Training as A Growth Strategy for Trade SMEs in The Veracruz-Boca Del Río Conurbated Area

Roque Uscanga-Martínez¹, José G. Vargas-Hernández²

¹UCC Business School, University Cristóbal Colón, Veracruz, Mexico; ²University Center for Economic and Managerial Sciences, University de Guadalajara, Guadalajara, Mexico

*Corresponding author: ruscanga@gmail.com

Abstract: This research shows, based on the statistics, that the main entities that generate employment are small and medium-sized enterprises; the survey of the National Institute of Statistics and Geography (INEGI) serves as sustenance added to those generated by the National Micro-business Survey (ENAMIN). In the context of training, the results of this study reflect that training for workers is not a priority. Consequently, they do not have it, even though it is regulated as a worker’s right by the Ley Federal del Trabajo and an obligation for the business sector. The result shows the companies’ conformity with the duality of the benefit of training since this fundamental part that could allow them to achieve greater competitiveness in the market is not found in their planning.

Keywords: SMEs, staff training, continuous learning, empirical studies.

Abstrak: Penelitian ini menunjukkan berdasarkan statistik, bahwa entitas utama yang menciptakan lapangan kerja adalah usaha kecil dan menengah, survei Institut Statistik dan Geografi Nasional (INEGI) berfungsi sebagai rezeki tambahan dari yang dihasilkan oleh Survei Bisnis Mikro Nasional (ENAMIN). Dalam konteks pelatihan, hasil penelitian ini mencerminkan bahwa pelatihan bagi pekerja bukanlah prioritas dan akibatnya mereka tidak memilikinya, padahal hal itu diatur sebagai hak pekerja oleh Ley Federal del Trabajo dan kewajiban bagi sektor bisnis. Hasil yang diperoleh menunjukkan kesesuaian perusahaan dengan dualitas manfaat pelatihan, karena bagian mendasar yang memungkinkan mereka untuk mencapai daya saing yang lebih besar di pasar tidak ditemukan dalam perencanaan mereka.

Kata Kunci: UKM, pelatihan staf, pembelajaran berkelanjutan, studi empiris
Introduction

There is no doubt that the problem of employment exists, it has been possible to consider that it is something that has repercussions worldwide, through unemployment and underemployment and with the constant labor fluctuation that usually lives in the countries, and it has become today a main political issue of national and international leaders and experts who have paid particular attention to the design of specific programs and policies that they only try to answer the existing problem from different alternatives. Traditionally in Mexico, training is not considered a development factor that recognizes companies within a strategic plan, achieving better benefits and positioning in the markets (Serna & Delgado, 2007).

Small and Medium Enterprises (SMEs), a particularity for which they can not be developed because they lack funding, in addition to not training staff, who also do not have an organizational culture; therefore, it is confirmed that the services of public and private providers are oriented to cover these areas of opportunity. Despite this, it is essential that there are studies or research that allow us to know and analyze the level of mastery of the management processes in the company, internally, and how they are integrated.

The papers and affordable research do not formally consider the management of SMEs in Mexico; what can be found are comments and arguments from professionals and service providers, which are based primarily on past practices, which have a media effect on the areas of opportunity in SMEs, an example of this is the development of a business model, market studies, benchmarking, management courses, and business operations, training of human resources in all areas and development of computer systems both internal and e-commerce (Palomo, 2014). The objective of this paper is to present the importance of the implementation of training programs for SMEs today. It is concluded that small and medium-sized enterprises in the Veracruz-Boca del Río conurbation area are faced with the dilemma of investing in the training of human resources or losing the spaces and opportunities of the local market.

Methods

To carry out this research, the descriptive method is used to evaluate and describe the behavior of the specific indicators selected for the different performance elements according to their order of importance in this work.

Determination of instruments:

The questionnaires were developed based on the Likert-type escalation method; the basic techniques are interviews, observations, and statistical documentary review; questionnaires were applied to obtain more information on the behavior of the indicators. Each indicator was sorted between 1 and 5 in order of priority (1 the most necessary or important, five the least essential or not necessary). Sample selection:

The object of study is based on a universe based on the stratification corresponding to SMEs established in section III of article 3 of the Law for the Development of the Competitiveness of micro, small, and medium-sized enterprises and in the Agreement establishing the stratification of

It takes as a maximum SMEs of up to 100 employees of the Veracruz-Boca del río conurbation zone, in the concept referring to the trade sector, obtained from the database of the National Statistical Directory of Economic Units (DENUE) in its version 2 dated November 19, 2020, and the National Microbusiness Survey (ENAMIN) that are part of the National Institute of Statistics and Geography (INEGI).

