Addis Ababa University School Commerce

Department of Marketing Management

FACTORS AFFECTING THE EXPORT PERFORMANCE OF THE GARMENT AND TEXTILE INDUSTRY, IN THE CASE OF ARVIND LIFESTYLE APPAREL MANUFACTURING PLC

A Thesis submitted to the Addis Ababa University School of Graduate Studies in partial fulfilment of the requirement for Masters of Degree in Marketing Management

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SCHOOL OF COMMERCE

DEPARTMENT OF Marketing Management

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Declaration

I, Kidist Teklu, hereby declare that this research entitled "Factors Affecting the Export Performance of The Garment and Textile Industry in the Case of Arvind Lifestyle Apparel Manufacturing Plc" is my own work. All information gathered & presented in this thesis is in accordance with academic rules of ethical conduct.

Student Researcher

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Kidist Teklu

Statement of Certification

It is to note that, Kidist Teklu has been certified to have executed her thesis on the subject "Factors Affecting the Export Performance of The Garment and Textile Industry, In the Case of Arvind Lifestyle Apparel Manufacturing Plc. A Thesis submitted to the Addis Ababa University School of Graduate Studies in partial fulfilment of the requirement for Masters of Degree in Marketing Management This study fulfills requirements to obtain academic Degree from the university

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List of ACRONYMS/ABBREVIATIONS

EU: European Union

LDC: Least Developing Countries.

US: United States

USD: United States Dollar

WTO: World Trade Organization

AGOA : (Africa growth opportunity act)

GSP : (Generalized System of Preferences)

FDI : Foreign Direct Investments

SMEs: Small to medium-sized enterprises

SSA : sub-Saharan Africa

GTP: Growth and Transformation Plans

Abstract

This study aimed to examine factors affecting the export performance in the industry of garment and textile, in the case of Arvind lifestyle apparel manufacturing plc. Researcher used a quantitative research along with descriptive & Explanatory approaches. A conceptual model was constructed, and hypotheses were developed and evaluated after examining previous related literatures. Researcher used questionnaire to collect data with 75% response rate. The collected questionnaires were analyzed using SPSS. Accordingly, variation outcome showed 72 % was registered as regression of all the predictor variables on performance of Export. No existence of Multi- Collinearity among the predictors and export performance. Thus, policy and regulation, as well as product quality, have a positive & statistically significant impact on export performance. Even if there is a positive relationship with Management Characteristics & Export Market Knowledge on export performance, its effect was not proven statistically significant. Export performance was highly influenced by policy and regulation, and product quality. Management Characteristics & Export Market Knowledge did not show a statistically significant effect. Consequently, Arvind lifestyle apparel manufacturing plc could consider Policy and regulation and product quality as Policy and regulation and product quality as their focus area to get a better export performance and gain competitive edge over the export market.

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CHAPTER ONE

1.1 Introduction

1.1.1 Background of the study

Exporting has become the most common and fastest-growing mode of international market entry, especially among small and medium-sized businesses, compared to other global market entry methods less resources is required which means lower risk. Exporting is an important commercial practice for a country's economic wellbeing because it contributes directly to job creation, trade flow, economic development, and a higher quality of living. (Lee, J., and Habte-Giorgis, B., 2004).

Agriculture is the mainstay of the Ethiopian economy, but the government has been working hard over the last five years to diversify exports, with a focus on strategic sectors such as light manufacturing, textiles, and garment manufacturing. The apparel trade in Ethiopia is has got huge potential and capabilities, showing increment by 51% on average over the last 5-6 years. The government is aggressively moving to open their garment and apparel industry to mid- and large-scale international buyers, with a strong focus on Foreign Direct Investments (FDI). In 2012, retailers such as H&M, Primark, and Tesco opened offices in Ethiopia and began purchasing finished garments from Ethiopian factories. Smaller enterprises, on the other hand, have plenty of demand in the garment industry. Small to medium-sized enterprises (SMEs) with 500 to 1000 staff, capable of handling small run orders for Dutch and European mid-market fashion stores, make up half of Ethiopian garment and apparel companies.

Ethiopia has had a phenomenal economic growth rate of 11% per year for the past 12 years, with the agriculture and service sectors providing the foundation. In the other hand, industry's contribution to GDP has stayed below 14%, which is less than half of the low-income country average in Sub-Saharan Africa. Despite remarkable economic growth, the industrial sector's limited position in the economy necessitates the creation and expansion of industrial parks as key instruments for attracting investment, fostering technology transfer, export promotion, and creating jobs, and thus achieving economic transformation. Because of the

advantages of industrial park growth, Ethiopia is considering it as a tool for facilitating industrialization. (Xiaodi., and et al., 2018)

According to initial findings, the growth of industrial parks will greatly increase Ethiopia's attractiveness for investment and industry, evidently seen in the high demand for space in one of the parks currently under construction. About the fact that industrial parks are thought to play a huge role in Ethiopia's industrialization process, the idea of industrial parks, as well as viable and feasible policies and administrative structures, are both new to Ethiopia's regulatory processes. However, since IP growth in the country is still relatively new, the lack of a robust regulatory system (such as comprehensive legal, policy, and organizational frameworks) and master plans makes development efforts more difficult. (Xiaodi., and et al., 2018)

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In terms of Ethiopian textile and apparel firms, it is vital to recognize variables that influence the export success of firms located in developed countries (textile and fashion companies) to elevate their competitiveness in the global market using subjective steps. In terms of bilateral trade rate, Ethiopia is a significant trading partner for its neighbors Kenya, Somalia, and Sudan, as well as the United States and European Union. (ALEMU, 2018)

This study aimed to research & review factors affecting the export performance of the garment and textile industry, in the case of Arvind lifestyle apparel manufacturing plc.

1.2 Statement of the problem

Most developing countries, including Ethiopia, with an export-led industrial policy, continue to rely heavily on exports. Clothing and textiles, one of Ethiopia's priority sectors listed in its industrial strategy, should have earned more than 1 billion dollars in the first year of GTP. (Gerezgiher, 2017)

Regarding Ethiopia's textile and apparel industry readiness for export market, the majority of the textile and apparel industry's production and power usages are very limited. When compared to foreign market demand, their commodity quality is often mediocre. The domestic market, on the other hand, is willing to accept this lower-quality commodity at a lower price than the foreign market. Ethiopia's import and domestic demand for textile and

apparel goods are growing, according to data from the Textile and Apparel Industry Development Institute, while Ethiopian export is marginal as compared to domestic demand, whereas Ethiopian exports are insignificant as opposed to domestic production and import. (Yared Mesfin Tefera, 2010)

Moreover, majority of prior studies in this direction were focused on Asia and advanced economies, hence, an understanding of the relationship in third world countries among such proficiencies and performance of export contexts is still lacking. Studies like (Wang, 2013) (Chokchainirand, 2013) (Safeer, 2019)

Considerable evidence from prior studies points to differences between advanced and developing economies in factors important for export. More importantly, exporting firms operating from developing economies have to manage multiple export market challenges, such as, resource constraints, little international experience, lack of marketing knowledge and information, complex regulatory system and underdeveloped institutions and structures supporting international operations and significant tariff and non-tariff barriers applied to their manufactured exports (Boso, 2016)

To handle new challenges and capitalize on opportunities, Organizations should use a highly professional managerial style. The moguls (industrialists) and export department managers, on the other hand, would need to have a better grasp of the of the global business environment. Through Export led growth strategy Many nations have witnessed significant economic growth. In order to increase exports this concept entails the development of firms with export potential which therefore increase foreign exchange revenues to be able to afford for imports that is crucial for economic development. (Alderin, 2014)

Given these differences, more study and data are needed from the context of developing broadened knowledge about export performance to generate better understanding of the factors that affect the export performance in Textile and Garment industries in Ethiopia.

Ethiopia has continuously introduced a host of trade and fiscal policy changes to change this situation with the aim of encouraging export through a variety of incentives. Some of these benefits include the elimination of export taxes and licenses, as well as the signing of a series of free trade agreements and conventions that offer preferential access to international markets such as AGOA (Africa growth opportunity act) & GSP (Generalized System of Preferences) yet whatever government assistance is given to improve this sector's exports,

the effect is still minimal. It is evidential that Ethiopia as a developing country suffers from foreign currency deficit, Export being one of ways for the country to overcome these short falls however it is not well monitored or supported by the government bodies with appropriate policies rather using controlling methods which is usually manipulated by the inventors to the countries disadvantage and discouraging to those with intention of developing the export of the country.

The number of studies on the garment and textile sector's export output is small, and many of them are focused on macro-level behavior rather than firm-level behavior. As several previous research centered on national competitive advantage. Furthermore, most of the previous export research used qualitative analysis, such as interviews, case studies, secondary data, and fundamental methodological techniques are all employed. As a result, fewer are available studies to assist clothing and apparel exporting companies in developing their own competencies and strategically exporting with appropriate direction. The textile and garment export industry is also highly competitive, with many seasoned exporters participating and new entrants appearing on a regular basis. Earlier research has shown a variety of insights into the factors that influence export success. However, these studies have been inconclusive in several ways. Firstly, there has not been consistent as regard to the significant factors of export performance. Secondly some of the previous studies applied cross country analysis whose results lack generality to the specific country context.

Hence, this study will be undertaken to study factors affecting the performance of export in textile and garment industry in the case of Arvind Lifestyle Apparel Manufacturing Plc.

1.3 Research Questions

The researcher is designed to address the following basic questions while conducting this research paper. The specific research questions:

To what extent the effect of export marketing strategy affects the export performance in the study population?

How Management Characteristics affect the export performance in the study population?

To what extent the Product quality affects the export performance in the study population?

To what extent policy and regulations of the country affect the export performance in the study population?

1.4 Objectives of the study

1.4.1 General Objective of the study

To identify factors affecting export performance of Arvind Lifestyle Apparel Manufacturing Plc in Addis Ababa in the genera Objective of this thesis.

1.4.2 Specific objectives of the study

- To analyze the effect of export marketing strategy on export performance in the study population
- To study the effect of Management Characteristics on export performance in the study population
- To explore the effect of Product Quality on export performance in the study population.
- To find out the effect of policy and regulations on export performance in the study population

1.5 Significance of the study

The researchers believes the findings of the study has identified an important knowledge gap concerning factors affecting export Performance on Garment and Textile Industry in Arvind Lifestyle Manufacturing plc and also added to the existing body of knowledge and basis for further studies to this matter.

