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Local Workforce Employment and Industry Perceptions: A Study of Workforce Engagement and Skill Utilisation

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Abstract

The title talks about the industry and employment matching within the surrounding and engagement of local labours for industry job opportunities. Today industries are struggling to get skilled and employees for the industries in respective any organisation. Here it is the questionnaire arises why industries are not concentrating local employees and vice versa why local graduates are skilled personnel not working and searching the local employment. This was the major objective assigned to the researcher for the said research. The structured questionnaire was adopted for the study and the major industries various sectors were taken as sample. The two types of samples were adopted such as HR officials of industries and local people registered in employment office for job opportunities. The sample method is multi stage random sampling and the size of the industries were 48 and the job seekers are 220. This article presents only the status of industries and their perception on local employee engagement.

Keywords: Industry workforce engagement, local employment, benefits & cost efficiency, cultural alignment, regulatory policies, and community engagement.

Introduction

In the contemporary business environment, organizations increasingly focus on aligning workforce capabilities with industry expectations to enhance productivity and competitiveness. Workforce localization, hiring employees from the local region has become a strategic approach in human resource management. It is driven by factors such as cost efficiency, cultural alignment, regulatory policies, and community engagement. Industries today demand skilled, adaptable, and efficient employees who can contribute to organizational goals. However, a mismatch often exists between industry expectations and the competencies of the local workforce. This mismatch can influence organizational efficiency, employee performance, and workforce management practices. The present study focuses on understanding how industries perceive local workforce compatibility, the extent to which local employees meet organizational expectations, and the impact of local employment on organizational

efficiency. The questionnaire used for this study gathers insights regarding workforce composition, skill levels, and employer perceptions about local hiring practices.

Kahn (1990) achieved a breakthrough in thinking about people at work when he elevated the idea of working to include the whole of the person in doing immediate work tasks. In later writings (2010), he explained what he meant by the whole person being engaged at work by saying: “We believe that people are engaged when we see them working hard, putting in effort, staying involved. They truly show up for work. They remain focused on what they are doing strive to move their work ahead”.

Cultural alignment within an organization is a concept that has gained considerable attention in recent years. It refers (**Cameron, K. S**) to the degree of harmony between the professed values and the actual values demonstrated within an organization. This alignment plays a pivotal role in determining the overall health and success of an organization. A culturally aligned organization is one where the behaviours and practices of its members resonate with the stated values and principles.

Literature

According to Wu, **Hugh Xiaolong et al.,(2026)**, they have examined decentralised and local manager hiring in a field experiment involving 111 retail stores in China. They found that local managers possess valuable contextual knowledge, but decentralised hiring can also create trade-offs in recruitment quality and productivity. **Anikwe and Johnson Azubuike (2024)** studied staff recruitment efficiency in Nigeria's local government system. Using 450 respondents, they found that recruitment practices were related to productivity and recommended merit-based selection of qualified candidates. In the view of Younis, **Heba, Elsharnouby and et al.,(2024)** investigated workforce nationalisation in Qatar's higher education sector. Their qualitative study identified education–employability gaps, policy limitations and socio-cultural perceptions as major barriers to effective local employment. **Elbanna, Said (2023)** reviewed workforce nationalisation research across GCC countries. Their systematic review highlighted HR practices, institutional policies, gender, labour-market challenges and organisational outcomes as important dimensions of localisation.

Research Methods

Based on the problem and need, the study has been carried out among the industries and people registered in the employment office. The problem of the study is despite the growing emphasis on local employment, organizations often face challenges in recruiting locally due to skill gaps, productivity concerns, and workplace adaptability issues. At the same time, reliance on non-local employees may increase operational costs and reduce community integration. The core problem addressed in this study is to what extent does local workforce compatibility meet industry expectations, and how does local employment influence organizational efficiency and workforce management. Need of the research is increasing emphasis on local employment policies and workforce nationalization, growing concern about skill mismatch between local workforce and industry needs and need to evaluate whether local hiring improves organizational efficiency. The structured questionnaire was adopted for the study the samples were HR officials of industries and local people registered in employment office for job opportunities. The sample method is multi stage random sampling and the size of the industries were 48 and the job seekers are 220. The present study offers its interpretation of industries alone.

