (Kleer and Piller, 2019). This means that Bangladesh is not able to enter the high-value market like luxury fashion or technical textiles, where other countries such as Italy, France or Japan take over.

4. Critical Analysis of H&M's Textile Operations in Bangladesh

The performance of multinational companies (MNCs) in foreign markets is usually influenced by a combination of both internal and external factors. Due to its important position in the textile industry and the possibilities and problems that come with it, H&M, a Swedish retail behemoth and one of the biggest importers of Bangladeshi clothing worldwide, has a complicated relationship with the nation (Hasan, 2022). Political, economic, legal and cultural environments play a big role in determining the level of performance of businesses in developing countries, especially those that deal in such sectors as textiles.

Political: Bangladesh has always provided a favourable environment to produce textiles and apparel. The government of Bangladesh has been very proactive in promoting the development of the RMG and textile sector through the provision of incentives (Hasan, 2025). These include tax incentives, export income subsidies, and the establishment of Export Processing Zones (EPZs), special zones that are meant to attract foreign investment and boost exports. Such incentives are necessary in attracting foreign firms like H&M, which require low-cost mass production to remain competitive in the international market. According to Islam (2025), the textile industry has received significant political support, which H&M has enjoyed. BIDA, and similar groups such as BGMEA, facilitate the smooth operation of companies relying on apparel manufacturing in Bangladesh. H&M also has suppliers in Bangladesh, which have more than 80% of the

export revenues. H&M has been successful because of government policies such as export duty rebates and efforts to enhance supply chain infrastructure in Bangladesh.

However, politics in Bangladesh are currently fragile and in a precarious transition following a 2024 revolution and the 2026 elections. Bangladesh is ranked 150th out of 182 countries, placing it as the 13th most corrupt nation in the world. The country scored 24 out of 100, indicating a troubling situation with little progress in addressing public sector corruption, due to weak accountability and political influence. In addition to that, labour strikes tend to interfere with the activities of factories (The Daily Star, 2026). Violent protests and strikes have occurred in the country in the past because of the problems concerning the rights of workers, minimum wages, and safety issues (like following the Rana Plaza collapse). These disruptions may impact the trustworthiness of suppliers and introduce expenses to the production process, which would negatively impact the cost-effectiveness of H&M. H&M must remain alert and ensure that it maintains a cordial relationship with the owners of factories and trade unions in order to prevent delays in production and reduce such risks.

Economic: The past ten years have seen Bangladesh record impressive economic growth. The GDP growth rates have continuously averaged around 6-8% per annum. This growth has led to a favourable market environment, which has increased domestic consumption and led to increased middle-income wealth, which could create new marketing opportunities in brands like H&M.

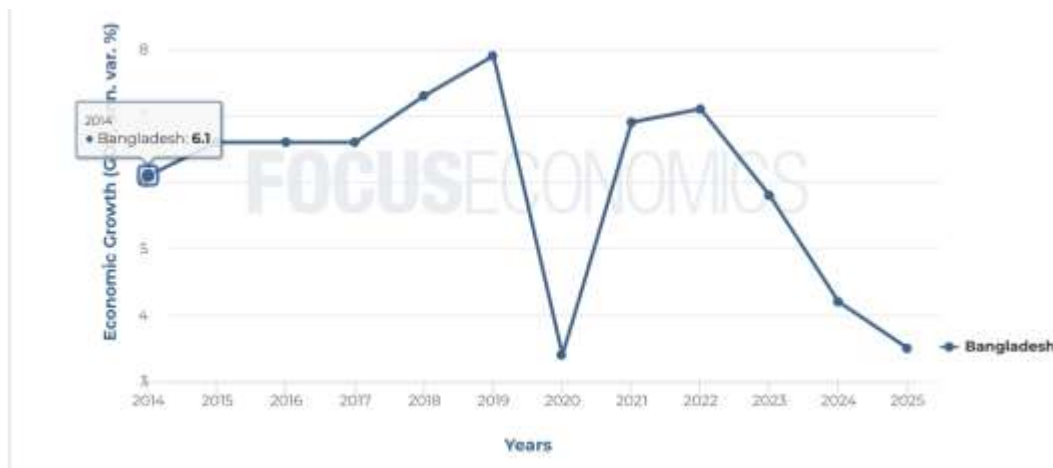


Figure: GDP of Bangladesh over the years (Focus Economics, 2026)