The study specifically identified the most significant factors affecting export performance in the garment and textile sector in Ethiopia. The researchers believe that the study could also be a good source of literature for those interested in conducting similar study activities. The findings and conclusions of the study could help decision makers and marketing practitioners

to have in-depth insight on the factors affecting export Performance on the Garment and Textile Industry to design appropriate export growth strategies and policies to regulate the sector's effective marketing strategy.

1.6 Delimitation/scope of the study

The study was conducted in Addis Ababa city bole lemi area with the selected factory Arvind lifestyle manufacturing PLC about factors affecting export performance in garment and textile industry. The export industry is broad as well as factors affecting its performance therefore this research will focus on the selected garment & textile manufacturing factory.

1.7 Limitation of the study

The Ethiopian industry is being built from the ground up, almost from scratch. Currently consist of 10 active sites, 189 companies, and 71,000 employees. On the positive front, industrial park exports now make up nearly half of manufactured exports. However, their export performance is well below expectations, especially as the COVID pandemic reduced monthly exports and employment starting in April 2020. Looking ahead, though some long-standing challenges remain (labor and logistics), the coming online of additional industrial parks, some switching in product mix by existing companies, and the now much more favorable exchange rate could bring gradually improving prospects. The Children's Place is one of four leading US apparel brands sourcing goods from Ethiopia, alongside PVH, JC Penney and H&M.

Even though, there may be abundant influences of factors affecting export Performance on Garment and Textile Industry, the research will only focus on effect of independent variables; (Export marketing Knowledge, Management Characteristics, Product quality and Policy & regulation)) on export performance (dependent variables) the case of Arvind Lifestyle Apparel Manufacturing Plc in Addis Ababa, after review of related literature and observed empirical gap in the area. As the factors affecting export performance are complex and is affected by different factors, the research was limited to examining a few variables mentioned above.

Garment and textile sector in Ethiopia can be seen from three board viewpoints, exporters making low-cost garments can be the first one, these are primarily for uniforms and as a whole items of clothing which are then exported to Africa and Europe, the apparel importers who import Chinese products and dominate huge portion of the market are second viewpoint, last there are the domestic producers of clothing and fashion products. Some of the local brands such as Ambassador (men's suit and apparel), WOW (men's apparel) has significantly contributed to the fashion retail in the cities. Ethiopian designers (MAFI, ZAFF and African Mosaic to name a few) have also contributed to come up with small boutique stores in malls and shopping areas but their business revenues are majorly in the USA and Europe. Clothing for all categories still sells in the popularly known "Merkato" or Gabea and is flocked with Chinese imports. (Khurana, 2018)Due to time, experience, and fund constraint this is not be covered under the study and is only focused on most relevant literatures.

Methodologically, the research will be limited only to questionnaires and considered for the study population with the challenge of Covid-19 data collection from Arvind Lifestyle Apparel Manufacturing Plc and geographically around Addis Ababa city located in bole lemi industrial zone.

1.8 Definition of Terms

Export Performance

Firm's or nation's efforts to sell locally made products and services to the outside world is known as Export Performance. It can be measured technically using sales, earnings, or marketing metrics, or subjectively using market knowledge, managerial characteristics, quality, and policy and regulation. (ALEMU, 2018)

Foreign Markets

Markets that exist outside of a company's home nation are known as Foreign markets. Trading in international markets necessitates engaging with a variety of norms. Early phase of accessing the international market is exporting. (ALEMU, 2018)

Textile

Textiles is a broad term for woven fabric, made from an interlocking network of yarns or threads produced by spinning raw fibers into long and twisted lengths by weaving, knitting, braiding these yarns together including the nonwoven fabrics produced by mechanically or chemically attaching fibbers together. (ALEMU, 2018)

Garment

Garment is usually described as article of clothing however in recent garment & textile industries assembling garment requires innovative technologies where computers are programmed to cut and make clothing's by simplifying routine tasks while factory workers takes on the more sophisticated portion of the production. (ALEMU, 2018)

Company

Company is defined as an entity where certain goods & services are produced. Good example would be beverage manufacturing companies, garment & textile manufacturing or companies that produce Music. Tangible products are produced by some of the companies whereas others provide services such as banks and cable companies. (ALEMU, 2018)

Export

Export is transporting of goods from one country to another for the purpose of buying & selling. During the old times it was quite expensive and very risky to transport a product in order to sell which kept the goods exchange in the local market. During advancement of transport service export had a huge turn up which in nowadays takes place between countries and across the world. . (ALEMU, 2018)

1.9 Organization of the paper

This Thesis is be put together into five sections.

Chapter 1: -presented introductory materials, that contains the research's context, statement of the problem, research objective, and questions raised in the study, why the study is important then what the research covers.

Chapter 2: - presented the related literature reviewed during the desk research phase of the study. In this chapter the researcher reviews different related literature available in the area of factors affecting export performance theoretically and empirically.

Chapter 3: -Research methodologies this chapter presented different aspects of the methods used and situations that the researchers must consider during each phase of the study. The purpose of this chapter is to make the reader understand the nature of methodological choices made on the study.

Chapter 4: - Finding & Discussion ; the findings of the study and the analysis are presented in this chapter.

Chapter 5: -Conclusion and Recommendations. The last Chapter presented the summary of findings and conclusions drawn from the study and gave recommendations as to how the company can be more efficient and overcome the existing problems in factors affecting it's export performance.

Chapter two

2.1 Literature Review

There has been several studies conducted to identify what impacts export performance but few numbers of studies has been conducted specific to the garment & textile industry focusing on Ethiopia's export performance on the sector. Depending on the type of model utilized, different scholars have found and used different variables while researching the determinants of export performance, which varies by country. This chapter presents the concepts & theories that earlier researchers reviewed in regard to factors affecting the export performance of garment & textile.

World Bank (2020) study indicates that COVID-19 has severely impacted firms' ability to produce and sell their products. Most firms have seen their sales and production fall significantly, with firms oriented towards the domestic market hit especially hard. Firms have been hampered in fulfilling their output targets due to a lack of workers and the inability to afford and obtain inputs, both from overseas and domestically. Government support measures have not reached the majority of firms. While the government's approach has emphasized export-oriented manufacturing, a number of companies based in the privately

held Eastern Industrial Park are focused on domestic production. Because of the diverse natures of these businesses, global market shocks are likely to affect them differently.

Publication by Ethiopian Investment Commission (2020) indicates Ethiopia is implementing phase II of its Growth and Transformation Plan that is anchored on building a solid and vibrant industrial base which will engender in structural economic transformation and inclusive growth. The government of Ethiopia's overarching plan is to make the country the leading manufacturing hub in Africa by 2025 – with a focus on light manufacturing. Ethiopia's industrialization approach includes developing specialized industrial parks, maintaining social and environmental sustainability, building vertically integrated industries, and enhancing skills development – and achieving all these through strong collaboration with the private sector including global players in the value chain.

Karan Khurana, (2018) studied textile and apparel business advances in Ethiopia. His study revealed Ethiopia's amazing change seen in SSA that is from rural to a rapidly expanding manufacturing hub. Ethiopia is one of the top ten countries in terms of gains, especially between 2010 and 2015. Ethiopia appeared to be invariably recognized for its coffee and culture a decade ago, nevertheless currently, the apparel world evidently sees the country's potential to become as the apparel production center in the continent. The government's policies have shifted from an agricultural to an industrial economy, which is evident in its ambitions. The government, national agencies, and progressive relationships with allies throughout the world have all contributed to the development of this industry. The government established numerous sub organizations to handle the flow of work in order to aid foreign partners and local enterprises. One of the most significant benefits of this sector to the country is increased population employment, which is a key contributor in raising Ethiopian per capita income.

The importance placed on marketing strategy, as well as the marketing resources and capabilities committed to it, was found to be so low that organizations appeared to conflate marketing strategy with sales strategy. In addition, the businesses failed to relate their marketing enablement environment to their marketing strategy. Similarly, there was a weak link between a company's marketing strategy and its market performance. As a result, the case companies' marketing strategies are so weak that it will be difficult for them to compete

in the local market, let alone foreign markets, with their current marketing approach. (DURIE, 2017)

So far, no definite conclusion has been reached about the factors influencing textile and garment export performance in both developing and developed countries.

2.1.1 Theoretical Review

2.1.1.1 Export Performance

Measuring the competitive advantage of the US textile and apparel industry. Paper presented at The Alfred P. Sloan Foundation's Industry Studies Program, Boston, MA. Export Performance to achieve success in the competitive global textile and apparel trade environment has become a popular topic for discussion among academicians (Berdine, 2008).

As an important measurement of business success, influential factors related to export performance have been explored as well as the relationships between these factors from both firm and industry perspectives (Edwards, 2006) (Kaplinsky, 2008) (Verma, 2002)

Firm-level export performance over the last three decades, considerable study has focused on firm behavior and performance in export markets. Most research in the 1990s and prior focused on firm-level export performance. These studies usually found that a company's export performance is dependent on how the company performs and local situations. Using to evaluate key variables of the export performance through the common research models at company level.

The research model is inclusive of outside factors and inside factors on the performance of export. It has been noted that Selecting market, intermediary's usage, product mix, developing products, promotion, pricing are considered as strategies. According to (Chen, 2009)Both the approach and performance of export in a company is influenced by the qualities the organization has which includes the company's knowhow of the business, how well their regulation and policy is set within the organization for exporting and how well

they inspect the products during execution for standards and most importantly the internal managerial control.

The current hot topic among scholars is 'How to achieve success in the competitive global textile and apparel trade (Berdine, 2008). Key variables connected with the performance of export as well as links between these elements has been researched from both firm & industry viewpoints as an essential indicator of successfulness of an organization. (e.g., (Abraham, 2011) (Edwards, 2006) (Kaplinsky, 2008) (Verma, 2002))

Under the guidance of this framework, one research focus has been to synthesize and empirically test a model of export performance at the firm level (e.g., (Robertson, 2000) (Shamsuddoha, 2009). Research revealed firm size, export experience, export commitment and production technology positively influenced export performance, while price, domestic market orientation, and contextual environmental factors negatively affected export performance. Recent studies have further assessed these relationships and tested more variables that affect export performance. For example, research indicated a negative impact on a firm's performance, given its external environment aligns with tactical positioning and channel structure (Robertson, 2000) (Shamsuddoha, 2009)also found government export promotion programs influenced a firm's export strategy and export performance by developing firm and managerial capabilities, such as knowledge and skills.

