

## **Raw Material Procurement And Skilled Labor: Catalysts For Competitive Advantage In The Sports Goods Business**

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### **Introduction**

Due to global interest in sports and fitness, the dynamic and competitive sports goods market has grown significantly. Sports apparel, shoes, gear, and accessories are manufactured and distributed in this developing sector. This industry's success and competitiveness depend on raw material procurement and skilled labour.

Raw resources and skilled labour are crucial to competitiveness and efficiency in sports goods companies. Manufacturing durable, cutting-edge, high-efficiency sports products requires high-quality fabrics, polymers, metals, and elastomers (Landgraf, Meese, Pabst, Martius, & Huber, 2021). A skilled workforce with design, production, and quality control skills is essential for meeting high standards, leading technological advancement, and adapting to changing market trends (Thomas & Potts, 2016). Companies that master globalisation and consumer expectations gain an edge in a competitive sports products industry.

This study examines the complicated relationship between raw materials and skilled people as catalysts for sports goods firm competitiveness. This study examines how industry leaders' tactics, smaller companies' issues, and innovation and sustainability affect this sector's business landscape.

The research will examine the sports goods industry's growth, market dynamics, and new opportunities and challenges. We'll then discuss raw materials and how they affect product quality, cost, and sustainability. Next, we'll discuss how skilled labour, continual training, and development initiatives boost creativity, adaptability, and competitiveness.

We will also examine how leading sports goods companies assure the availability of high-quality raw materials and train and retain skilled workers. Case studies and real-world examples will highlight how these techniques might gain competitive advantages.

The study aimed to assess the viability of import substitution in the sports products industry in India. To fulfil the study's objectives, 50 sports goods industries were selected from Uttar Pradesh and Jalandhar clusters, with 25 enterprises chosen from each location to gather the primary data. By understanding the importance of raw material acquisition and trained staff in achieving a competitive edge, organisations in this industry can make better decisions and strengthen their market positions. As the sector evolves, our research will contribute to discussions about sustainability, innovation, and human capital in the global economy.

### **Objectives**

The researcher conducted the study by keeping the following objectives to justify the research work:

- To examine Uttar Pradesh and Punjab sports manufacturers' raw material issues to replace imports.
- To examine Uttar Pradesh and Punjab sports producers' trained labour shortage to replace imports.
- To assess the policy upgradation issue facing Uttar Pradesh and Punjab sports industries to replace imports.

### **Understanding Raw Material Procurement**

Raw material procurement is a critical aspect of the sports goods business. It involves sourcing and acquiring the materials for manufacturing sports equipment and apparel, such as fabrics, plastics, metals, and various components. Raw-material procurement plays a crucial role in determining the competitiveness of a sports goods business. Companies can ensure a stable supply of high-quality raw materials at competitive prices by managing the procurement process effectively (R.J, 2002). This, in turn, enables them to produce superior products that meet customer expectations and gain a competitive edge in the market. Importance of Skilled Labour in the Sports Goods Business The importance of skilled labour in the sports goods business cannot be underestimated. Professional work encompasses individuals with the necessary expertise, experience, and qualifications to efficiently and effectively perform sports goods' design, development, manufacturing, and quality control tasks. Skilled labour catalyses competitive advantage in the sports goods business, directly impacting the production process's quality, innovation, and efficiency (Ognjanović, 2020).

### **Role of Skilled Labour in Sports Goods Manufacturing**

Skilled labour plays a critical role in sports goods manufacturing. They are involved in various stages of the production process, including design, prototyping, material selection, assembly, and quality control. Their knowledge and expertise in these areas contribute to the overall quality and performance of the final product. Skilled labour is essential for ensuring that sports goods are manufactured to meet the highest quality and functionality standards. Moreover, skilled labour drives innovation in the sports goods industry. They contribute to developing new and improved products, materials, and manufacturing techniques that enhance the competitiveness of companies in the market. (Razavi, Razavi, Amani, & Firouzabadi, 2018)

### **Challenges in Raw Material Procurement and Skilled Labour Management**

The challenges in raw material procurement and skilled labour management pose significant obstacles to achieving a competitive advantage in the sports goods business. One of the critical challenges in raw material procurement is ensuring a steady and reliable supply of high-quality materials. The quality of raw materials has a direct impact on the quality of the finished product, making it a significant factor. Another obstacle lies in the unpredictability of raw material pricing and their accessibility.

