

Perspectives and Challenges of the Labor Market in the City of Escárcega: Supply and Demand

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Doi: [10.19044/esipreprint.5.2024.p528](https://doi.org/10.19044/esipreprint.5.2024.p528)

Approved: 19 May 2024
Posted: 21 May 2024

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Cite As:

Lopez Vazquez G., Aguirre D.M., Barraza Gonzales H.N., Molina Santos J.A. & Lopez Perez E.(2024). *Perspectives and Challenges of the Labor Market in the City of Escárcega: Supply and Demand*. ESI Preprints. <https://doi.org/10.19044/esipreprint.5.2024.p528>

Abstract

The labor market consists of two parts: supply refers to the availability of jobs and employment opportunities in an economy, and demand refers to the number of people willing to work in a specific area or sector that are related to various factors such as employee productivity, wages, and labor law. The objective of this research is to identify the balance between labor supply and demand, as well as to know the current situation within the labor market in the city of Escárcega. For this reason, a quantitative method with a descriptive approach was used, where a questionnaire with a Lickert scale was used as an instrument, applied to a sample of companies in the retail trade sector, where the results of each one could be obtained, representing them through graphs. It was concluded that the majority of the companies surveyed believe that the jobs they offer meet the local demand for employment and meet the necessary requirements. Although there is a small percentage of positions that do not always meet these requirements. The diversity of companies in the city provides varied job options, allowing people to choose between different work alternatives. In particular, the food sector is perceived as the most in demand, although there are opportunities in other sectors as well. In conclusion, there are

positions available in retail companies due to the high demand for employment in this sector.

Keywords: Supply; Demand; Labor market; Workers

Introduction

The theme developed throughout this work is based on the analysis of labor supply and demand in the city of Escárcega.

Through the retail trade sector, which comprises economic units mainly dedicated to the purchase and sale (without processing) of final consumer goods to be sold to individuals and households, as well as economic units dedicated to only a part of this process (buying or selling) according to . (SCIAN, 2002)

Retailers can also provide integrated services to the sale of goods, such as packaging, packaging and home delivery. Sale with incidental installation shall be classified as retail trade. This sector also includes retail traders without an establishment who carry out their work by other methods.

Full work, as you mention, is an economic concept that refers to the situation in which all citizens of productive working age, i.e. the working population, who wish to work, are employed. In other words, it is a situation in which the demand for labor is equal to the supply, considering the existing real wages.(Mojica, 2011)

In order to be able to analyze this issue precisely, it is necessary to establish a theoretical approach to the labor market, and to understand what supply and demand are. According to. Supply is defined as the quantity of goods and services produced by firms.(Paz, Luis Ernesto, Hernandez, Eduardo A., & Tamayo, 2017)

While demand is the sum of the goods and services of a group of consumers willing to buy for a while, to meet the needs of customers. Job supply as mentioned refers to the pool of workers willing and able to work at different wage levels, while labor demand refers to the number of workers employers are willing to hire. In general, both labour supply and demand are balanced by taking into account the needs of workers and firms.(Quiroa, 2019)

The labour market as defined as the set of relationships between suppliers and demanders. The fundamental elements for analysing equilibrium conditions will be labour demand and supply, the interrelationship of which will determine the level of employment and the equilibrium wage, made up of workers willing to perform their tasks, and the demand for labour by firms or employers that hire workers. These have particularities with respect to consumer goods or services, especially because

they contemplate a key area of the economy and society. (Del campo Estrada & Plaza Acero, 2021)

In the business world, in both small and large companies, understanding the law of supply and demand is critical. This understanding allows them to check how to meet the needs of their customers and assess worker satisfaction. The law of supply and demand also influences employment and requires legal and institutional regulations to guarantee labour rights and establish adequate working conditions and wages. When the supply of labor is lower and the demand is higher, wages will tend to grow. Conversely, the higher the supply and the lower the demand, the lower the wages. (Del campo Estrada & Plaza Acero, 2021)

The objective of this research is to identify what is the balance between labor supply and demand, and thus know the current situation within the labor market in the city of Escárcega.

Methods

In order to carry out our research we use the quantitative method which mentions that quantitative research is a research method that uses mathematical and statistical analysis tools to describe, explain and predict phenomena through numerical data. (Cerón, 2006).

The questions in this questionnaire were closed, as we sought to obtain exact numbers of the selected questions (Cerón, 2006).

To collect information, we resorted to the implementation of questionnaires, which were applied to retail trade companies in the town of Escárcega. Which was intended for the owners of the businesses or in their case to the people who were in charge of the company.