The domain of synthesizing and empirically testing a model for export performance has been sufficiently addressed in the literature. Recent research concerning export performance at the firm level has focused on exploring the determinants of export performance in a particular economy. Numerous studies have arrived at a consensus that labor costs were no longer the primary determinant for export performance at the firm level and the importance of determinants may vary in different economies (e.g., (Eusebio, 2007) (Maurel, 2009),). Firm characteristics (i.e., firm size, business partnership or domestic social network, and innovation) ((Maurel, 2009)), environmental characteristics (Jorge Carneiro, 2003), and export commitment ((Maurel, 2009)) are considered primary determinants for export performance in most of the countries (e.g., Australia, French, Philippines, South Korea, China, and Turkey), followed by market strategy. Export experience ((Eusebio, 2007)investment in R&D, exporting problems encountered (have shown to provide an

impact on export performance only in certain countries (e.g., Australia, Spain, Italy, and China).

This body of research illustrates the domain of determinants of export performance regarding various national economies has been sufficiently completed for most of the exporting countries addressed in this study.

2.1.1.2 Export performance at industry level

(Saravanan, 20112) have explored the determinants of and factors affecting the export performance of garment sector. It should be noted that with a particular emphasis on the garment industry that are undertaking studies in third world countries on the performance of export several techniques that different scholars followed and conclusions drawn are examined to determine role played of the studies for the current literature. Most of the recent export performance studies (e.g., (Abraham, 2011) (Jin, 2004)) have started to consider the SMEs to assess core competencies or investigate business sector drivers of performance of export in the international business in a given market.

To examine a certain economy's market position in exports is the initial tendency for the research ((Abraham, 2011) (Sultana, 2011) (Verma, 2002)) or provided more than two comprehensive examination of the industry ((Jin, 2004) (Kaplinsky, 2008)). Another trend is to explore the determinants of export performance in one or more economies (e.g., (Athukorala, 2004); (Bilquees, 2010) (Edwards, 2006); (Kaplinsky, 2008) (Santos-Paulino, 2002) (Zhang, 2008). The majority of the studies on such concepts are concerned with comparable challenges like as time taken, the cost of workers and currency and soon (e.g., (Athukorala, 2004) (Abraham, 2011) (Kaplinsky, 2008) This resemblance suggests that such parameters are extensively used in analysis of how to increase potential countries. Additional considerations are taken into account and investigated, such as regulations of a country (Abraham, 2011). Nonetheless, because of the variety and complexity of comparative advantages and export performance studies, these elements must be considered economies. Most of these study trends encompass both developing and developed Asian, African, & Latin American countries. These countries were chosen because they are expected to provide a comprehensive comparison of the various performance characteristics that these studies are interested in.

Similar to firm-level export performance studies, most industry-level literature suggests that low-cost labor is no longer a substantial comparative advantage in the textile and apparel industries in Asian developed and emerging countries or territories, such as China ((Zhang, 2008), Hong Kong, South Korea & Taiwan (Jin, 2004) India (Verma, 2002), Japan. Due to rising labor costs, these countries or territories have lost export competitiveness, which has harmed their textile and apparel export performance. However, not all of the studies reach similar conclusions (Abraham, 2011); (Kaplinsky, 2008) (Sultana, 2011).

Besides labor costs, quota is another critical determinant of export performance at the industry level (Zhang, 2008). Before the Multi-Fibre Arrangement (MFA) quota removal in 2005, the influence of trade liberty has been intensely discussed. The most widely held belief is that the removal of MFA quotas is both an opportunity and a threat. Quotas will no longer restrict export activities, which is an opportunity. Non-restrictive trade operations, on the other hand, may open up the domestic market to competition. ((Kathuria, 1998) South Asian countries try to prevent large-scale job losses, due to liberalization and globalization ((Sultana, 2011). This prediction has proven in the current trade 18 liberty era, quota removal has improved the nations' competitiveness in global trade for most export countries (Abraham, 2011) (Zhang, 2008) . But the competitiveness of these countries has become a threat to other countries, which lack similar comparative advantages (Kaplinsky, 2008) (Zhang, 2008)

In addition, labor costs and quotas aren't the sole comparative advantages for exporting countries. Buyer firms consider quality, products, and process technology to be essential criteria. Other research on country's efficiency & performance of export , on the other hand, are focused with the influence of production, government policy (Abraham, 2011) number of facilities and employment , exchange rate (Kaplinsky, 2008), domestic demand (Edwards, 2006), export variety (Funke, 2001) lead time (Kaplinsky & Morris, 2008), and tariff (Zhang, 2008). Yet, because of information collection time inconsistencies during research, reaching consensus is challenging. As a result, conducting the current research to examine the determinants of textiles and apparel exports in Ethiopia specific to Arvind Lifestyle Manufacturing PLC is vital for a better understanding of export performance in developing countries, as well as to advise future direction and challenges.

This subdivision clearly displays the work of numerous scholars who use diverse methodological approaches to investigate the influence of globalization on the economies of developing countries. It is acknowledged that researchers used a variety of approaches and proxies to measure export performance as well as variables. The research was performed in China, India, Sri Lanka, Bangladesh, and Pakistan, according to the report. In international trade, these economies are the leading exporters of textiles. Most of the research have focused on identification of the connections among GDP, currency rate, labor and soon with the textile industry's export performance, according to the review.

2.1.1.3 Export Market Knowledge

An increasing amount of literature has investigated the role of marketing competencies in export performance in recent years. (Murray, 2011). Despite the rising interest in study among academics, nothing has been concluded in economy that is developing. When studies have been undertaken in such marketplaces, the background of enterprises originating from it has received little consideration. When compared to firms in established economies, firms from emerging markets operate in less wealthy surroundings and often have fewer possessions (Singh, 2009) . Typically they don't to enter the worldwide business on time and often lack the marketing expertise, abilities, and information required to profit from export markets. (Zhou, 2010).Their study didn't assert direct relationship of capabilities of the market & performance rather it operationalized with unique dimensions similar like the market mix to prove influence reducing cost & branding for best performances.

The vocabulary used to define technical and industrial textiles is insufficient. They've been referred to as "industrial textiles" in the past. However, the term's inadequacy in defining textiles used in agricultural, construction, and medical applications, among others, has been recognized because to its large and rising variety of applications.

2.1.1.4 Management Characteristic

In general companies require a wholesome talent to execute global operations. Manager & employees must have a international mindset free of national biases & better understanding of what the international environment requires of them to achieve the companies mission &

goal. Operating personnel are expected to have a balance between the corporate & national requirements. (Gerezgiher, 2017)

Managers with a higher level of education along with a strong command of foreign languages, and significant professional experience are more likely to succeed in exporting as they will have a better grasp of the foreign markets which will help enhance the export performance of the firm. (Gerezgiher, 2017)

It has also been discovered that a firm's export experience has a beneficial impact on its export performance. Internalization is thought to be driven by experiential knowledge of international markets and operations. (Mehta, 2010)

The issue of uncertainty and how firms deal with it is at the heart of the relationship between exporting experience and export performance. The less experienced companies are more prone to be hesitant, which has an impact on their profits in oversea markets and operations. Nonetheless, more experienced enterprises are more likely to have a better understanding of overseas markets, develop personal contacts and client relationships in other countries, and create effective export marketing plans. (Mehta, 2010)

2.1.1.5 Product Quality

Product differentiation being the core of the Mix has proven the existence of significant relation between export performance & product attribute. The efficiency of Promotion has been evaluated comparatively to the campaigns of the competition. The company's inclination to export trade in foreign currency assessed Pricing strategy. The export commitment is determined by the availability of resources. High level of commitment is required from Managers in low performing companies as less opportunities are presented. (Srinivasan, 2005)

In dealing with the developed market, A firm is expected to be committed due to the expectation of the consumers at the end. Factors Affecting a Company's Competency is Technology, Export is positively connected with technological strengths. (Mayreddy, 2005). However, other schools of thought exist, with (Philip J. Rosson, 1987) claiming that the association between technology and export performance is weak. He claims and argues that competitive advantage is not gained over having expert knowledge alone, but rather depends on how the company uses it. To compete in the global market, businesses must be large

enough. Larger enterprises have a competitive edge in the worldwide market due to increased competition and advancements in communication networks. We can't generalize the relationship between size and firm as export strategies also has substantial effect. It is more likely for a larger firms to adapt indifferent marketing strategies with a smaller firms with restricted resources (Bhavani, 2010). According to (Gurusamy, 2016), a firm's age is generally a sign of learning through time, and as export activities take a long period, firm age is a critical component. Some scholars have investigated the age of a company and its export performance. They feel that companies in their early phases can function better if they are more adaptable.

2.1.1.6 Policy and Regulation

Ethiopia as Africa's second most populous nation and possessing a very critical geopolitical position necessitates a critical evaluation of its economic conditions., the country has made remarkable and variety of progresses. As an example, Although Ethiopia's economy is not reliant on minerals, has seen twofold growth in the economy Life expectancy increased by fifteen years that is from forty-eight years of life expectancy in 1992 to sixty-three years life expectancy in 2012 showing a massive over all improvement & growth.

This amount of success discussed above is mainly because of country's distinctive growth plan & daring to experiment in industrial strategy. Only few other African countries attempted to adopt such a developmentalist industrial policy. (Oqubay, 2015)

In Ethiopia the favorable policy environment created by the economic reforms, coupled with Macro-economic stability strengthened the manufacturing sector and the economy in general however didn't get far as export in particular was not expanded and was focused on few sectors, with an intention of expending export sectors in 1998 the Ethiopian government came up with an export promotion strategy which then brought an existence of Export Promotion Agency with a focus on high value agriculture (e.g. horticulture products and meat) & manufacturing products i.e. clothing, textile, leather and leather products however the strategy was somehow limited. (Gebreeyesus, 2013)

Using political & legal systems leaders of certain country establishes laws to live by daily as such one of the essential components of daily life is business, which makes business without

legal impossible (Sethi, 2012). Among several ways business gets impacted by political & legal system of the country, coming up with new polices or altering the old one, rules & regulations are some of them. Polices that impact business of a given country be it monetary or fiscal is regulated by the governing body. Ease of doing business is highly dependent on political stability. By eliminating barriers to global commerce or even by establishing favorable conditions for traders Political factors may help companies modernize.At the same time political instability, legal procedural obstacles, corruption, and insufficient legal backing may become impediments to joining international markets. (Bhattacherjee, 2012).

Due consideration of the unforeseen character of political & legal environment of the given country is needed prior to deciding to expand international commerce. In order to conduct any business lawfully there are certain legal procedures that we must go through like registration, submitting taxes, requesting for authorization depending on the countries requirements which is used to evaluate ease of carrying out a business. Additional formalities such as currency limitations, quotas, or tariffs are imposed when doing foreign businesses.

