

Emerging Problems And Challenges For Sports Goods Industry In Punjab: A Constraint Analysis

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Abstract:

Punjab state has been well recognized in the country in terms of sports goods industry. The state has been contributing significantly in terms of manufacturing and trading of sports goods. It has been observed that the sports industry has been facing a big challenge of competition in the international market which could disturb the output, import and export pattern of the sports goods industry in the domestic market. The study highlights the various problems faced by the sports industry in terms of production, imports and exports. The study was conducted in the Punjab state during the period 2018-19. The study was based on primary data and a sample of 150 sports industry (50 each corresponding to small, medium and large) were taken for the study. A well structured survey schedule was developed and the responses of the respondents with regard to various problems were recorded. Garrett ranking technique was applied to extract the most important problems on the basis of mean rank score. The main aim of the constraint analysis is to bring the important problems of the sports industry into the notice of stakeholders, policy planners for making this industry economically viable for the welfare of the society being engaged in this industry. The overall scenario of the industry revealed that scarcity of skilled labour was the common problem reported by all type of industrial units. The automation in sport industry has increased the demand for skilled workforce which is the most emerging challenge faced by the sports industry. Therefore, the study has suggested that there should be special training programme to produce trained labour force for the industry to cope up with this problem. Extent of competition with alternate products, price fluctuation due to change in demand, taste of consumers (consumer's preferences among various choices of similar sports goods) and unaware of government policies were emerged as other major issue of the sports industry in the Punjab state which needs immediate solution for the industry to compete in the global market. .

Key Words: Problem, Challenges, sports goods industry, Garrett ranking technique.

Introduction

The Sports Goods manufacturing cluster of Jalandhar is a unique example of transplanted cluster, where a major segment of an existing cluster shifted lock stock and barrel (the entrepreneurs, the workers and the raw material suppliers) to a new location due to political division of the country in the year 1947. Today Jalandhar is one of the largest producers of footballs, cricket bats and other inflatable sports equipments.

Earlier in Jalandhar sports goods manufacturing units are located only in the two localities of the city i.e Basti Nau and Basti Danishmandan. But with the passing of time this industry has also extend towards Basti Sheikh Road, Nakodar road, Sports Complex on Kapurthala road, Industrial Area and G.T. road towards Amritsar. Skilled workers engaged in

this industry are the important elements in the production and are settled in Bhargav Camp, Gandhi Camp, Basti, Guzan, Basti Sheikh and Basti Danishmandan, adjacent to the manufacturing unit (**Prakash, 1956, Raju, 2007 and Ahluwalia, B. S. 2012**). Presently approximately 1,300 factories and smaller units are working in the sports goods industry of Jalandhar.

The sports goods cluster of Jalandhar is an integral part of the state economy and known for the production of quality goods in the world. It generates significant amount of employment to a large number of people. Although, the sports industry of Jalandhar is highly recognized in terms of import and export of sports goods. Today Jalandhar is an important supplier of quality sports goods to more than 130 countries including some of the most developed nations of the world and contribute 60 per cent of its production in total of Indian sports goods export. Most of sports goods are exported to United Kingdom, United States of America, Germany, France and Australia. Major export items include football, cricket gears and Hockey etc (**Kulkarni, 2008, ESGNPC, 2008 and SEGMA, 2018**).

The Jalandhar based industry is hurriedly espousing new technology and adapting its products to keep up with the altering global trends so as to appear as global centre for the manufacture of sports goods. But this sector have been facing a many problems in terms of manufacturing and trading of sports goods due to high degree of competitiveness at national and international market. Production pattern of the sport goods industry is greatly influenced by the demand in international market. It can be said that production pattern is liable to change in imports and exports of sports goods. Therefore, it is very pertinent to assess the major constraints faced by the sports industry which could become the major hurdles in the production and trading of sports goods in the Punjab state. It is assumed that the severity of the problems faced likely to vary with different sizes of industry units. Taking into consideration of all these facts, the present study was designed to assess the problems and challenges which are facing by the sports goods industry in the Punjab state.

Methodology

Sample:

The present study was conducted in Punjab state during the year 2018-19. The Jalandhar district of the Punjab state was the major hub of sports goods industry. Therefore, the Jalandhar district was specifically selected for the present study. Random sampling technique was base of the sample. A sample of 150 industrial units dealing with wide range of industry goods were taken for the study. Further, the sample was categorized into small, medium and large industrial units on the basis of number of employees and hence, each 50 small, medium and large category of industrial units were selected for the study.