The growing middle-income and youthful population of the country, with more than 40% of its populace under 25 years, offers great possibilities to H&M to not only become a supplier but also a retailer. Garment exports, remittances, and private-sector employment are expected to grow Bangladesh's middle-income population to 44–60 million by 2025–2030 (Mujeri, 2024)

However, there are financial impediments. Bangladesh is a developing economy, and issues like inflation and fluctuation of the currency rate can affect the purchasing power of consumers. The country has experienced inflation of between 6-7 % over the past few years, and this could reduce the disposable income of the people and negatively impact the sales of multinational brands like H&M. An increase in economic inflation can result in a reduction in consumer buying, especially in the low-income population, thus limiting H&M's ability to expand its market in Bangladesh. The textile industry itself is the main contributor to economic growth in Bangladesh and exposes the country to exogenous shocks such as recessions in the global economy or trade conflicts. The textile industry relies on foreign demand (especially European and American), making it vulnerable to changes in the world markets. As an example, garment exports in Bangladesh saw an unprecedented drop during the COVID-19 pandemic, which has affected companies such as H&M, which are strongly dependent on the export market to earn their income.

Social: The country is medium in human development as indicated by the UNDP Human Development Index (HDI) of 129, which depicts Bangladesh as improving education, health, and living standards (BTI, 2026). To MNCs such as H&M, this is the availability of an expanding pool of labour with an incrementally increasing pool of skills and productivity. Nevertheless, further investments in workforce training might be needed to comply with international quality standards and be competitive.

Nevertheless, as per report from BTI (2026), 11.9% of the population is undernourished, and 2.9% of the child mortality rate is still an issue of concern. Undernutrition can also influence the health, productivity and absenteeism of workers, which could affect the production timelines and efficiency in textile factories (Quack, Ebatta and Bernat, 2025). To have a healthier and more dependable workforce, companies such as H&M might

have to invest in worker well-being programs (e.g. nutrition program, access to healthcare) to maintain a healthier workforce.

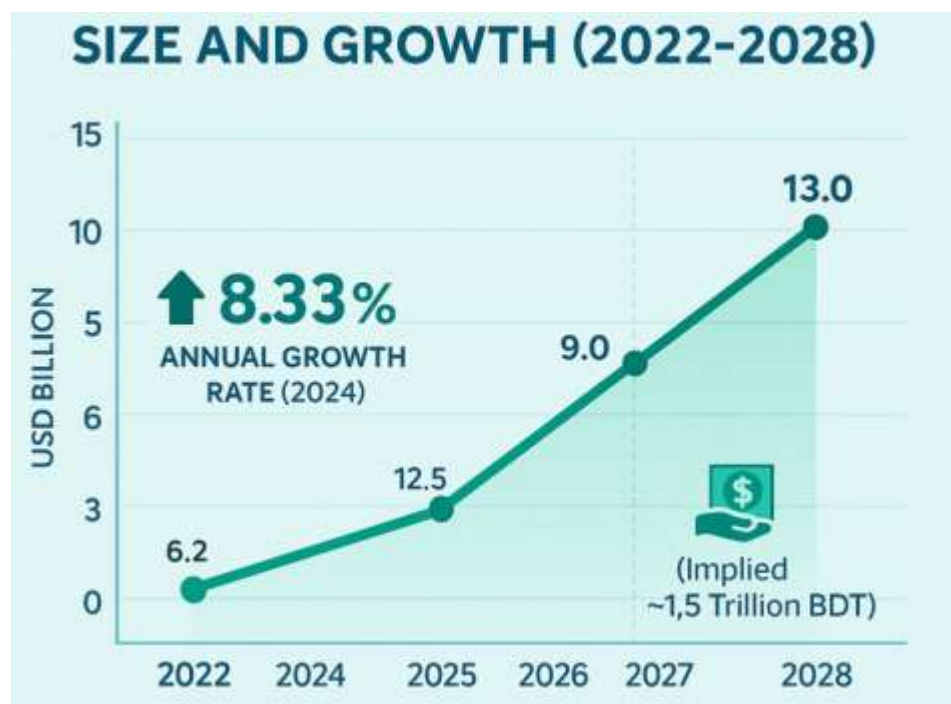
On the other side, there has been a significant decrease in poverty rates (18.7% in poverty, 5.6% in extreme poverty in 2022 (BTI, 2026)). This development will contribute to the stabilisation of the labour force, and turnover will decrease because a greater number of people will have basic economic security. Furthermore, the middle-income population can eventually lead to domestic demand for superior quality clothing, offering new business prospects to brands such as H&M.