It is also noted that further requirements, such as standard of the product, process of compliance, regulation of health and safety, and patent and trademark concerns may be required depending on the overseas partners. (OECD, 2006). Manufacturers in the sector prefer to supply the home market rather than the much more competitive export market, this adding up with inconsistent policy approach in the sector is the reason for the approach of shying away from export market. (Oqubay, 2015)

Better understanding of future export growth and performance than export growth or economic growth is obtained from the growth of economy, factors of economy, how the spending of the government is handled & the supply of money or currency fluctuations. Export expansion, according to international trade theory, as quantified by the growth of production by allowing low open economies to take advantage of economies of scale it is noted to have a positive input. Imports of capital and intermediate products can be increased by removing the binding foreign exchange constraint. Increasing efficiency through increasing competition and, in the long run, encouraging the spread of technical expertise through international buyer proposals and learning by doing.

Due to the reason other domestic policies can have a significant impact on a country's trade orientation concentrating on policies of commerce is not a useful indicator of trade orientation. Economic policy considerations include inflation, tax rates, and the host

country's tax system. Several studies have found that corporation tax rates have a negative impact on export decisions, implying that the higher the business tax rate, the fewer exports are carried out. (Liumingliang, 2010)

The export industry is becoming more involved in worldwide business, in line with other globalization trends. They not only account for a large share of exports, but they also import and are connected to worldwide industrial networks. When they try to internationalize, they frequently run across significant roadblocks. These obstacles are multifaceted, and they might come from within a company or from the larger business environment in which it works, such as trade policy hurdles.

Export obstacles are significant because they have an impact on exporters' behavior at various phases of internationalization. Barrier perceptions matter because they have an impact on managerial conduct in international marketplaces. (Shoham & Albaum, 1995) When the quota system is abolished, a limitless relationship will emerge.' The United States and the European Union have told the World Trade Organization that they are moving through with the final phase-out by the end of this year, and a coalition of American and European Union retailers has lobbied hard for the deadline to be met. Though Indian garment and textile manufacturers are crossing their fingers that everything goes according to plan, the fact that India's textile and garment industry is fragmented and faces intense competition from China is dampening their excitement. Annual quotas to the United States and the European Union under the present WTO agreement are filled months in advance, with restrictions on clothes such as jeans, T-shirts, and sweaters, as well as fabrics.

Differences in Culture (Cultural Distance) Psychological or psychic distance is another phrase for cultural difference (the terms are used interchangeably, but cultural distance is used in this regard). Barriers to entry and operation in a foreign market are influenced by the cultural gap between the home and the foreign markets (Jan Johanson, 1975) .

The difference in culture impacts the quota on export regulations. It is also founded on differences at the national, organizational, and individual levels, such as language, history, and beliefs and orientations (Philip J. Rosson, 1987). According to (Bilkey & Tesar, 1977) Business should not start from culturally expanded & further markets, it should start from the near ones, improve skill then expand to the big markets, the greater the cultural divide between the home and host markets the larger the skill needed is.

2.1.1.7 Market Factors

According to (Kaynak, 1993), Export market attractiveness has a favorable effect on export performance, however other studies have indicated that it has a negative or inconsequential effect. knowledge is about markets driven performance. Which can be seen on Market Attractiveness and contributions on export performance.

Attractiveness to the market Knowledge of markets drives performance, according to internationalization theory and contributions on export performance. According to (Kaynak, 1993) export market attractiveness has a favorable effect on export performance, however other studies have indicated that it has a negative or inconsequential effect. They have cornered the market for fast fashion in several parts of the world.

2.1.2 Empirical Review

The reason behind inconsistency of the findings in studies of export performance among other reasons is the fact that there is a variation in conceptualization, how operation is carried out and valuation to see if export performance is impacted. (Carneiro, et al., 2007). Despite the fact that there is no framework that can be used for every theory for assessing export performance that builds on earlier studies, the Relationship among concepts and its evaluations promotes theoretical framework, (particularly Matthyssens & Pauwels, 1996, and Katsikeas et al., 2000), better labeling and organization of the model categories which can be used as general recommendation for researchers to make their study ideas clear and to develop a condensed set of characteristics of performance and pointers that align with their exact study goals. Even though some relatively strong conceptual and measuring frameworks exist, most recent empirical studies have chosen to use rather basic conceptualization schemes and methodological techniques. (Carneiro, et al., 2007)

Export performance is how majority of the firms and business globally measure how successful is the operational part of their company. Due to that effect in recent years studies in that area has increased significantly. (Sousa, 2008).

For broader element of export activity strategic some market and strategic metrics may be of importance, nevertheless these strategies due to their subjective natures may vary substantially amongst organizations making it impossible to implement same strategic objectives to compare among firms therefore to represent the strategic nature of the export performance it is advisable to gather data in general metric. (Jorge Carneiro, 2003)

Several theories have been proposed by Economists to clarify international trade., The neoclassical Heckser-Ohlin model has been the dominant for a long time. The model states that countries specialize in the production and export of products in which they have a competitive edge on which is caused by relative richness of a certain factor of production. In developing country with a relative good labor to spare, this would suggest export in labor intensive goods such as textiles would make sense. As per the Ricardian theory, comparative advantage occurs due to technological dissimilarities across nations, whereas the Huckster-Ohlin theory considers cost dissimilarities occurs due to differences in factor prices across countries, assuming constant technology has been the dominant paradigm factors of these rigorous assumptions to allow for other sources of comparative advantage. Strong assumption is required like perfect competition, no economies of scale and costless availability of technology by the Huckster-Ohlin model.

In Export performance determinants there are internal export performance determinants factors and external export performance determinants factors. It is noted that the resource-based theory is Internal export performance determinants factor, whereas the industrial organization theory backs up external determinant. Organizations are recognized as a distinct collection of tangible and intangible assets by the resource-based theory. property's, competencies, procedures, management qualities, communication, and experience, which allow to assess and develop ways to improve its proficiency are considered as a firm's resources (Bhattacherjee, 2012) Company's management characteristics are perceived as internal factors (Sousa, 2008)

The most used theory in construction of Export performance model from the resource-based view is the firm and international economies of scale theory. The international economies of scale theory consider lack of resources as the main obstacle for smaller firms Nonetheless, large firms have the required resources when entering new markets and shows competitive advantages compared to smaller firms.

It is stated as the level of economic achievement in a Company's export market may alternatively be characterized as its export performance. (Lim, et al., 2004) Internal such as product and management and organizational features such as planning abilities, technology, and scale, among others and external elements such as features of the domestic and target markets influence export performance.

Internal and external factors are used to classify the aspects that influence export performance. The resource-based theory supports internal factors, while the industrial organization theory supports external determinants. The industrial organization (IO) theory, on the other hand, affects the economic performance as it contends that external variables dictate a firm's strategy (Scherer and Ross, 1990). The theory goes that the external environment places forces on a company that it must adapt to survive and thrive (Collis, 1991).

(Chokchainirand, 2013) This study was carried out on Thailand's textile and clothing industry since its liberalization in 1995. It illustrates that the industry used to be the number one generator of export income for Thailand. During the time export surged, the Thai government employed 'industrial policy' to reignite the industry in 2003 and 2007. The study used a mix of qualitative and quantitative research methods to derive an appropriate conclusion However, the findings policies have had little effect on the export pattern. Showing that industrial analysis at 'macro' or 'aggregate' level is weak and impractical. Furthermore, the researcher was unable to identify common factors that differentiate well-performing firms from poorly performing firms advising there is no obvious 'model 'that distinguishes those firms or sectors that do well and grow, against those which do not. The inference of the results on research advised there could be various business models able to attain better export performance at firm level but the effectiveness of encouraging business models found at firm-specific level might be impractical and unrealistic at aggregate level therefore the examination of effective business models should focus on a firm-specific level.

The study aims to identify the above-mentioned gap by constructing a complete model that focuses on company's performance i.e., Arvind Lifestyle Manufacturing Ethiopia plc and explains the causes and metrics of export performance on the Garment and Textile Industry in Ethiopia by considering both internal & external factors.

2.1.3 Conceptual Framework

Following the above literature, the researcher has grasped the concept to identify and asses factors affecting the export performance of Arvind Lifestyle manufacturing Ethiopia PLC.

Exporter companies mainly deal with the cost profit risk which is underlined as the most critical part of export performance that requires knowledge & skills. (Ling-Yee, 2001). Several empirical researchers have identified positive relationships between foreign skills & how successfully the export is executed. (B.L & J, 1985) Exporters gain competitive edge on export performance by sharing information among partners to adapt to local market conditions on where the competition stands & what is the current demand of the customers (Zhang, 2003).

As highlighted (Nakos, 1998). and several studies conducted by academicians it was noted that the level of export knowledge possessed by management has a beneficial impact on the performance of export along with other significant elements such as level of dedication of management and attitude towards export by management as a management characteristic.

It was noted that better performance in export can be obtained given the factory or company provides an improved product quality making exporters that produce with good quality stay in the business of export by impacting their performance. (Balaoing, 2016) The support of the government policies and regulations like any other sector could help boost the garment and textile sector export significantly (ALEMU, 2018)The research thoroughly examines the effect of external and internal factors on the export performance of textiles and garment industry of Ethiopia specifically Arvind Lifestyle manufacturing PLC by establishing a relationship of Export Marketing Knowledge, Management Characteristics, Product quality ,Policy & regulation on Export Performance Conceptual framework is adopted as mentioned.