This can result in fluctuations in production costs and potential disruptions to the supply chain. Proposed Solutions to Overcome Challenges in Raw Material Procurement and Skilled Labour Management To overcome the challenges in raw material procurement and skilled labour management, companies in the sports goods business can implement several solutions. (Hussain, Alsmairat, Al-Ma'aitah, & Almrayat, 2023) One solution is to establish solid and strategic relationships with suppliers.

This can be done by conducting thorough supplier assessments, negotiating long-term contracts, and implementing supplier development programs. Another solution is to diversify the supplier base. This can help mitigate the risks associated with relying on a single supplier and ensure a continuous supply of raw materials. Additionally, companies can invest in technology and automation to streamline the procurement process and reduce dependency on manual labour. (Justus & Ndeto, 2019)

### **Research Design**

The research study was categorised as exploratory and descriptive, encompassing several facets of sports goods production in India. The study utilised descriptive and diagnostic research designs in order to accomplish its objectives. The researcher has carefully attempted to cover ten years, from April 1, 2006, to March 31, 2016. According to the data analysis, the researcher found that imports surpass exports. The researcher created a questionnaire to assess the fundamental variables that contribute to the rise in exports or decline in importance, as well as the concerns related to the production of sports products. Subsequently, the research scholar used a survey methodology to examine this subject. The study aimed to assess the viability of import substitution in the sports products industry in India. To fulfil the study's objective, 50 sports goods industries were selected from Uttar Pradesh and Jalandhar clusters, with 25 enterprises chosen from each group to gather primary data. The Indian sports goods sector is currently in its early stages, although over 100 years old. Manufacturing centres have been built in and around Jalandhar, Meerut, Delhi, Mumbai, Agra, Moradabad, Chennai, Jammu, and Calcutta. Jalandhar and Meerut collectively account for around 80% to 85% of the production.

**Data analysis and presentation**

No	Raw Material	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
1	Local sources have been preferred for meeting raw material requirements.	22 (44%)	9 (18%)	10 (20%)	6 (12%)	3 (6%)
2	The Quality of Raw material is satisfactory.	7 (14%)	14 (28%)	11 (22%)	11 (22%)	7 (14%)
3	Supply of raw materials is regular.	12 (24%)	2 (4%)	7 (14%)	6 (12%)	4 (8%)
4	Sometimes, the Lack of desired Raw Material is the crucial reason for the delay in Production.	20 (40%)	15 (30%)	8 (16%)	5 (10%)	2 (4%)
5	National and international Policies affect the supply of Raw materials.	14 (28%)	12 (24%)	3 (6%)	15 (30%)	6 (12%)
6	Price variation of raw materials very often affects the production performance.	12 (24%)	10 (20%)	15 (30%)	9 (18%)	4 (8%)
7	Open market purchase of raw materials increases the production cost.	5 (10%)	3 (6%)	10 (20%)	22 (44%)	10 (20%)
8	Poor quality raw materials affect the image of the products produced.	16 (32%)	20 (40%)	7 (14%)	5 (10%)	2 (4%)