H&M has been leading in the promotion of sustainable fashion and ethical sourcing. The problem of labour in Bangladesh, such as poor working conditions and child labour, has gained a lot of attention around the world (Hasan, 2025). Although H&M has taken steps such as Fair Trade certification and collection of environmentally conscious items, critics claim that actual ethical activities in the textile sector of the country are minimal (Rahman and Khan, 2025). To deal with these concerns, H&M needs to make sure that its suppliers are ethical, yet supply chain transparency is a continuous issue.

Technological: Improvement of efficiency and sustainability in the textile manufacturing process is heavily dependent on technological advancements in the process. Though a major player in the global textile market, Bangladesh is relatively underperforming in technological innovation in the manufacture of textiles (Kuamr Saha, Ng and Fung, 2025). The use of automation, AI-based manufacturing systems, and supply chain technologies is not as widespread in Bangladesh as in other countries competing with it, including Vietnam, China, and India (The Financial Express, 2023). In the case of H&M, which will make an effort to stay competitive in the fast fashion industry, the focus on new technologies and the overall use of sustainable materials will be key to success in the future. H&M has been tirelessly driving its sustainability agenda by investing in green technology, including recycled clothes and power-saving processes in the factories.

Nevertheless, Alam (2024) argued that technologies that have proven effective in enhancing operations within the textile industry in Bangladesh include automated cutting machines, e-material handling, and sewing and cutting automation. It goes without saying that in spite of these efforts, the overall technological lag in the garment industry of

Bangladesh offers a challenge in terms of high productivity and reduction of environmental impact. H&M should work hand in hand with local manufacturers to modernise machinery and use sustainable technologies. To add, Ahmed (20204) clarified that the retail e-commerce market is projected to increase by 12.7% from 2024 to 2025 and by 12.0% from 2024 to 2033, while Bangladesh's growth rates indicate a swift expansion. This trend presents an opportunity for H&M. It has an opportunity to exploit the rising trend of online shopping, particularly amongst young people in the cities. The online stores would accompany the actual stores that H&M has, thereby enabling it to interact with the customers better and make more sales.



E-commerce growth in Bangladesh (Ahmed, 2024)

Legal: Bangladesh has made strides in labour law reforms, especially following the international backlash from the Rana Plaza disaster. The country now adheres to more stringent safety regulations and worker welfare laws, including the creation of the Bangladesh Labour Law 2006, which mandates better working conditions and worker compensation.

Despite these improvements, enforcement of labor laws remains inconsistent. The legal framework can be ambiguous, especially in terms of taxation, environmental regulations, and intellectual property rights. These inconsistencies might cause unpredictable operational costs for H&M if regulatory changes occur unexpectedly or if the company faces challenges in complying with local legal requirements.

H&M, as an MNC, must ensure that its operations are compliant with both Bangladeshi law and international standards, including environmental laws that regulate waste disposal, factory emissions, and the use of harmful chemicals in garment production. Failure to comply with these regulations could result in legal repercussions, financial penalties, and reputational damage.