Table 1
Stratification.

<table>
<thead>
<tr>
<th>Size</th>
<th>Sector</th>
<th>Number of Workers Range</th>
<th>Annual Sales Amount Range (MDP)</th>
<th>Combined Maximum Cap*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Micro</td>
<td>All</td>
<td>Until 10</td>
<td>Until $4</td>
<td>4.6</td>
</tr>
<tr>
<td>Small</td>
<td>Commerce</td>
<td>From 11 to 30</td>
<td>From $4.01 to $100</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>Industry and Services</td>
<td>From 11 to 50</td>
<td>From $4.01 to 100</td>
<td>95</td>
</tr>
<tr>
<td>Median</td>
<td>Commerce</td>
<td>From 31 to 100</td>
<td>From $100.01 to $250</td>
<td>235</td>
</tr>
<tr>
<td></td>
<td>Industry</td>
<td>From 51 to 100</td>
<td>From $100.01 to $250</td>
<td>250</td>
</tr>
<tr>
<td></td>
<td>Services</td>
<td>From 51 to 250</td>
<td>From $100.01 to $250</td>
<td></td>
</tr>
</tbody>
</table>

*Maximum Combined Cap = (Workers) X 10% + (Annual Sales) X 90%.

Source: Diario Oficial de la Federación

The research will focus on complex samples based on telephone surveys from the health emergency currently dominated by the sars-CoV2 (COVID-19) disease epidemic.

Table 2
Universe of the trade sector conurbated area Veracruz-Boca del Río.

<table>
<thead>
<tr>
<th>Size</th>
<th>Sector</th>
<th>Worker rank</th>
<th>Veracruz*</th>
<th>Boca del Río*</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small</td>
<td>Commerce</td>
<td>From 11 to 30</td>
<td>408</td>
<td>164</td>
<td>572</td>
</tr>
<tr>
<td>Median</td>
<td>Commerce</td>
<td>From 31 to 100</td>
<td>78</td>
<td>33</td>
<td>111</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>486</td>
<td>197</td>
<td>683</td>
</tr>
</tbody>
</table>

*Number of companies

Source: DENUE
Sample size:

The formula of finite populations proposed by Richard L. Scheaffer (1987) is used with an accuracy of .06 of the error to the total of the companies of the two municipalities analyzed, a sample of $197.67 \approx 198$ companies calculated as follows is obtained:

$$n = \frac{Npq}{(N-1)D+pq}$$

Where:

- $n$ = Sample size
- $N$ = Size of population
- $p = 0.5$
- $q = (1-p)$
- $D = \frac{B^2}{4}$
- $B$ = Estimation error (will be used 0.06)

Calculations:

$$n = \frac{683(5)(5)}{683-1(0.06^2)+5(5)}$$

Where:

- $n = 197.67 \approx 198$
- $N = 683$
- $p = 0.5$
- $q = (1-p)$
- $D = \frac{B^2}{4}$
- $B$ = Estimation error (will be used 0.06)

Table 3

Questionnaire.

<table>
<thead>
<tr>
<th>QUESTIONS REGARDING THE LABOR PRODUCTIVITY VARIABLE</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Are the tools used suitable for the execution of your work?</td>
<td>Always</td>
<td></td>
<td>Sometimes</td>
<td>Rarely</td>
<td>Never</td>
</tr>
<tr>
<td>2 Do you believe that the tools required for the execution of your work are appropriately used?</td>
<td>Almost always</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Does the use of promotional materials have an established schedule?</td>
<td></td>
<td>Sometimes</td>
<td>Rarely</td>
<td>Never</td>
<td></td>
</tr>
<tr>
<td>4 Does the information service satisfy the customer?</td>
<td></td>
<td></td>
<td>Rarely</td>
<td>Never</td>
<td></td>
</tr>
</tbody>
</table>
5. Are the boss and other colleagues satisfied with the results?
6. Does management set objectives and goals to be achieved?
7. Do you feel identified with the organization?
8. Are employees rewarded for their work in the organization?
9. Do bosses attach importance to the development of workers’ skills?


Results and Discussion

According to national statistics, SMEs are located within productive units, which have a lifespan of up to two years, despite being an essential generator of jobs in Mexico. These entities are not conditioned to a leading role in economic indicators such as sales and other items in which large companies may be conditioned.