INDEPENDENT VARIABLES   DEPENDENT

VARIABLE


```
┌──────────────────────────────┐
│  Export Marketing Knowledge  │
└──────────────────────────────┘
                                    H1
┌──────────────────────────────┐            ┌────────────────────────┐
│  Management  Characteristics │   H2       │                        │
└──────────────────────────────┘            │   Export Performance   │
                                            │                        │
┌──────────────────────────────┐   H3       └────────────────────────┘
│  Product Quality             │
└──────────────────────────────┘
                                    H4
┌──────────────────────────────┐
│  Policy & Regulation         │
└──────────────────────────────┘
```
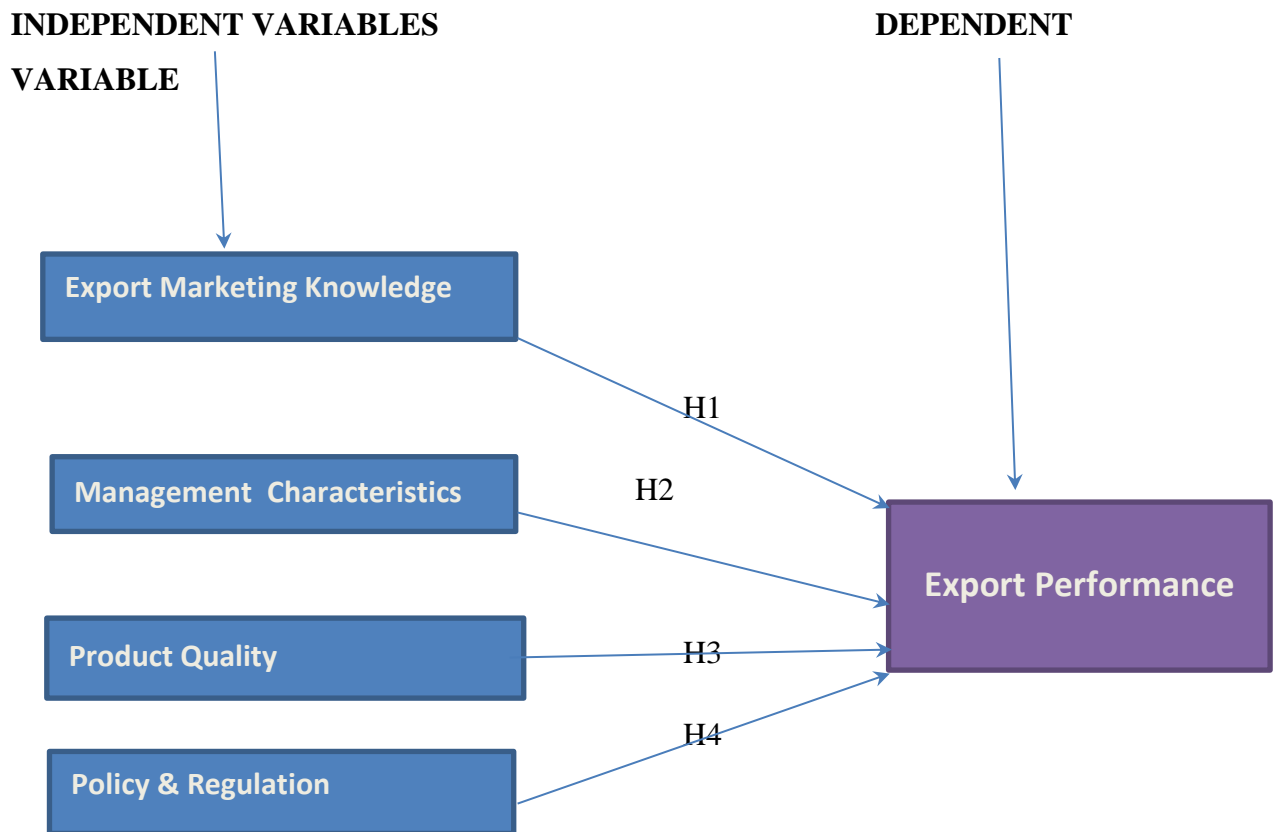
Figure one: Conceptual framework of the thesis Source (ALEMU, 2018)

2.1.3.1 Hypothesis of the study.

The following hypothesis is proposed Basing the preceding discussions:

HI: Export Market Knowledge positively affects export performance in the study population

H2: Management Characteristics positively affect export performance in the study population

H3: Product Quality positively affect export performance in the study population

H4: Policy and regulation positively affect export performance in the study population

Chapter Three

3.1 Research Design and Methodology

3.1.1 Introduction

The methodology used to analyze factors affecting export performance in the Garment and textile industry in the case of Arvind lifestyle apparel manufacturing plc is described in this chapter. The procedures used by this study are organized into three sections: data source, data collection, and data analysis. Each section explains the definitions, decisions, and criteria used for the study data analysis.

In addition, data and information sources, research instruments, sample size and method of analysis were presented. The following section provides a general description of the research strategy adopted for this thesis, as well as justification of the methodology applied.

Research methodology refers to the procedural framework within which the study will be conducted. (Remenyi, et al., 1998) Thus, this chapter provides a fully detailed account of the research methodology, the reasons that the various research strategies are selected and the rationale for the sample selection process. It also dealt with the issues of why the survey instrument selected in appropriate for the study.

3.1.2 Research approach

According to (Kumar, 1999) Depending on the purpose of the study, how the variables are assessed, and how the information is evaluated, research can be categorized as quantitative or qualitative. Most of the time, the research problem dictates which strategy to use. The main differences between quantitative and qualitative research is the research process, the emphasis and the objectives of the study (Saunders, 2003) To determine the contribution of different variables on textile and garment export performance in the case of Arvind lifestyle manufacturing PLC a quantitative research technique was utilized.

The main goal of quantitative research approach is to create and apply mathematical models, ideas, and hypotheses as it entails the collection of quantitative data that may be submitted to thorough quantitative analysis in a formal and strict manner. Through a selected data numerical observation & analysis quantitative approach sums up a phenomenon. As the

research technique is based mostly on hypothesis testing, the researcher need not to do intelligent guesswork, rather adhere to the guidelines and objectives. (Lichtman, 2013).

In testing hypotheses, quantitative researchers try to look at cause and effect relationships that enables to anticipate and generalize their findings to a broader population. (DANIEL, 2016)

3.1.3 Research design

(Saunders, 2003)divide enquiries into three groups: exploratory, descriptive and explanatory studies. Explanatory study (causal research) involves explaining causal relationships between variables (Saunders, 2003).The problems under explanatory research are also structured but instead of merely describing a situation, the researcher needs to deal with "cause-and-effect" problems as well (Ghauri P, 2005).

To provide answers to the research questions & achieve the aim of the study, both descriptive and explanatory research designs was be employed. An Explanatory and Descriptive research design is more profound as it defines and elaborates the reason behind such conducts, meaning, it enables the researcher to understand the very nature of what the researcher is looking at.

This type of research aims at, for instance, explaining social relations or events, advancing knowledge about the structure, process and nature of social events, linking factors and elements of issues into general statements and building, testing or revising a study variable whereas explanatory design will be used to analyze the relationship between Explanatory (Creswell et al, 2012). Descriptive design will be applied for demographic and other relates variables and Explanatory designs will be used for the purpose of determining the relationship among the dependent and independent variables.

3.1.4 Sampling design

3.1.4.1 Target Population

The target population included the investigation of the factors that impact performance of export in textile and garment in the case of Arvind Lifestyle Apparel Manufacturing Plc active manufacturers and exporters of Textile and garment products to the rest of the world. In doing so, the sampling technique was non-probability sampling. Convenience sampling was used to select the cluster of the companies. The study had two clusters (Shed#6 and Shed#17) due to convenience. the focus of this study was top to mid-level Managers who has direct involvement in the study case. Researcher chose to focus on this position because the level of analysis of this study is organizational level analysis.

It is often impossible, impractical, or too expensive to collect data from all the potential units of analysis included in the research problem. Thus, a smaller number of units, a sample, are often chosen to represent the relevant attributes of the whole set of units, the population. Document analysis will also be carried out to understand export performance in the ARVIND lifestyle apparel industry where emphasis will be placed on people's value and attitudes.

There are several references to determine the sample size even though no one is standard for it. The sample size was determined by the statistical formula. Total number of Employees in Arvind Lifestyle Manufacturing PLC are 1200 however the target total population (N) is 200 currently working in the study population that is directly involved, at a confidence level of 95%, the sample size for the analysis is 133.33. The sample size is determined by the statistical formula (Israel, 2013)

$$n = \frac{N}{(1+ N \times e^2)}$$

$$= 200/(1+200*(0.05)^2)$$

$$= 200/1.5$$

$$= 133.33$$

'n' - sample size

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'N' - number of the study population

'e' - margin error (5%).

Arvind lifestyle apparel manufacturing PLC advised there are about 1200 employees of which 200 employees are from mid to top level managers with involvement of the subject in study. Consequently, using the statistical formula (Israel, 2013) 133.00 is set out to be the sample size of the study and the research findings accuracy, confidence, and conclusion.

3.1.6 Source of Data

Both primary and secondary data sources has been used during the study. The Primary data source is a source of information obtained through the administration of organized questionnaires to actual participant individuals, managers and experts. On the other hand, secondary data source has been gathered from already available or from source that has been collected for another purpose. In this study primary data were used. Primary data

3.1.7 Data collection Methodology

3.1.7.1 Data collection instrument

Data gathered through questionnaires from the respondents is used for the analysis. Presentation of data has been arranged in table and chart form along with percentage in a descriptive way by using simple static tools.

Respondents on general profile are discussed initially then after other study variables are discoursed. With an effort to streamline the data analysis part of the thesis, after execution of collection of data information, the quantitative data was analyzed using the statistical package for social science.Analysis of the data was conducted through a descriptive statistic (percentage, frequency, SD, mean) to deliver details concerning the demographic question and to evaluate the effects of various factors on performance of export in the study population.

Quantitative data was collected using questionnaires for the study. The questioner is annexed. Trial survey was conducted with the aim to emphasis & simplify the questions that most respondents had ambiguity on and needed rephrase to ensure every respondent clearly

understood what it is being asked before the survey was fully launched by distributing only to 10 respondents. As the questionnaires were distributed to respondents by google form due to Covid 19, frequent phone call & email follow up was constantly made, which was effective in securing high response rate of 100 respondent i.e. 75% of the distributed questionnaires.

3.1.8 Data Analysis Methods

Analysis of data is basically the act of studying and altering statistics in order to uncover useful information then suggest conclusions, and help decision-making is It is also known for being a method of gathering raw data and converting it into information which consumers can then utilize to make conclusions. With so many techniques It has numerous sides and methods. quantitative data approach is used for this study. To assess the connection among independent variables such as Export Market Knowledge, Management Characteristics, Product quality and policy & regulation. Descriptive and inferential statistics was carried out.

A 5-point scale was used to value the questionnaires i.e. (strongly agree, agree, neutral, disagree, and strongly disagree). Accordingly, in inclining scale numbers were allocated i.e., strongly agree = 5, agree = 4, neutral = 3, disagree = 2 and strongly disagree = 1.

The collected questionnaires were analyzed using SPSS.

3.1.9 Reliability and Validity

To Identify & ensure the collected measurements were collected for reliable sources we must carry out validity & reliability test. The instrument that measures modality is despite the constant or random errors, the degree of the variances on it shows the definite variance among those we need to estimate. Reliability is the resemblance of finding obtained by independent but similar events of the identical item, (Iacobucci, 2002)

3.1.9.1 Reliability

The issue of reliability and validity is important for the objectivity and credibility of the research. The reliability describes whether the researcher would expect to obtain the same finding if he or she tried again in the same way ((Peräkylä, 2006). In this thesis the researcher tried to minimize questionnaire bias by choosing for case companies which were willing to participate in it and therefore comparatively willing to disclose information.