**Table 1:** Percentile score for the issues related to raw materials in the sports industries of Jalandhar and Meerut.

No.	Skilled Manpower	Strongly Agree	Agree	Neither agree nor disagree	Disagree	Strongly Disagree
9	Skilled Manpower plays a crucial role in the Manufacturing process.	22 (44%)	17 (34%)	6 (12%)	4 (8%)	1 (2%)
10	Skilled Manpower is readily available in the area.	3 (6%)	5 (10%)	8 (16%)	14 (28%)	20 (40%)
11	Organisations may not afford to pay the wages and other facilities a skilled workforce demands.	4 (8%)	6 (12%)	9 (18%)	12 (24%)	19 (38%)
12	Mostly, production work has been looked after by a skilled workforce.	22 (44%)	20 (40%)	3 (6%)	3 (6%)	2 (4%)
13	The organisation is not facing any low productivity problems.	11 (22%)	9 (18%)	7 (14%)	12 (24%)	11 (22%)
14	There is high labour turnover in the organisation	10 (20%)	12 (24%)	9 (18%)	11 (22%)	8 (16%)

**Table 2:** Percentile score on the challenges related to competent personnel in the sports sector in Jalandhar and Meerut.

## Result and Discussion

Table 1 displays the specific information regarding preferences for acquiring raw materials. All these elements are interconnected with productivity, time consumption, and production costs. As seen in the table above, 44% of respondents strongly agreed that local sources had been prioritised to fulfil raw material needs. This is related to the factors of cost reduction and time efficiency. It is worth mentioning that almost 40% of respondents have said that the unavailability of necessary raw materials could be a significant factor contributing to production delays. (Shoar & Banaitis, 2018)

Table 2 shows how the sports goods industry understands highly trained personnel. In percentage terms, this section addresses the importance of skilled labour, their accessibility, their association with production, and the organisation's turnover. Highly qualified employees drive the company's success. An organisation achieves its goals through the combined expertise of various people. The talent need not be technical but must relate to the job. The exceptional manufacturing worker benefits from an adept person with interpersonal skills and customer focus. Every company has to hire experts in each role's duties. (Hussain et al., 2023) The data illustrates that 44% of respondents strongly believe that skilled workers are essential to manufacturing. However, 40% strongly disagree that the region has a surplus of competent labour. Proficient workers work more efficiently. Their high education and training allow them to perform tasks efficiently and effectively. Increases productivity. It shows that hiring skilled workers was a significant challenge. This supports the finding that 40% of people feel skilled labour has dominated producing duties. A skilled workforce is essential for many development projects. Many development initiatives are difficult to execute without skilled workers. They also help preserve natural resources by using them methodically. 11% highly agree and strongly disagree that the company has no productivity issues. Increasing workplace productivity is simple, but it requires better time management. Many variables cause low employee productivity. Work culture, structure, and size vary by company. Inadequate training and mentoring increase low productivity. (Gabriel, Biriowu, & Dagogo, 2020) As they take more time and company resources, untrained staff will lower productivity. Employee workshops should be regular.

## Conclusion

In conclusion, raw material procurement and skilled labour are essential catalysts for competitive advantage in the sports goods business. They contribute to the production process's quality, innovation, and efficiency, resulting in superior products that can outperform competitors in terms of performance and customer satisfaction. Furthermore, skilled labour is crucial in driving continuous improvement and innovation in the sports goods industry.

Their expertise and knowledge enable companies to stay ahead of market trends and develop innovative products that meet the evolving needs of consumers. It indicates that remote purchasing has been causing complications in business operations. Nearly 94% of respondents concurred that the lack of a clearly defined framework posed significant challenges for marketing. almost 66% of respondents acknowledge the indispensability of branding in promoting their goods, while almost 92% recognise the pivotal significance of publicity. The digitisation of traditional commercial and social channels has led to the possibility of replacing experienced elderly people with applicants who possess fundamentally unique ranges of abilities. It indicates numerous factors contributing to the poor staff productivity rate, ranging in the hundreds or thousands. Each organisation varies depending on its unique work culture, structure, and size. Inadequate training and coaching result in a rise in low productivity. By strategically managing raw material procurement and investing in skilled labour, sports goods businesses can position themselves to gain a competitive edge in the market. Engaging in collaboration between procurers and suppliers throughout the process can effectively decrease the utilisation of raw materials and the generation of waste, hence fostering a sustainable business model.

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