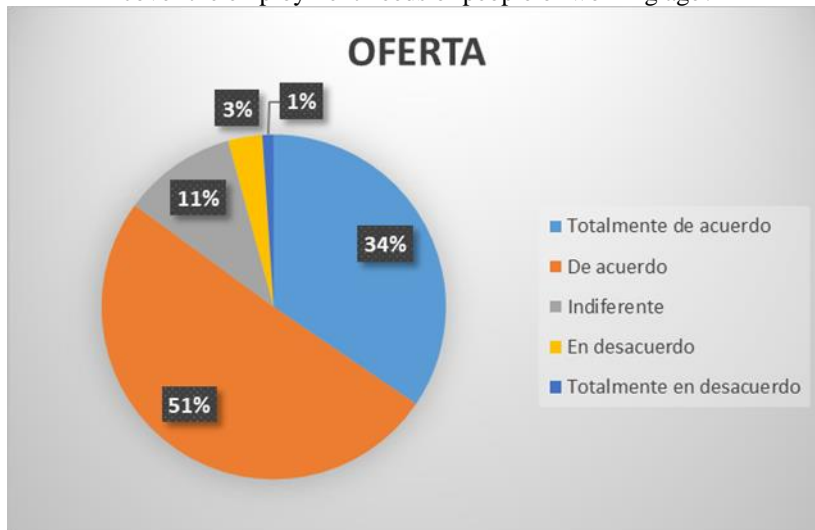
The surveys were applied to a total of 281 retail companies in which questions were posed, focusing especially on labor supply and demand, these questions were measured with the Likert scale, which consists of 5 options, two negative, one neutral or intermediate and two positive.

In order to know the exact number of samples to be taken, we based ourselves on the calculation of the sample size by the author Laura Fisher. According to DENUE that marks the INEGI page, the selection of companies was made according to the retail trade sector from 0 to 10 employees, only from the town of Escárcega, where the result was 1039 companies to which the Laura Fisher formula was implemented where a sample of 281 companies was obtained. (Fischer & Espejo, 2017)

Results

Once the survey was conducted, we obtained the following results.

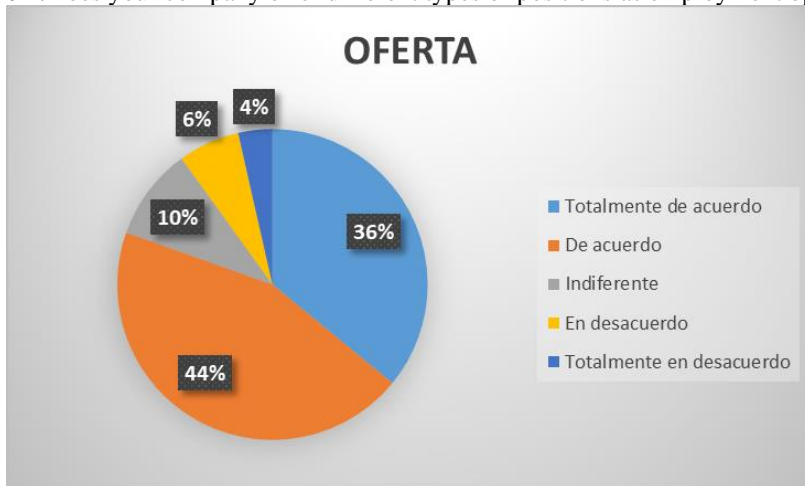
Figure 1: Do you think that the positions offered by the company in the city of Escárcega cover the employment needs of people of working age?



In Figure 1 we can see the results obtained in relation to whether companies consider that the positions they offer cover the employment needs of people of working age, in which 34% mentioned that they totally agree, and 51% agree, since they consider that most of them are people 18 years of age and older, which makes them suitable for the positions offered. 11% mentioned that they did not know, while 3% and 1% said they strongly disagreed, as they considered that although they were old enough, they rarely met the requested profile.

It can be seen that most of the companies surveyed consider that the positions they offer cover the need for work in the locality, since they are considered suitable, while a small number considered that they do not always meet the required requirements.

Figure 2: Does your company offer different types of positions as employment options?



In Figure 2 we can see that, in the SMEs of the town of Escárcega, 44% of the companies responded that they agree that different types of positions are offered as employment options, since in most of them they are groceries, clothing or footwear stores, in which more than 2 people are employed. 36% mentioned being in total agreement, as they consider that in some companies different activities are carried out, 6% and 4% mentioned disagreeing and totally disagreeing, as they mention that they are companies in which they only require 1 employee.

As observed, different types of positions are offered as job options, depending on the need of each company.