3.1.9.2 Validity

Another test of the quality of the research is validity. Generally, validity refers to the question whether the research is conducted with the right indicators for the chosen research questions (Yin, 2003). In simple terms, the concept of validity can be divided into internal and external validity, however, internal validity is more suitable for the explanatory studies, for example to explain causalities in certain conditions. In this study, multiple sources of information was used when designing the theoretical framework and empirical research in order to provide accurate findings and conclusions from the research.

3.1.10 Research Ethics

Researcher used "respondents' in the study with the aim of keeping the names anonymous. In the context of research, ethics refers to appropriateness of researchers' behavior which related to the rights of those who are the study subjects, or those who are affected by the study or results. Researchers need to consider ethical issues throughout the research process and remain sensitive to the impact of the study and its results on those who participate and supporters to the study (Saunders, 2003). Respondents in this study were given a choice if they wish to be enrolled for participating to respond to the questionnaires. The researcher has in detail explained the purpose of the study and has taken into consideration confidentiality of the data's by not sharing the names of respondents in any of the research paper. Further there was no compensation paid in kind or any sort for any of the participants and it is to be noted that the researcher has no conflict of interest with the findings of the research.

CHAPTER FOUR

4.1 RESULTS AND DISCUSSION

For data analysis researcher used Statistical Package for Social Science (SPSS) software version 20 Due to the quantitative nature of information gathered quantitative analysis method implemented for the data analysis. This chapter contains the analysis's findings as well as comments on what the findings signify regarding the study's objectives.

4.1.2 Findings of Quantitative Analysis

Total of 100 respondents' questionnaires were only completed, valid, and appropriate for the analysis from the study population, that insinuates researcher has received 75% of valid response rate.

4.1.3. Reliability Test

The data's obtained was coded & inputted in SPSS then after reliability test was conducted. (Malhotra, 2007) states for Cronbach's alpha the bottommost tolerable value is 0.60. All variables on this the research had alpha values above 0.60 with the overall alpha value of 0.869 which displayed relevance.

Table one: Reliability Analysis

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	No of Items
0.869	0.877	5

Source: S*urvey Result (June 2021)*

4.1.4 Demographic Characteristics

Total of 100 respondents' questionnaires were only completed, of which 57% are females and 43% are male respondents. In reference to respondents' level of education, 38 (5.6%) holds master's degree, 51 % holds degree and 11 % holds diploma. In reference to job position the respondents, 18 % are Executive level management, 25 % are middle level management, 45 % are Line Managers, 15% are professionals, out of the respondents 57 % Had less than 5years experience, 43% had 5 to 10 years. Full information is compiled on the below table.

Table Two: Respondents' Demographic Characteristics: Gender, Educational Level, Position held in the factory and Experience

Items		*Frequency*	*Percent*
Sex	Male	43	43
	Female	57	57
	Total	100	100
Educational Level	Masters	38	38
	Degree	51	51
	Diploma	11	11
	Total	100	100
Job Position	Executive Level	18	18
	Middle Level	25	25
	Line Level	42	42
	Professional	15	15

	Total	100	100
Experience	Below 5 Years	57	57
	5 - 10	43	43
	11 - 15	0	0
	Above 15 years	0	0
	Total	100	100

Source: S*urvey Result (June , 2021)*

4.1.5 Descriptive Statistics of variables

Descriptive analysis was used to go through and describe the data that has been obtained to get the means values and standard deviations. Mean value measures the central tendency whereas Standard deviation shows the spread of a data distribution for the variable from its mean. All variables have mean score above average which shows export performances were measured all independent variables in the company. The mean score for Export market knowledge were 3.3200 indicates that respondents of the study population agreed export performance is more influenced by export market knowledge.

Table Three : Descriptive Statistics of the variables

	Mean	Std. Deviation	N
Export Performance	3.0240	1.13539	100
Export Market Knowledge	3.3200	0.65567	100
Management Characteristics	2.8140	0.83811	100
Product Quality	3.1380	0.80086	100
Policy and Regulation	2.9080	0.85442	100

Source: S*urvey Result (June 2021)*

4.1.5.1 Inferential Analysis

Pearson Correlation Analysis

To determine the relationship between the independent variables (export market knowledge, Management Characteristics, product quality, policy and regulation) and the dependent variable (export performance), the researcher used correlation analysis and Pearson correlation was computed.

The finding showed that independent variables are significantly and positively correlated with dependent variable: export market knowledge (r=0.615, p<.001), management Characteristics (r=0.519, p<.001), product quality (r=0.753, p<.001), and policy and regulation (r=0.737, p<.001).

Among the independent variables, export market knowledge (r=0.615, p<.001), management Characteristics (r=0.519, p<.001), product quality (r=0.753, p<.001), and policy and regulation (r=0.737, p<.001).

The result designated that Arvind lifestyle Manufacturing PLC was most affected by management Characteristics, Export market knowledge, Product quality and Policy & Regulation.

Table Four : Correlation between the variables

Correlations						
		Export Performance	Export Market	Management Characteristics	Product Quality	Policy_and_Regulation
Export_Performance	Pearson Correlation	1	.615**	.519**	.753**	.737**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	100	100	100	100	100
Export_Market	Pearson Correlation	.615**	1	.645**	.635**	.517**
	Sig. (2-tailed)	.000		.000	.000	.000

	N	100	100	100	100	100
Management_Characteristics	Pearson Correlation	.519**	.645**	1	.652**	.282**
	Sig. (2-tailed)	.000	.000		.000	.005
	N	100	100	100	100	100
Product_Quality	Pearson Correlation	.753**	.635**	.652**	1	.534**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	100	100	100	100	100
Policy_and_Regulation	Pearson Correlation	.737**	.517**	.282**	.534**	1
	Sig. (2-tailed)	.000	.000	.005	.000	
	N	100	100	100	100	100
**. Correlation is significant at the 0.01 level (2-tailed).						

**. Correlation is significant at the 0.01 level (2-tailed).

Source: S*urvey Result (June, 2021)*

4.1.6 Assumption Testing for Multiple Regressions

To verify that the data's collected embodied the sample & that the researcher got the best result it is vital to address the assumptions of regression analysis. (Hair, 1998). Prior to checking regression analysis, the three assumption tests were assessed as listed below.

4.1.7 Multi-Collinearity

Before performing regression analysis two vital circumstances to gratify are, the sufficiency of the size of the sample taken and the absence of any link within the predators. (Ho, 2006). The statistical power of significance testing in multiple regressions is directly proportional to the sample size, that is the possibility of determining a statistically relevant R-square at a certain level of significance. According to (Ho, 2006) researcher to get the needed statistical power the sample size should be more than 20-fold of the independent variables. Accordingly, more than 80 respondents have been used for this study.

Another vital condition for the regression analysis no connection between the independent variables should be presented. Multi- collinearity is when the independent variables interrelation is huge. If predators are multi- collinear, then it allows the variable to predict significant effect however For prediction dependent variable's neither of the independent variables have a meaningful influence (Ho, 2006). Calculating the "Tolerance" and " (VIF)" values for each predictor is used to test the presence of Multicollinearity . The part of alteration in one predictor that is difficult to be enlightened by the other predictors is tolerance value. Multi-collinearity occurs Unless the value of tolerance is above 0.10. To calculate VIF one must divide one by tolerance, multi- collinearity is identified if the result is more than 10 (Saunders, 2009) ,Proceeding below table of tolerance and VIF on both regression analysis Multi collinearity didn't occur.

Table Five: Multi-collinearity test of VIF and Tolerance

Coefficients[a]			
		Collinearity Statistics	
Model		Tolerance	VIF
1	Export_Market	.444	2.250
	Management_Characteristics	.458	2.186
	Product_Quality	.425	2.353
	Policy_and_Regulation	.624	1.603
a. Dependent Variable: Export_Performance			

a. Dependent Variable: Export performance

Source: S*urvey Result (June 2021)*

4.1.8 Linearity

The linearity of the affiliation among the dependent and independent variables embodies the approximate of a variation in the dependent variable is linked with a change in the independent variable. (ALEMU, 2018)

Scatterplot
Dependent Variable: Export_Performance
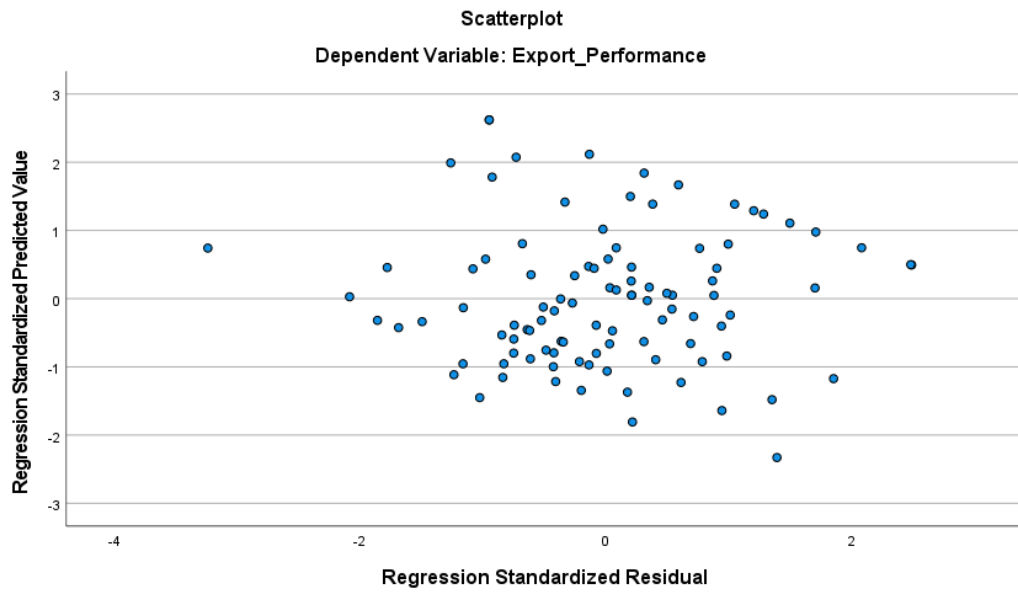
Figure Two : Linearity scatter plot

Source: *Survey Result (June 2021)*

4.1.9 Normality

Normality denotes the individual metric variable statistics dispersal for and its relationship to the standard circulation (ALEMU, 2018). According to (ALEMU, 2018) ±2.58 is the Usual tolerable value for kurtosis/skewness spreading. Kurtosis about the distribution's high point on a graph & Skewness 'gives information about the values of variables that appear at regular frequency in the distribution. Below Table displays result is within the tolerable value.