Tools:

The study was based on primary data. A well structured survey schedule was developed to collecting the responses of the respondents with regard to various problems. All relevant aspects of study were included in questionnaire by taking into the objectives of the present study. Eleven important problems faced by the sports industries have been identified and respondents were assigned rank from 1 to 11 according to the severity of problems. As such rank 1 was given to most important problem and rank 11 was given to least problem, respectively. Industry owner or responsible person etc was the respondents of the study.

Statistical Techniques:

The collected data was compiled in excel sheet by assigning codes. Simple statistical tools like frequencies and percentages were used to analyze the data. However, the Garret's Ranking Technique has been used to identify the most influential problems that could observe by the sample respondents with regard to the various aspects of production, imports and exports of sports industry. The severity of the problems was assessed on the basis of the

rank assigned by the respondent to a particular problem. Highest rank as 1 is given to most important problems and rank 2, 3, 4, and so on to the next important problems, respectively. These ranks were transmitted into scores using the formula given by (Garrett and Woodworth, 1973).

$$\text{Percentage Position} = 100 \times \frac{R_{ij} - 0.5}{N_j}$$

Where

R_{ij} = Rank given for i^{th} problem by the J^{th} respondent

N_j = Number of problems ranked by the J^{th} respondent

By referring the Garrett table, the percent position estimated was converted into scores. Then for each problem, the score of various customers were added and mean score was calculated. The problem with highest mean score was considered to be the most important factor.

Results and Discussion

1.1 Problems faced by the sports goods industry with respect to production, imports and exports

The garret table value corresponding to percent position of rank 1 to 11 is given in Table 1. Highest Garrett table value i.e. 83 was assigned to rank 1 and this value was decreasing with each successive rank and the lowest in the case of rank 11. On contrary the per cent position of each of the succeeding rank has been increasing, respectively.

Table 1: Percent position of ranks assigned from 1 to 11 and their respective Garrett's table value

Rank	Percentage Position	Garrett Table Value
1	4.55	83
2	13.64	72
3	22.73	65
4	31.82	59
5	40.91	54
6	50.00	50
7	59.09	46
8	68.18	41
9	77.27	35
10	86.36	28
11	95.45	17

Production pattern of the sports goods industry is greatly influenced by the demand in international market. It can be said that production pattern is liable to change in imports and exports of sports goods. Therefore, it is very pertinent to assess the major constraints faced by the sports industry. It is assumed that the severity of the problems faced likely to vary with different sizes of industry units. The results corresponding to small, medium, large size sports industry and overall are presented in Tables from Table 2 to Table 5.

1.2 Problems faced by sports goods industry with respect to production, import and export -Small size category

An overview of Table 2 indicated that among all problems, frequency of the respondents those have been assigned rank from 1 to 5 was mainly oriented to the problems named as lack of skilled workforce, extent of competition with alternate products, taste of consumers (Consumer's preferences among various choices of similar sports goods), Price

fluctuation due to change in demand, trading policy (Taxation etc), difference in import duty among competitors, scale of production (degree of scale of industry), inter- state movement of raw material, un-cheeked imports unaware of government policies and anti dumping duty.

Based on the rank assigned by respondents, the highest mean garret score i.e. 73.22 was worked out in favour of the problem 'lack of skilled workforce'. Hence, 'lack of skilled workforce' emerged as the most important problems amongst all problems and ranked at 1st position. Based on the value of garret score next important problems faced by the small size sports industries were extent of competition with alternate products, taste of consumers (Consumer's preferences among various choices of similar sports goods), Price fluctuation due to change in demand, trading policy (Taxation etc), difference in import duty among competitors, scale of production (degree of scale of industry), inter- state movement of raw material, un-cheeked imports, unaware of government policies and anti-dumping duty and ranked 2nd to 11th position, respectively.

Among all problems included in the model, five major problems named as lack of skilled workforce, extent of competition with alternate products, taste of consumers (Consumer's preferences among various choices of similar sports goods), Price fluctuation due to change in demand and trading policy (Taxation etc) were emerged as the major problems as the average garret value in favour of these problems came out to be more than 50. Hence, the study suggested that government should take care of these problems for the development of sports goods industry, particularly the small industry. A finding of the present study coincides with the finding of (Dogra, 2009 and Goswami, 2010).