Figure 3: Do you think there is a balance between the number of jobs and the number of people of working age who want to work?

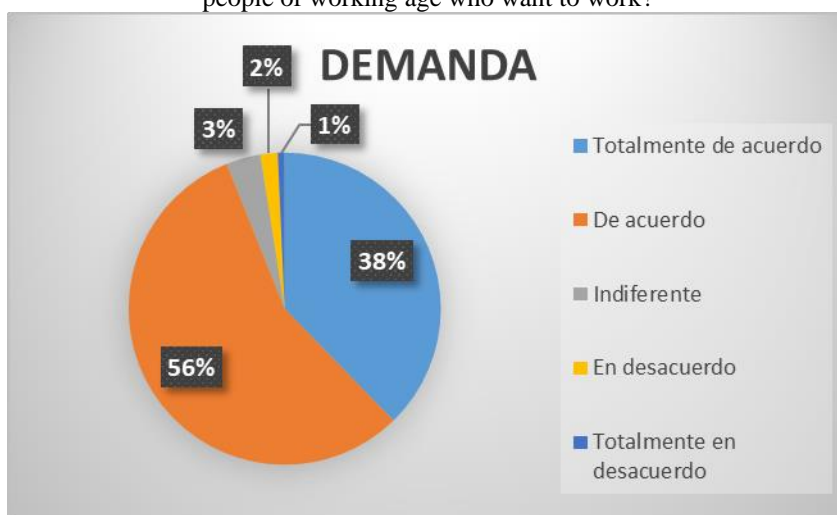


Figure 3 shows the results in relation to whether companies consider that there is a balance between the number of positions and the number of people with a desire to work, to which 56% said they agreed, as they consider that job offers are increasing more and more every day, since Escárcega, being a growing city, generates new jobs at certain times. On the other hand, 2% and 1% said they disagreed, and in total disagreement because they consider that in many cases the people with the ability to occupy the positions offered prefer not to work, or in their case the positions offered are not to their liking. while 3% mentioned that they did not have a clear idea.

It is observed that in the town of Escárcega there is a balance between the number of jobs offered and the number of people of productive age to work.

Figure 4: Do you think there are enough people with a desire to work to fill the job supply in the food sector?

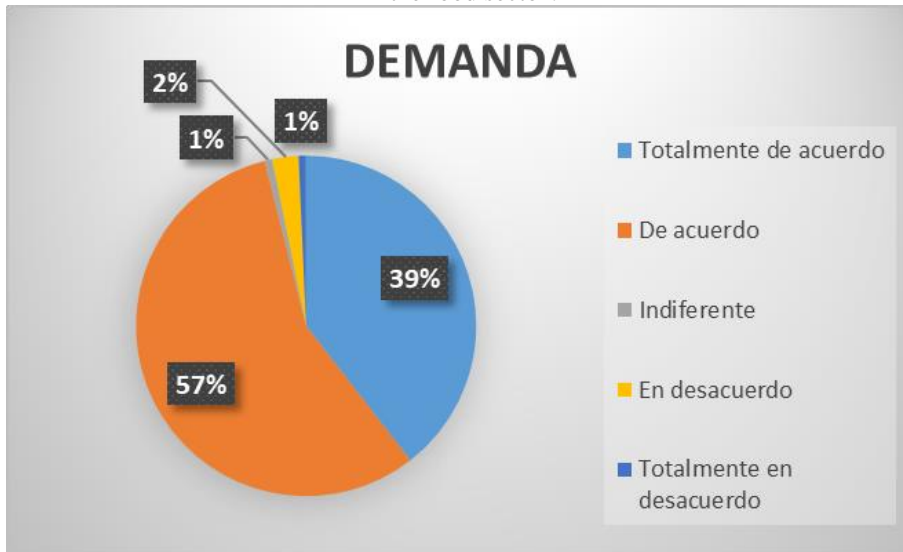


Figure 4 shows the relationship of the results of whether companies consider that there are enough people with a desire to work to cover the job supply in the food sector, in which we can see that 57% agree because they mention that the sale of food is a good economic income. and that it usually leaves favorable profits to those who dedicate themselves to it, likewise 39% mentioned being in total agreement, since the sale of food generates high profits. On the other hand, 3% mentioned not agreeing, this is because for some people they find better earnings in other areas of work.

It is observed that companies consider that people want to work in the food sector, due to the high demand that it has, while a small number find profits in other sectors.

Figure 5: Do you think there are enough people with the capacity and skills to fill those positions?