Environmental: The Bangladesh textile industry is known to have adverse effects on the environment, including the use of toxic chemicals, excessive use of water and generation of waste. Waste management systems and water pollution caused by dyeing processes are also issues in the country that can adversely affect the environment; about 15.8% of the total carbon emissions in Bangladesh are associated with the textile industry, and renewable energy is not a big challenge facing H&M sustainability objectives, which could negatively affect its attempts to limit its environmental impact and fulfill global climate commitments (Hossain, 2025)

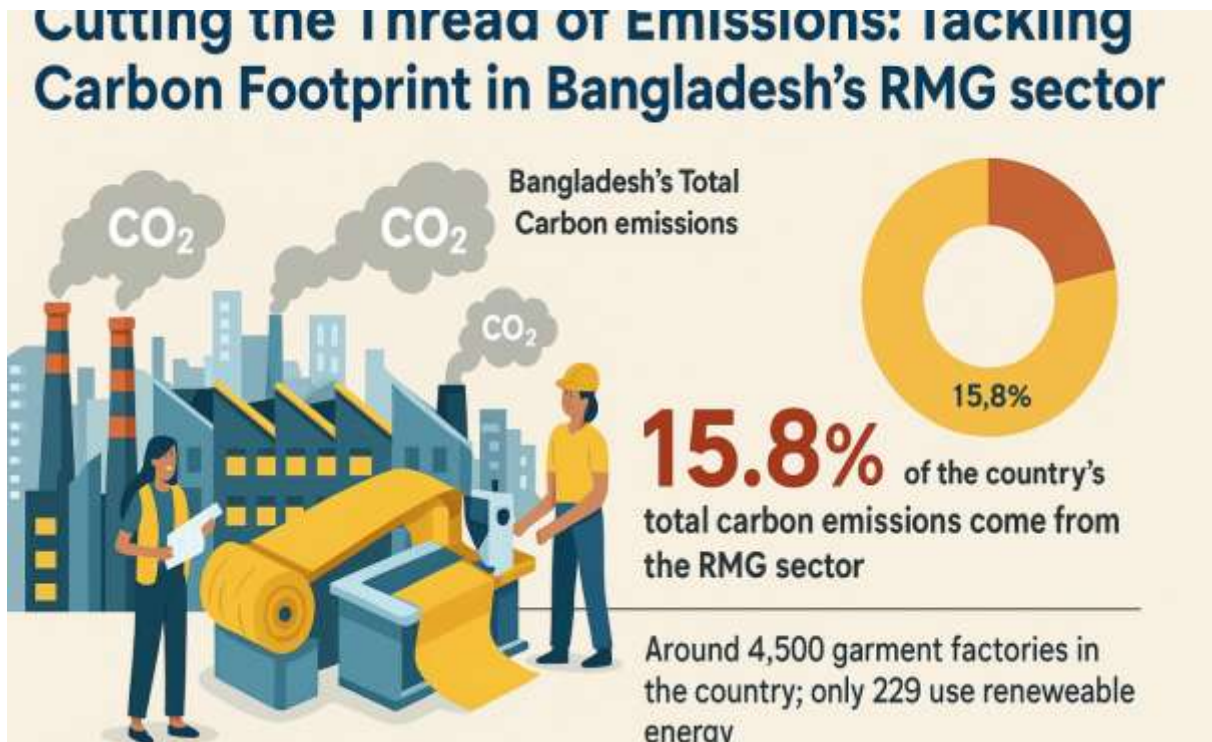


Figure: Carbon emission in Bangladesh textile factories (Hossain,2025)

H&M has pledged to adopt sustainable fashion practices, such as using organic materials, recycled fibres, and minimising water use in production. Achieving environmental sustainability in Bangladesh's polluted textile industry is a major challenge, particularly as local factories do not have the resources to implement eco-friendly technologies.