Table 2: Problems faced by sports goods industry with respect to production, import and export -Small size category

S. No		Rank											To tal	Total score	Mean score	Ra nk
	Problem	1	2	3	4	5	6	7	8	9	10	11				
1	Lack of skilled labour	31		10							9		50	3661	73.22	I
2	Extent of competition with alternate products	10	20		9	2	1	8					50	3387	67.74	II
3	Taste of consumers (Consumer's preferences among various choices of similar sports goods)		11	17	22								50	3195	63.90	III
4	Price fluctuation due to change in demand		9	20	10	9	2						50	3124	62.48	IV
5	Trading policy (Taxation etc)	9	8	2					20	11			50	2712	54.24	V
6	Difference in import duty among competitors					11	27		12				50	2436	48.72	VI
7	Scale of production Degree of scale of industry					9	20	10		8	1	2	50	2288	45.76	VI I
8	Inter- state movement of raw material					9		21	10	2	8		50	2156	43.12	VI II
9	Un-cheeked imports	9	1					2	8		20	10	50	2023	40.46	IX
10	Unaware of government policies		2		9	10		9				20	50	1969	39.38	X
11	Anti-dumping duty									29	12	9	50	1504	30.08	XI

1.3 Problems faced by sports goods industry with respect to production/ import/ export– Medium size category

The perusal of Table 3 indicated that all the respondents were assigned rank 1 in favour of lack of skilled workforce. Among all problems, frequency of the respondents those have been assigned rank from 1 to 5 was mainly oriented to the problems named as lack of skilled workforce, taste of consumers (Consumer's preferences among various choices of similar sports goods), extent of competition with alternate products, Price fluctuation due to

change in demand, unaware of government policies, trading policy (Taxation etc), difference in import duty among competitors, scale of production degree of scale of industry, inter- state movement of raw material, un-cheeked imports and unaware of government policies.

Based on the rank assigned by respondents, the highest mean garret score i.e. 89.00 was worked out in favour of the problem 'lack of skilled workforce'. Hence, 'lack of skilled workforce' emerged as the most important problems amongst all problems and ranked at 1st position. Based on the value of garret score next important problems faced by the medium size sports industries were taste of consumers (Consumer's preferences among various choices of similar sports goods), extent of competition with alternate products, Price fluctuation due to change in demand, unaware of government policies, trading policy (Taxation etc), inter- state movement of raw material, difference in import duty among competitors, scale of production (degree of scale of industry), anti-dumping duty, un-cheeked imports and ranked 2nd to 11th position, respectively.

Among all problems included in the model, five major problems named as lack of skilled workforce, taste of consumers (Consumer's preferences among various choices of similar sports goods), extent of competition with alternate products, Price fluctuation due to change in demand and unaware of government policies were emerged as the major problems as the average garret score in favour of these problems came out to be more than 50. Hence, the study suggested that government should take care of these problems for the development of sports goods industry, particularly the medium industry. A finding of the present study coincides with the finding of (Guang, 2012).

Table 3: Problems faced by sports goods industry with respect to production/ import/ export -Medium size category

S. No		Rank											To tal	Total score	Mean score	Ra nk
	Problem	1	2	3	4	5	6	7	8	9	10	11				
1	Lack of skilled labour	50											50	4450	89.00	I
2	Taste of consumers (Consumer's preferences among various choices of similar sports goods)		8	31							11		50	2899	57.98	II
3	Extent of competition with alternate products		30				8				12		50	2896	57.92	III
4	Price fluctuation due to change in demand			11	19	8	12						50	2868	57.36	IV
5	Unaware of government policies				31			19					50	2703	54.06	V
6	Trading policy (Taxation etc)		12	8				11		10	9		50	2492	49.84	VI
7	Inter- state movement of raw material					12	20	8	10				50	2426	48.52	VI I
8	Difference in import duty among competitors						10	12	17	11			50	2134	42.68	VI II
9	Scale of production Degree of scale of industry					30					8	12	50	2048	40.96	IX
10	Anti-dumping duty								23	9	10	8	50	1674	33.48	X
11	Un-cheeked imports									20		30	50	1210	24.20	XI

1.4: Problems faced by sports goods industry with respect to production/ import/ export -Large size category