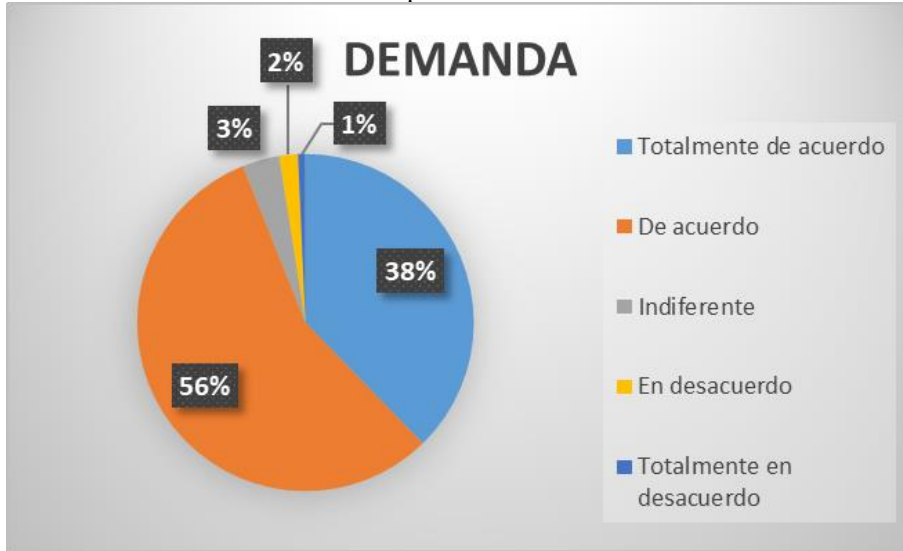
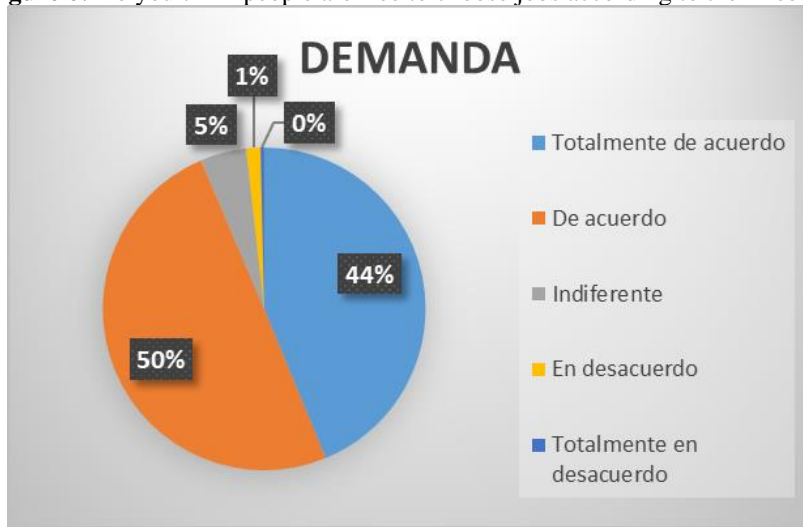


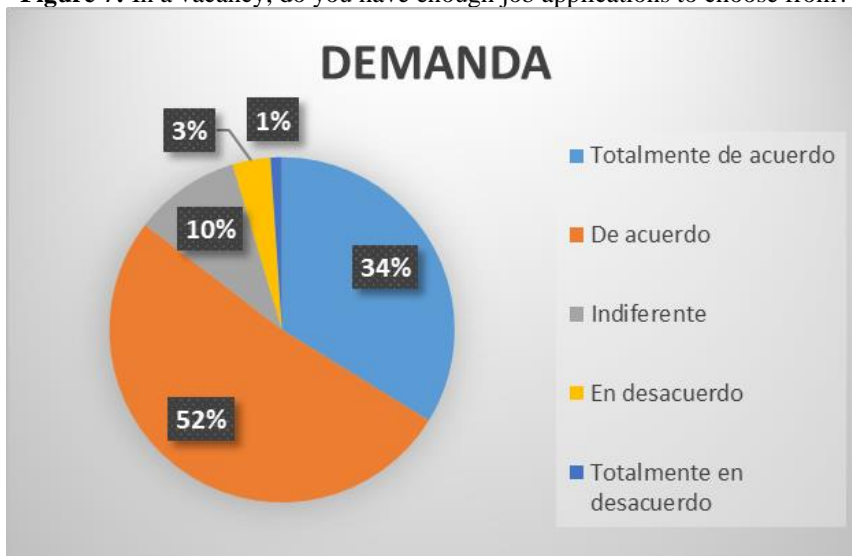
Figure 5 shows that, if the company considers that there are enough people with the capacity and skills to fill the jobs, obtaining as a result that 94% of the companies consider that there are enough people with the skills to fill the positions, while 2% consider that there are few people with the desire to work, or in their case they don't like the type of work they offer. For this reason, employers consider that there are enough applicants to fill the jobs offered in the locality because, as mentioned above, Escárcega is a growing city that generates jobs at certain times, and this causes more employment opportunities for people.