Conclusion

To sum up, the textile and ready-made garment sector in Bangladesh is one of the most robust pillars of the national economy and a key contributor to global competitiveness. The industry has realised tremendous growth due to low cost of production, high number of employees, high level of export orientation and high level of integration with the global consumers, including H&M, Zara and Walmart. Based on the Diamond Model by Porter, it is evident that Bangladesh has favourable conditions of factors, high demand internationally, support industries are developing, and local competition is intense to promote efficiency and large-scale production. Nonetheless, the analysis also reveals that the competitive advantage of the industry remains highly reliant on low-cost labour and high-volume production, which puts the industry at great risk. Long-term sustainability is

still challenged by political instability, labour unrest, ineffective infrastructure, technological constraints, inconsistency in the law and environmental pressure. Moreover, the presence of H&M in Bangladesh demonstrates the advantages and weaknesses of the textile setting in the country, especially concerning ethical sourcing, sustainability, labour welfare and supply chain resilience. Despite gaining a significant niche in the world textile market, Bangladesh will have to rely on its capacity to outgrow the competition based on costs and invest in innovations, labour protection and responsible production in the future. To ensure long-term competitiveness in the global textile sector, Bangladesh must now focus on technological upgrading, increased enforcement of labour laws and green manufacturing. All in all, the industry has a vast potential, yet in order to maintain that potential, the industry will need to be reformed strategically, governed responsibly, and constantly adapted to the shifts of the global market.

Section-2

Reflection Analysis

To cogitate about the research process, analysis and writing of the assessment about the textile industry in Bangladesh, I used the Reflective Cycle developed by Kolb, which comprises the following steps: Concrete Experience, Reflective Observation, Abstract Conceptualisation, and Active Experimentation. This model assisted in learning through it and understanding the process. It highlights that knowledge is always being formed by changing experiences, shifting from direct action to abstract ideas and then returning to practical experimentation (Vince, 2022)

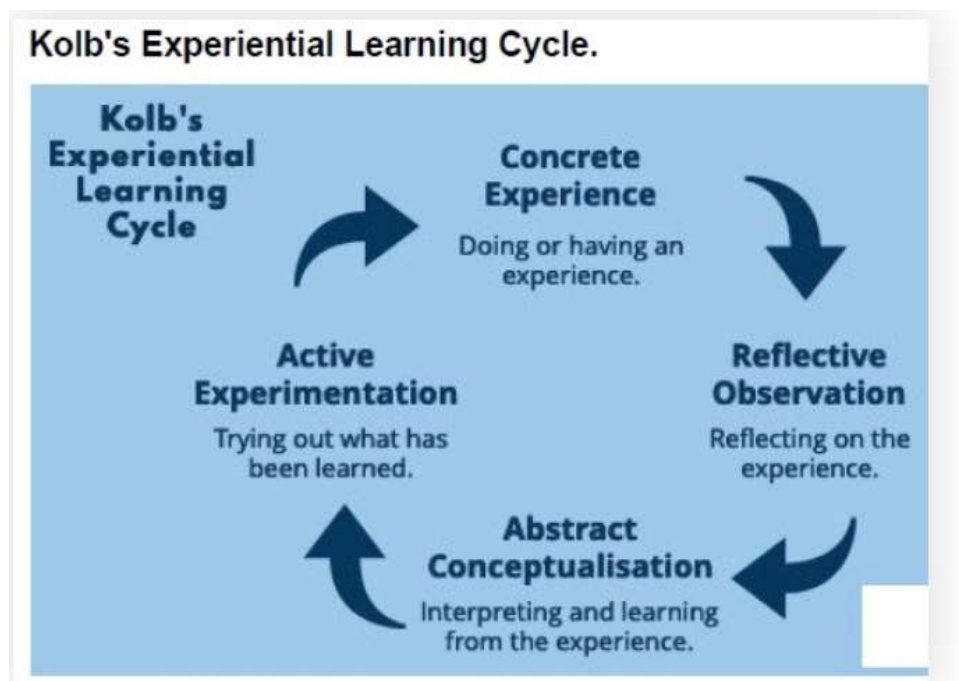


Figure: Kolb's Learning Cycle (Taneja Kiran and Bose, 2022)

Concrete Experience

The process of research and writing the report was triggered by the collection of a lot of data about the textile and ready-made garment (RMG) industry in Bangladesh. The assignment involved the analysis of numerous sources, such as reports in the industry,

scholarly articles, and current news in trusted sites. The major aspects which I concentrated on were economic importance, key players in the market and the problems experienced in the industry, which were labour conditions, technological backwardness, and infrastructural problems. This was complemented by the use of the Diamond Model of National Advantage by Michael Porter to determine the competitive stance of Bangladesh in the world. Also, as part of my research, I also investigated the case of multinationals such as H&M, which has a close connection with the textile industry in Bangladesh.