Table 4 shows that all the respondents were assigned rank 1 in favour of lack of skilled workforce. Among all problems, frequency of the respondents those have been assigned rank from 1 to 5 was mainly oriented to the problems named as lack of skilled workforce, Unaware of government policies, price fluctuation due to change in demand, extent of competition with alternate products, taste of consumers (Consumer's preferences

among various choices of similar sports goods), un-cheeked imports, Inter- state movement of raw material, trading policy (Taxation etc) and scale of production (degree of scale of industry)

Based on the rank assigned by respondents, the highest mean garret score i.e. 89.00 was worked out in favour of the problem 'lack of skilled workforce'. Hence, 'lack of skilled workforce' emerged as the most important problems amongst all problems and ranked at 1st position. Based on the value of garret score next important problems faced by the large size sports industries were unaware of government policies, price fluctuation due to change in demand, extent of competition with alternate products, taste of consumers (Consumer's preferences among various choices of similar sports goods), un-cheeked imports, Inter- state movement of raw material, trading policy (Taxation etc), difference in import duty among competitors, anti-dumping duty, scale of production (degree of scale of industry) and ranked 2nd to 11th position, respectively.

Among all problems included in the model, five major problems named as lack of skilled workforce, unaware of government policies, price fluctuation due to change in demand, extent of competition with alternate products and taste of consumers (Consumer's preferences among various choices of similar sports goods) were emerged as the major problems as the average garret value in favour of these problems came out to be more than 50. Hence, the study suggested that government should have take care of these problems for the development of sports goods industry, particularly the large industry. A finding of the present study coincides with the finding of (Kiran, 2012).

Table 4: Problems faced by sports goods industry with respect to production/ import/ export -Large size category

S. No		Rank											To tal	Total score	Mean score	Ra nk
	Problem	1	2	3	4	5	6	7	8	9	10	11				
1	Lack of skilled labour	50											50	4450	89.00	I
2	Unaware of government policies		17	12	21								50	3243	64.86	II
3	Price fluctuation due to change in demand			13		25	12						50	2795	55.90	III
4	Extent of competition with alternate products		13				8	29					50	2670	53.40	IV
5	Taste of consumers (Consumer's preferences among various choices of similar sports goods)		20		17							13	50	2664	53.28	V
6	Un-cheeked imports			8	12		17					13	50	2442	48.84	VI
7	Inter- state movement of raw material					12		21	17				50	2311	46.22	VI I
8	Trading policy (Taxation etc)			17					13	8	12		50	2254	45.08	VI II
9	Difference in import duty among competitors						13		20			17	50	1759	35.18	IX
10	Anti-dumping duty							12		30		8	50	1738	34.76	X
11	Scale of production (degree of scale of industry)					13					25	12	50	1606	32.12	XI

1.5: Problems faced by sports goods industry with respect to production/ import/ export -Overall

An overall scenario of the problems faced by the sports industry were worked out by adding up the frequency of different types of problems faced by small, medium and large size of sports industries. It is evident from Table 5 that among all problems, frequency of the respondents those have been assigned rank from 1 to 5 was mainly oriented to the problems named as lack of skilled labour, extent of competition with alternate products, price

fluctuation due to change in demand, taste of consumers (consumer's preferences among various choices of similar sports goods), unaware of government policies, trading policy (taxation etc), inter- state movement of raw material, difference in import duty among competitors, scale of production degree of scale of industry and un-cheeked imports, respectively.

Based on the rank assigned by respondents, the highest mean garret score i.e. 83.74 was worked out in favour of the problem 'lack of skilled workforce'. Hence, 'lack of skilled workforce' emerged as the most important problems amongst all problems and ranked at 1st position. Based on the value of garret score next important problems faced by the sports industries were extent of competition with alternate products, price fluctuation due to change in demand, taste of consumers (consumer's preferences among various choices of similar sports goods), unaware of government policies, trading policy (taxation etc), inter- state movement of raw material, difference in import duty among competitors, scale of production degree of scale of industry, un-cheeked imports, anti-dumping duty and ranked 2nd to 11th position, respectively.

Among all problems included in the model, five major problems named as lack of skilled, extent of competition with alternate products, price fluctuation due to change in demand, taste of consumers (consumer's preferences among various choices of similar sports goods) and unaware of government policies were emerged as the major problems as the average garret value in favour of these problems came out to be more than 50. Hence, the study suggested that government should take care of these problems for the development of sports goods industry in the state. A finding of the present study coincides with the finding of (Kumar, 2006).