Table Six: *Skewness and Kurtosis*

Descriptive Statistics					
	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Export_Market	100	.774	.241	.510	.478
Management_Characteristics	100	.644	.241	.259	.478
Product_Quality	100	.527	.241	-.243	.478
Policy_and_Regulation	100	.093	.241	-.475	.478
Export_Performance	100	.383	.241	-.927	.478
Valid N (listwise)	100				

Source: S*urvey Result (June 2021)*

(Hair, 1998) describes plots and residual plots are indifferent as such the standardized residuals are associated to the regular spreading. In Standard distribution straight diagonal line as shown on the below graph occurs, and the plotted residuals are equated with the diagonal. The residual line will strictly tail the sloping, then it's a normal distribution.

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: Export_Performance
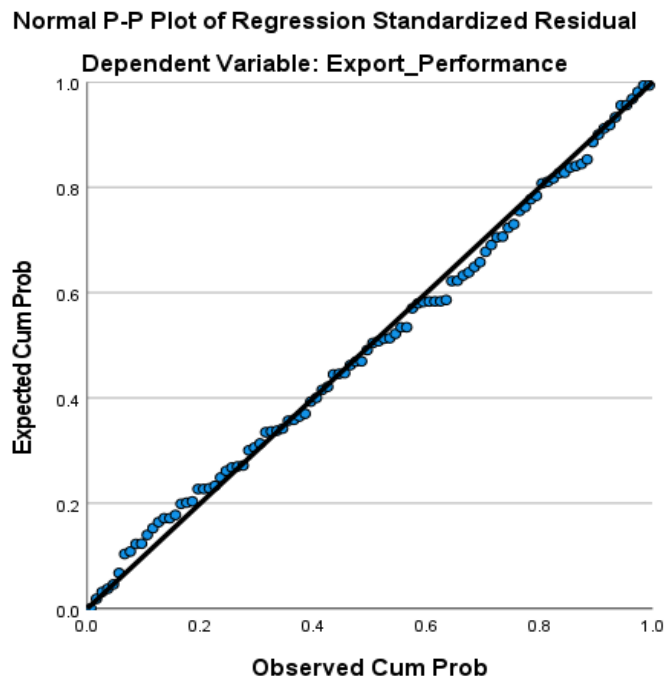
Figure Three : Normality plot

Source: Survey Result (June 2021)

Histogram

Dependent Variable: Export_Performance

Mean = 2.51E-16
Std. Dev. = 0.980
N = 100
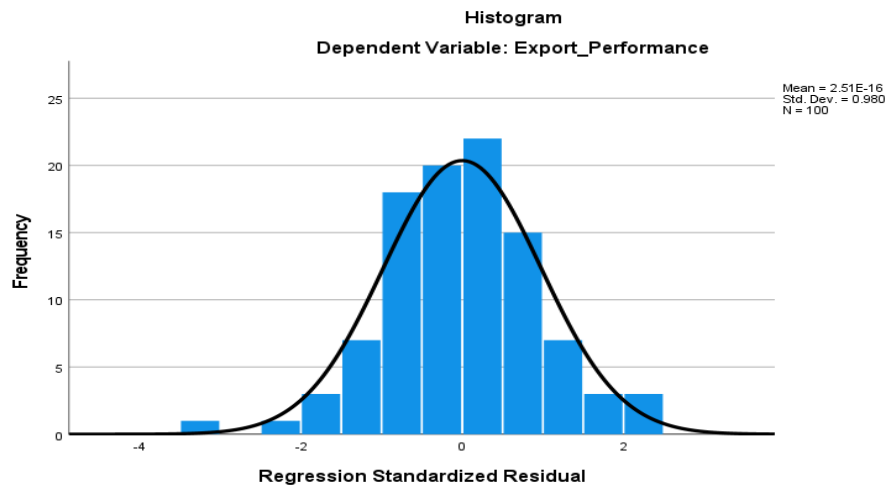
Figure Four : Histogram

Source: Survey Result (June 2021)

4.1.10 Regression Analysis of the study

A technique for predicting an approximate value of dependent variables provided values of one or more predictors is called Linear regression. Both Statistical regression and correlations, investigates the association among variables. The main aim of regression is prediction. (ALEMU, 2018) Multiple Regression is the relationship between the detected values of Y, the model of multiple regression predicts the values of Y. There exists many associations within the predicted and detected values of the result if we observe many values of multiple R. Adjusted R square weighs the % of alteration in the dependent variable enlightened by the predictors.

According to the result on Table Seven 73.1 % of the variation reported for the dependent variable because of the collective effect of the independent variables. When actioned on real world R^2 most of the time exaggerates the model's successfulness. Consequently, to evaluate the success of the model researchers usually prefer to use Adjusted R^2 72% than R^2 73.1%. 72 % was registered as regression of all the predictor variables on performance of Export.

Table Seven: Model Summary

Model	R	R^2	Adjusted R^2	Std. Error of the Estimate
1	.855[a]	.731	.720	.60078
a. Predictors: (Constant), Policy and Regulation, Management Characteristics, Export Market, Product Quality				
b. Dependent Variable: Export Performance				

Source: S*urvey Result (June 2021)*

Table Eight portrays the association between export performance and each predictor using B- values. A negative coefficient indicates a negative link between the independent variables and the result, whereas a positive coefficient indicates a positive relationship. 0.460 is the standardize beta result on this study for Policy and Regulation. This designates that Policy and Regulation has relatively strong degree of bond for export performance. Which means the impact of policy and regulation is higher than that of product quality.

The *p* values (level of significance) of all the independent variables except Export Market Knowledge & Management Characteristics are all less than 0.01. The result specifies a positive connection among policy and regulation, and product quality with export performance. Policy and regulation and product quality were accepted as it was within the acceptable range of >5%.

The significance level export market knowledge & Management Characteristics is 0.437 and 0.327. Granting both Management Characteristics & export market knowledge have positive effect on export performance, it is proven statically on this study as not significant (P- value 0.437 & 0.327). Consequently, hypotheses related with export market knowledge & Management Characteristics were rejected.

Table Eight: Regression Analysis

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	-1.262	.319		-3.954	.000
	Export_Market	.108	.138	.062	.780	.437
	Management_Characteristics	.105	.107	.077	.985	.327
	Product_Quality	.591	.116	.417	5.107	.000
	Policy_and_Regulation	.612	.089	.460	6.840	.000
a. Dependent Variable: Export_Performance						

Source: Survey Result (June 2021)

4.1.11 ANOVA

Analysis of variance examines how well model is to anticipate the result. Accordingly F-ratio would happen coincidentally in less than a 0.1% as per the outcome of the statistics, F is 64.648, which is significant at $p < 0.001$. it is shown in below table that the dependent variable is envisaged by the predictors altogether.

Table Nine: ANOVA

ANOVAª						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	93.334	4	23.333	64.648	.000[b]
	Residual	34.288	95	.361		
	Total	127.622	99			
a. Dependent Variable: Export_Performance						
b. Predictors: (Constant), Policy_and_Regulation, Management_Characteristics, Export_Market, Product_Quality						

Source: *Survey Result (June 2021)*

The aim of carrying out regression in the study was to find an equation to be understand the impact of independent variables on the dependent Variable in the following form:

Below is the research's specified regression formula.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

X1-4 – Independent variable (Predictors)

Y – Dependent variable

To detect methodical errors in a regression equation, "e" seizes casual errors we use Covariates (Bhattacherjee, 2012)

Equation.

$$EP = \alpha + \beta1 \, (EMK) + \beta2 \, (MC) + \beta3 \, (PR) + \beta 4 \, (PQ)$$

Where:

Y = Export Performance (EP) Dependent variable

EMK= Export Market Knowledge Independent variable (Predictors)

 MC = Management Characteristics   Independent variable (Predictors)

PQ = Product Quality Independent variable (Predictors)

PR = Policy and Regulation Independent variable (Predictors)

 $\beta1$ = Regression coefficient

4.1.12 Discussion on the outcome of the thesis

This study was conducted to answer the four main questions i.e. 1. To what extent the effect of export marketing strategy affects the export performance in the study population? 2.How Management Characteristics affect the export performance in the study population? 3.To what extent the Product quality affects the export performance in the study population? 4.To what extent policy and regulations of the country affect the export performance in the study population?

The outcome of the research discovered with a mean Value of 2.81 managerial characteristics had favorable and substantial impact and that it has vital part to impact the export performances of garment & textile industry specifically in the case of Arvind Lifestyle Manufacturing PLC. Which agreed with the outcome of many researchers. Previous studies that state management impact on firm's performance of export exists. (Ling-Yee, 2001) In the international market endeavor (Ling-Yee, 2001), When the environment set by the company is competitive and complicated, the need of the management role becomes more clearer. Firms' capabilities internally to carry out the global market allows them to advance their skills on export achievement (Julian, 2003)

When the environment set by the company is not competitive enough & the managing team is not competent enough to foster export markets but only continue to focus on the local market, the effect will be contrary to the above by contributing to company's export marketing performance negatively (Kedia and Chhokar, 1986). In a diverse international market Management team needs to focus on Product usage distinctions by the change pricing and promotional plans based on the situation and demand of the global markets to meet their requirements accordingly.

In terms of management insensitivity to understand the significance of export, as it prevents the firm from realizing its full capabilities a negative attitude toward exporting should always be treated with caution & discarded. In the context of a constraint of capacity to be committed to continuous supply of exports. Instead of focusing on export only when the company's production level is extremely high and the local market is unstable to sustain it, management should always focus on utilizing exporting to increase profits which in return allows the company to sustain and improve profitability on an ongoing basis.

As Lages (2000) suggested, it should be noted that the execution of effective export training programs which should be inclusive of all staff involved in exporting. The study's findings also corroborate earlier findings in general, Top managerial abilities, international business trainings, and foreign language expertise are all favorably connected to performance of export.

The Performance of export of textile and garment companies is positively affected by export market knowledge. Though Several contributing variables have been identified in research on export success, the nature and size of the influences have not been defined to understand the level of impact (Chetty & Hamilton, 1993; Theodosiou & Leonidou, 2003). If one considers that the influence of a particular component may vary depending on the exact performance measure employed the idea becomes complicated. It is advised that it is more likely that multiple concurrent connection and results not just within the performance of export and the impacting variables but also within those variables as well. (Jorge Carneiro et al., 2011). Having knowledge on export or background of how the export market functions has positive connection with performance on export. (Madsen 1989). It is well known that experience knowledge of international markets and operations is a main factor in the firm's globalization. How businesses deal with it is central to the link by overcoming problem of uncertainty between exporting experience and export performance. (Erramilli, 1991).