Reflective Observation

Looking back on the research process, I realised that much information was received through secondary sources like government and industry reports and economic data offered by researchers. Nevertheless, this information was frequently biased and lacked a closer understanding of the true working conditions in the textile industry of Bangladesh, including the day-to-day work situation in factories or the socio-political consequences on the workers. The report pointed out that despite the fact that Bangladesh has a competitive advantage in the form of cost-efficiency, labour availability and export orientation, the country has a lot of risks. This involves political instability, inefficiency of regulations as well as difficulties on sustainability and labour rights, which are mostly ignored in the classic economic analysis.

One observation was the gap in technological advancement in the industry. Despite the fact that the sector has made a breakthrough, it remains behind the rest of the world regarding advanced manufacturing technology, including automation and the use of AI. This was clearly understood when the production strategies and competitiveness of Bangladeshi firms were compared to those of other countries. In a similar vein, although multinational companies such as H&M take advantage of the low-cost production in Bangladesh, the challenges related to worker welfare and safety, as evidenced by the Rana Plaza disaster, are sensitive matters that need to be addressed.

Abstract Conceptualization

The analysis was designed with the help of theories and models, particularly the Diamond Model created by Porter. Under this model, factor conditions, demand conditions, related and supporting industries, and firm strategy are the determinants of the competitive advantage of the textile industry in Bangladesh. The cheap labour, large-scale production of exports, and the need for cheap fashion in the world market give Bangladesh a good position in the garment market. Nonetheless, this strength is also likely to leave the sector vulnerable to things like over-dependence on cheap labour, which may impact negatively on its world image and infrastructural bottlenecks that lead to stunted growth.

The results highlighted the importance of Bangladesh to diversify and innovate in the textile industry. Instead of basing production only on costs, a shift to more valuable products like technical textiles and sustainable fashion would be able to guarantee long-term sustainability. Furthermore, enhancing labour regulations and the safety and welfare of workers are essential, not only ethically but also to increase the stability and resilience of the industry.

Strategically, it became apparent that the Bangladesh textile industry must invest in technology and infrastructure. The industry will thrive on the change to automation, improved supply chain management, and energy-conserving production processes. Moreover, the environmental and labour laws should be enforced more in order to gain a competitive advantage in a more environmentally aware world.

Active Experimentation

The lessons learned as a result of this research process provide various guidelines to be followed in the future, especially by the local companies and multinational corporations such as H&M that are based in Bangladesh. In order to remain competitive, businesses in Bangladesh must focus on improving their technological assets in terms of automation and green practices. Moreover, there is a need to respond to labour concerns, which should be done through imposing tougher safety requirements, better wages and working conditions. These improvements can be facilitated through collaboration between multinational companies and local manufacturers.

Also, the government and business leaders should create better connections between the suppliers in the country and the international markets and create a more innovative and competitive environment. As an example, by promoting new product lines and encouraging R&D, it may be easier to help Bangladesh enter the more valuable niches of the world textile market. Finally, the strategy should incorporate sustainability on every level of production, including the sourcing of raw materials and the end product. The textile sector in Bangladesh has a chance to capitalise on the increasing demand for environmentally friendly and socially responsible made clothes by investing in green technology. Through technological advancement, supply chain development, and sustainability, the textile sector in Bangladesh can open the doors to long-term growth, which will protect its competitive edge in the international arena.

Conclusion

The experience of researching, analysing, and writing this assessment has made me realise the significance of considering both theoretical frameworks and practical issues in assessing the competitive status of a sector. Through the Reflective Cycle by Kolb, I was in a position to analyse in detail the textile industry in Bangladesh, the challenges that it goes through and propose possible measures that can be implemented to improve the situation.

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