Table 5: Problems faced by sports goods industry with respect to production/ import/export -Overall

S. No		Rank											Total	Total score	Mean score	Rank
	Problem	1	2	3	4	5	6	7	8	9	10	11				
1	Lack of skilled labour	131	0	10	0	0	0	0	0	0	9	0	150	12561	83.74	I
2	Extent of competition with alternate products	10	63	0	9	2	17	37	0	0	12	0	150	8953	59.69	II
3	Price fluctuation due to change in demand	0	9	44	29	42	26	0	0	0	0	0	150	8787	58.58	III
4	Taste of consumers (Consumer's preferences among various choices of similar sports goods)	0	39	48	39	0	0	0	0	0	11	13	150	8758	58.39	IV
5	Unaware of government policies	0	19	12	61	10	0	28	0	0	0	20	150	7915	52.77	V
6	Trading policy (Taxation etc)	9	20	27	0	0	0	11	33	29	21	0	150	7458	49.72	VI
7	Inter- state movement of raw material	0	0	0	0	33	20	50	37	2	8	0	150	6893	45.95	VI I
8	Difference in import duty among competitors	0	0	0	0	11	50	12	49	11	0	17	150	6329	42.19	VI II
9	Scale of production Degree of scale of industry	0	0	0	0	52	20	10	0	8	34	26	150	5942	39.61	IX
10	Un-cheeked imports	9	1	8	12	0	17	2	8	20	33	40	150	5675	37.83	X
11	Anti-dumping duty	0	0	0	0	0	0	12	23	68	22	25	150	4916	32.77	XI

Conclusions and Suggestions

Production pattern of the sport goods industry in the Punjab state is greatly influenced by the demand in international market. It can be said that production pattern is liable to change in imports and exports of sports goods. In this context, it is very pertinent to assess the major constraints faced by the sports industry. It is also assumed that the severity of the problems faced by the sports industry would likely to vary with different sizes of industry units. The main findings of the study indicated that among different types of problems faced by the small scale industry, five major problems named as lack of skilled workforce (73.22), extent of competition with alternate products (67.74), taste of consumers (Consumer's preferences among various choices of similar sports goods: 63.90), Price fluctuation due to change in demand (62.8) and trading policy (54.24) were emerged as the major problems as the average garret value in favour of these problems came out to be more than 50. Hence, the study suggested that government, policy planners and stakeholders should take care of these problems for the development of sports goods industry, particularly the small industry.

Like-wise in case of medium size industry, five major problems named as lack of skilled workforce (89.00), taste of consumers (Consumer's preferences among various choices of similar sports goods: 57.98), extent of competition with alternate products (57.92), Price fluctuation due to change in demand (57.36) and unaware of government policies (57.04) were emerged as the major problems as the average garret score in favour of these problems came out to be more than 50. Hence, the study suggested that government should take care of these problems for the development of sports goods industry, particularly the medium industry.

Again, the lack of skilled workforce came out to be major problem in the case of large size industry unit as all the respondent were reported rank 1 and therefore, highest mean rank (89.00) was estimated in favour this problem. Based on the value of mean rank, next most important problems were unaware of government policies (64.86), price fluctuation due to change in demand (55.90), extent of competition with alternate products (53.40), and taste of consumers (Consumer's preferences among various choices of similar sports goods: 53.28), respectively. Hence, the study suggested that government should take care of these problems for the development of sports goods industry, particularly the large industry.

The main aim of the constraint analysis is to bring the important problems of the sports industry into the notice of stakeholders, policy planners for making this industry economically viable for the welfare of the society being engaged in this industry. The study concluded that scarcity of skilled labour was the common problem reported by all type of industrial units. The automation in sport industry has increased the demand for skilled workforce which is the most emerging challenge faced by the sports industry. Therefore, the study has suggested that there should be special training programme to produce trained labour force for the industry to cope up with this problem. The overall scenario of the industry revealed that extent of competition with alternate products, price fluctuation due to change in demand, taste of consumers (consumer's preferences among various choices of similar sports goods) and unaware of government policies were the other important emerging issue of the sports industry in the Punjab state which needs immediate solution for the industry to compete in the global market.

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