In any sector with the intention to take part in export in order to have substantial outcome from that industry should have the basic knowledge of marketing behavior, cultural practices, rules and regulations, competitive edge, linguistic knowledge to stand out competitive in the global market. Developing their employees' intellectual models for the export market is crucial for companies as the outcome contributes to the firm development. It is very critical that adequate export training programs for all interacting on export.

Top managerial abilities, international business training, and foreign language expertise are all positively connected to performance of export (Lages 2000).

Companies with less experience may regard the cost of implementing Marketing strategy as hurdle however it is more likely to lead to an improved performance of export (Douglas and Craig, 1989). Local firms are more likely to use adaptation strategies due to a variety of reasons such uneven exchanges in the global business, a lack of knowhow of the norms of the global business, and so on. However, IPDC customers are more likely to use standardized strategies because they already have a presence in the worldwide market.

Politics further to executing governmental and state activities is the collection of initiatives and other organizations, professions, and lobbyists to offer future directions to the country while taking into account the principles and desires of the public. (Daunton, 2011). Rules and regulations are incorporated by the governing bodies of the given country.

As a vital part of our daily activities business may not perhaps be carried out by disgarding political and legal system (Sethi et al., 2012). The corporate environment is impacted by political and legal environments in a variety of ways.

It was noted that better performance in export can be obtained given the factory or company provides an improved product quality making exporters that produce with good quality stay in the business of export by impacting their performance. (Balaoing, 2016)

The findings show that the performance of export in Arvind lifestyle Manufacturing PLC is substantially affected by product quality & policy and regulation.

Nonetheless there exists many studies that support export market knowledge & Management characteristics to impact export, the findings of this research from the data collected demonstrated the effect to be insignificant in Arvind lifestyle Manufacturing PLC.

Table Ten : Research hypothesis

Hypothesis	Result	Reason
H1: Export Market Knowledge has a positive and significant effect on the export performance of Arvind lifestyle Manufacturing PLC	Rejected	β=.327, p>0.05
H2: Management Characteristics has a positive and significant effect on the export performance of Arvind lifestyle Manufacturing PLC	Rejected	β=.437, p>0.05
H3: Policy and regulation has a positive and significant effect on the export performance of Arvind lifestyle Manufacturing PLC.	Accepted	β=0.00, p<0.05
H4: Product Quality has a positive and significant effect on the export performance of Arvind lifestyle Manufacturing PLC.	Accepted	β=0.00, p<0.05

Source: S*urvey Result (June 2021)*

CHAPTER FIVE

5.1 Conclusion and Recommendation of the study

5.1.1 Conclusion of the Thesis

This study aimed to examine factors affecting the export performance of the garment and textile industry, in the case of Arvind lifestyle apparel manufacturing plc. To attain the objectives the previous related literatures were reviewed then a conceptual model was framed then, after that hypotheses were developed and tested consequently the following conclusion has been seized.

Though there is a positive relationship with Management Characteristics & Export Market Knowledge on performance of export, its effect was not proven statistically significant. Export performance was highly influenced by policy and regulation, and product quality.

5.1.2 Recommendation

Ethiopia as a country having the second largest population in Africa is full of opportunities, with all despite the ongoing challenges of being landlocked country the potential is still massive for export.

In the garment & textile industry global households are investing in Ethiopia as the government is incentivizing investors & providing the required infrastructure improvements though worker skills and productivity are catching up to international industry standards the growth in the industry seems promising.

Researcher has recognized the below after the findings & conclusions above thus the following recommendations were made:

> ➢ The major bottleneck for the country is foreign currency & export being the key to generating the same it should be treated and handled with caution. Major policies that hinder exports are mainly developed to control rather than to support exporters

generate the needed foreign currency. Specially the key stakeholder that are associated with import of raw materials & exports. For example, the delays in bank approval to purchase raw materials then after the customs process to import the raw materials to the industrial park further delays production making the suppliers such as Arvind lifestyle Manufacturing PLC less competitive than those vendors in other countries with efficient customs & bank process to the buyers who takes high interest on delivery timeline & product quality to meet the demand of the international market which is very competitive.

➢ Majority of exports are executed from imported raw materials which as described above makes the manufactures less competitive in the international market. Ethiopia has so many homegrown knitting factories however fabrics are being imported for majority of the garment & textile production which is costing Ethiopia more foreign currency from the one our export market is generating. The country investment commission has to be able to showcase the investors Ethiopia's capabilities not only in manufacturing but also in providing quality raw materials.

➢ The policies the government develop must be strategic enough to not be manipulated by investors rather has to be advantageous to the country economy. More industry Specific researches must be carried out prior to execution as the country can't afford to have too many gaps in policies For example local manufacturers only recognize locally cut & make cost (Cut and Make , there is no standard calculation , but the producers apportion all the labor , machinery and other operational costs in to a unit garment piece) as majority of the raw materials are imported therefore huge part of the income generated for a cloth manufactured in Ethiopia is reported as raw material cost outside of the country.

➢ The Industrial parks in the country are plug and play parks, which allows these investors to pack and leave if there is no improvement in infrastructure development. The fact that Ethiopia has over 100 million population provided the opportunity for available and convenient labor However if disruption of light, internet & road quality is not improved in due time which is a main obstacle in delivering production on time to international buyers then investors will be forced to look somewhere else.

5.1.3 Guidelines for Forthcoming study's

This study has the below tips for upcoming research:

- Help Arvind Lifestyle manufacturing PLC identify the gaps discovered in the findings to improvement export performance.

- To distinguish factors linked with Product quality & Policy & regulation which showed to have influence on export performance more studies should be done to boost overall performance of the factory.

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Part 1. Demographic Information of Respondents profile (please put "√" in the box provided)

a) Please indicate your gender: Male ☐ Female ☐

b) Please indicate your educational background

Masters ☐   1ˢᵗ degree ☐   Diploma ☐   High school ☐

☐   Others

c) Position held in the firm

Executive level manager ☐   Middle class manager ☐   Line manager ☐

Professional ☐   Others (please specify) ☐

d) How long have you been working in your current position?

Below five years ☐   5 – 10 years ☐   11 – 15 years ☐   > 15 years ☐

Part II. Main Questions

Please indicate on a five-point scale the extent to which you agree/disagree with the following statements by ticking the appropriate answers on the box in the columns.

Factors		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
EMK	Export Market Knowledge					
EMK1	The Textile and Garment firm has better knowledge of the export market.	1	2	3	4	5
EMK2	Export Market Knowledge -ARVIND LIFESTYLE APPAREL MANUFACTURING PLC has better knowledge of the export market knows the cultural values of foreign countries (customers) very well.	1	2	3	4	5
EMK3	Export Market Knowledge -ARVIND LIFESTYLEAPPAREL MANUFACTURING PLC understands the behavior of customers' perception of the product in the importing countries.	1	2	3	4	5
EMK4	Export Market Knowledge -ARVIND LIFESTYLEAPPAREL	1	2	3	4	5

	MANUFACTURING PLC has adequate export product knowledge.				
EMK5	The Textile and Garment firm understands the demand for the product in the export market.	1	2	3	4	5

C	Management Characteristics					
MC1	Management has regular meeting to enhance the export performance of the firm.	1	2	3	4	5
MC2	Management has better communication with the outside world with respect to textile and garment.	1	2	3	4	5
MC3	Management controls each and every activity of the export product.	1	2	3	4	5
MC4	Management finds solution to problems associated with the export market.	1	2	3	4	5
MC5	Management has better understanding and easy communication with the work force in the firm.	1	2	3	4	5
Factors		Strongly disagree	Disagree	Neutral	Agree	Strongly agree

PQ	Product Quality					
PQ1	ARVIND LIFESTYLE APPAREL MANUFACTURING PLC produces export standard product.	1	2	3	4	5
PQ2	The existing textile and garment firm has shorter delivery time reaching the world market.	1	2	3	4	5
PQ3	The existing textile and garment firm utilizes quality raw material.	1	2	3	4	5
PQ4	The existing textile and garment firm has positive feedback from foreign customers towards its product quality.	1	2	3	4	5
PQ5	The existing textile and garment firm gives special attention to product quality.	1	2	3	4	5

Factors		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
P	Policy and Regulation					
P1	Policy and Regulation of the country towards the export market is conducive (helpful).	1	2	3	4	5
P2	Policy of tax and regulation of tariffs gives much support to the textile and garment firm.	1	2	3	4	5
P3	Textile and garment policy of the country creates special benefit to the firms under question.	1	2	3	4	5
P4	Loan policy of Banks support and treats specially textile and garment exporters.	1	2	3	4	5
P5	Import Policy of the country encourages (allows) textile and garment exporters to introduce new technologies, dye items, and	1	2	3	4	5

		Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	spare parts etc.					
Factors						

EP	Export Performance					
EP1	Textile and Garment Export performance will be affected by export market knowledge.	1	2	3	4	5
EP2	Textile and Garment Export performance will be affected by management Characteristics.	1	2	3	4	5
EP3	Textile and Garment Export performance will be affected by technology.	1	2	3	4	5
EP4	Textile and Garment Export performance will be affected by product quality.	1	2	3	4	5
EP5	Textile and Garment Export performance will be affected by infrastructure.	1	2	3	4	5
EP6	Textile and Garment Export performance will be affected by policy and regulation.	1	2	3	4	5
EP7	Textile and Garment Export performance contributes to the growth of the national economy (gross national product).	1	2	3	4	5
EP8	Textile and Garment Export performance contributes to the foreign currency earnings of the country.	1	2	3	4	5
EP9	Textile and Garment Export performance contributes to enhance employment opportunity.	1	2	3	4	5

EP	Export Performance

EP10	Textile and Garment Export performance contributes to enhancement of investment activities in the country.	1	2	3	4	5

Annex 2

Time and budget schedule

Time Schedule

No	Description	Date
1	proposal preparation	Jan, 2020
2	Research proposal submission and Approval	Feb ,2020
3	Data collection- Training and pre -testing	May ,2021
4	Data clearing and Entry	June 15,2021
5	Data analysis summary and Interpretation	July 2021
6	Submission	July 2021

Budget schedule

The total budget of the study was 5460 birr. Detail activities of the budget are presented below.

Description	Unit	Amount (ETB)
Personal Expenditure	10days	2,000
Stationary materials (photocopies ,internet etc)	5 pcs	1000
Transportation	10days	2200
Contingency (5%)		260
Total		**5460.00**