Figure 6: Do you think people are free to choose jobs according to their needs?



In Figure 6, which shows that, if people have freedom of employment according to their needs, it could be observed that 94% stated that this is in agreement because they consider that people are free to choose the job in which they want to be employed, while 2% mentioned that in some cases people work temporarily in the jobs that are available. even if it's not to their liking. Due to this, in the city of Escárcega, as there are different types of companies, there are different types of work, this shows that people can choose the job they want among the different options that are available.

Figure 7: In a vacancy, do you have enough job applications to choose from?



In figure 7, corresponding to the fact that, if in a vacancy they have enough job applications to choose from, it was shown that 86% mentioned that more than 5 people had previously applied for employment in their businesses, when they opened recruitment calls, 4.5% mentioned that only one and even no person came to apply and 10% answered that they did not know. Therefore, it can be shown that in a trading company there are at least positions available in which people can apply for it, since it is understood that there is more desire to work in this type of company.

Discussion

In this study, it is possible to highlight the job offer in the city of Escárcega, as well as the perception of employers about the availability of labor, reflect a series of common trends and challenges in the labor field.

It is clear that the situation in Escárcega may be representative of problems and dynamics observed in other regions. For example, the majority perception that the jobs offered meet the employment needs of people of working age reflects a general trend towards the demand for employment in certain sectors, which may be influenced by broader economic and social factors.

The existence of a perceived balance between the number of jobs and the number of people of working age and willing to work is an interesting point. This may indicate some stability in the local labor market, although it is important to consider seasonal fluctuations and changing economic conditions that could affect this balance. As mentioned by the labour market, it is under significant pressure to meet the needs of companies.(Domínguez, 2023)

The fact that the majority of companies surveyed believe that there are enough people with skills and abilities to fill the available positions suggests a degree of optimism regarding the quality of the local workforce.

Freedom of choice in employment is also an interesting aspect to compare with previous research. While the majority of respondents believe that people have the freedom to choose employment according to their needs, there is a minority who suggest limitations on this freedom, which could be related to factors such as the availability of job opportunities or socioeconomic conditions.

Finally, the question of whether there are enough job applications to choose from in a vacancy reflects the dynamics of supply and demand in the local labor market. The variability in responses indicates the fluctuating nature of this market, which may be subject to seasonal changes, economic trends, and other external factors.

It is observed that in the town of Escárcega there is a balance between the number of jobs offered and the number of people of productive

age to work, these people can be taken as the potential job offer existing in the labor market.(Arguello, 2015)

Conclusions

Demand is essential as it highlights the importance of maintaining a balance between supply and demand within the labour market to ensure adequate economic growth and social cohesion. It is mentioned that the proper functioning of the labour market is essential for growth, the optimisation of resources and social stability. In addition, it is noted that imbalances, such as those caused by economic crises, can adversely affect the labour market. To achieve a balance, it is crucial that the supply and demand of labor are equitably distributed. It is highlighted that crises can generate imbalances by creating an imbalance between labour supply and demand, making it difficult to achieve an efficient balance in the labour market.

Likewise, we contribute to all this that everything entails in the same way a good treatment of employees for a good work performance.

The majority of companies surveyed believe that the positions they offer meet the demand for local employment and are considered suitable, although a small percentage do not always meet the necessary requirements. Various types of positions are offered according to the needs of each company. Most companies believe that there is a high demand for employment in the food sector, but there are a small number that see benefits in other sectors. The diversity of companies in Escárcega provides a variety of job opportunities, allowing people to choose from different job options. In summary, it can be stated that there are positions available in retail companies due to the high demand for employment in this sector.

Acknowledgments

We are very grateful, since this project could not have been carried out without the unconditional help of many people who gave us a little of their time in answering the surveys that were carried out.

First of all, we would like to thank (M.A.N.) Esmeralda López Pérez for advising us on this journey, as well as (M.A.) Adriana Dolores Atlahua for advising us and all the teachers who influenced the realization of this project.

Conflict of Interest: The authors reported no conflict of interest.

Data Availability: All data are included in the content of the paper.

Funding Statement: The authors did not obtain any funding for this research.

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