Training

Training is the product of a continuous process based on work, design, and planning; since it is one of the internal variables that must be enhanced, these skills must be the result of that process, not of simple, spontaneous evolution. The training variable increases labor productivity through continuous improvement (Mejía & Bravo, 2008).

Training and Training (C and A) is one of the inescapable instruments to increase human capital productivity. Imparting the knowledge, skills, and attitudes required that will be reflected in the behavior changes necessary for the work’s adequate performance (Moreno et al., 2009).

Within the universe of Mexican companies, only 6% that makeup 168,639 entities are those that train their staff; this is worse in the category of SMEs because it decreases to 1% being only 1,321 companies in which staff is trained, paradoxically, although their persistence depends on qualified human capital to be able to face the new demands of the market. It is because the added value of training in Mexico is not yet perceived (Fernández, 2014).

SMEs

SMEs in the population that focuses the study of this research are within the productive units, which according to national statistics, have a lifetime of fewer than two years, despite being an essential generator of jobs in Mexico. These entities are not conditioned to a leading role in economic indicators such as sales and other items in which large companies may be conditioned.

However, SMEs must seek strategies that allow them to remain within the tough competition in the market, one of them being fundamental to the training of the human resource they have to develop their productive capacity. It is essential to recognize that SMEs have in their human capital
the most vulnerable groups of the population and generally do not have any certification or ability to perform at work, so it is necessary to implement training programs to correct production deficiencies in these entities.

Employment is a primary issue on the country's political agenda; this problem has been perceived worldwide through unemployment and underemployment, attached to the labor instability that coexists in many countries. The design of specific programs and policies is part of specialists worldwide’ strategy to attack the existing problem from different alternatives. The National Institute of Statistics and Geography (INEGI), through the National Survey of Occupation and Employment (ENOE), mentions that small and medium-sized enterprises 2013 closed their workforce with 12.9 million people, which reflects 0.81% to the previous year. It is a fall of significant impact since, according to studies, SMEs, according to their proportion, contribute 24.5% to the whole labor part of the country.

There are multiple variables on which the competitiveness of companies depends; these are inside and outside it; an SME that plans to have sustainable development must consider its environmental analysis to develop its strengths and opportunities to overcome its weaknesses and threats (SWOT).

There is no doubt that in Mexico, there is a lack of training culture; according to the results, the directors of SMEs decide to hire already trained personnel to start training new employees, it is daily to see announcements where vacancies require "verifiable experience," with this the statement of Serna and Salgado is corroborated (2007) in which they claim that training is not considered as a factor of development and less as a competitive strategy.

The interviewees affirm that the reason why they do not train their employees is that they do not consider it necessary, they do not have the resources, or it is a waste of time; this confirms what Fernández (2014) explains that in our country, training is not yet taken as an added value and they do not realize that training depends on human resources to face the new challenges of the market.

Suppose it is considered that the achievements obtained from linear regressions are applied to companies that acquire profits. In that case, it is consistent with the idea that the family economy improves, considering that it promotes employment generation, encourages savings, and trains trades (Aceves et al., 2011).

It would help if you had a direction and a purpose in the individual so that the training has a positive impact, Chiavenato says that the objectives of the training are: "(1) To prepare individuals for the immediate performance of various tasks of the post; 2) Provide opportunities for continuous personal development and not only in their current positions, but also for other more complex and elevated functions; 3) Change the attitude of people, either to create a more satisfactory climate among them or to increase their motivation and make them more receptive to new trends in management" (Chiavenato, 2011). It is concluded that certain companies strive to train their employees, but there needs to be more to be done. There is still no awareness of the
relevance of training programs and plans; it is evidenced in the study "Training in the Mexican Company: a study of Training on the Job" (Sapien et al., 2014).

Conclusion

So far, it has yet to be considered within their planning and growth of companies, nor as a strategy for competitiveness. Although, as in many countries, in Mexico, there is legislation where it is obliged to train the worker as a right he has, it is unquestionable that most of it are not taken into account, even in some cases it is considered as an activity of the Federation and is the right one to facilitate this activity. Many authors consider the lifespan of SMEs as the cause of lousy financing. However, despite the existence of a support program by the State, there is still mortality in these companies, which indicates that it is not only that part that affects them but that they need strategic planning where all the factors are measured, among which training must be significant. INEGI shows in its results that 98% of jobs are generated by SMEs, which is why the result can be seen because there is no necessary training for workers in Mexico.

References