Result and Discussions

The findings show that the respondents were drawn from diverse industrial sectors, with 54% belonging to other industries, followed by engineering (21%), manufacturing (15%) and rubber products (10%). This diversity indicates that local employment opportunities are distributed across multiple industrial sectors and that workforce requirements may differ according to the nature of the industry. **Bilan et al. (2020)** emphasised that SMEs face different recruitment and skill-retention challenges depending on their sector and operational requirements. Similarly, **Waxin et al. (2018)** highlighted that workforce localisation requires organisations to balance the availability of local employees with the specific skills demanded by different industries. Thus, the sectoral diversity identified in the present study supports the need for industry-specific workforce mapping and career guidance.

The findings indicate that 50% of respondents have 10–15 years old and 40% have more than 15 years, indicating that 10% possess 5-10 years of industrial experience. Such substantial experience suggests that the respondents are well positioned to provide informed opinions regarding recruitment, workforce requirements and skill gaps. **Sikora et al. (2016)** highlighted the importance of effectively utilising human resources and employee capabilities for organisational effectiveness. Likewise, **Taylor and Collins (2000)** identified recruitment as an important strategic function through which organisations acquire human resources necessary for achieving organisational objectives.

The findings reveal that all the participating industries (100%) are registered under the Industrial Act/MSME framework. This indicates that the study largely represents formally recognised industrial establishments. Formal registration provides an institutional basis for establishing systematic relationships between industries, educational institutions and skill-development agencies. **Anikwe, Ogbuka and Nnamani (2024)** observed that structured recruitment systems in local government organisations can contribute to improved workforce productivity and operational performance. In a similar context, **Kolehmainen-Aitken (2004)** stressed the importance of appropriate human-resource planning and management structures for improving administrative and workforce efficiency. The present finding therefore indicates potential for developing a structured database of registered industries for local employment planning.

The findings show that 50% of the industries have 200 and below employees, while 40% have 200-300 employees and only 10% is having more than 300 employees. This indicates that the sample predominantly consists of small, medium and large sized industrial establishments. **Bilan et al. (2020)** reported that SMEs frequently experience difficulties in recruiting and retaining skilled employees and that availability of suitable human resources is an important factor influencing organisational development. Similarly, **Guajardo (2015)** demonstrated that workforce composition and personnel management practices are important considerations in organisational efficiency.

The findings indicate that 27% of the industries having 27% of skilled worker force, while 40% is having 20-40% skilled workers and 33% reported that the skilled workforce is between 40-60%. This demonstrates that a substantial proportion of the participating industries operate with a relatively limited skilled workforce. **Bilan et al. (2020)** identified shortages of skilled employees as an important challenge for organisations, particularly SMEs, and emphasised the importance of recruitment and employee development. **Waxin et al. (2018)** similarly found that workforce localisation can be challenging when organisations need to reconcile local employment objectives with specific skill requirements. The present findings therefore suggest the existence of a potential skill gap and emphasise the importance of industry-linked skill development and targeted training.

The research demonstrates 48% is potential for local employment generation. The most important finding is that 52% of the industries are opined that they are not engaging local employees. IT shows that, either unsuitable local employees or local employees not showing interest in working the local industries. This clearly indicates that local workers are not generally viewed as unsuitable by industries, however the availability and interest of the employees not predicted here it may get it from the local job seekers data.

Conclusion

The findings therefore suggest that the central intervention should be to increase the supply of appropriately skilled local candidates rather than merely promoting local recruitment. This can be achieved through industry-specific skill training, apprenticeships, internships, recognition of prior learning, short-term certification programmes and continuous upskilling. Bilan et al. (2020) support the importance of addressing skilled-worker shortages, while Waxin et al. (2018) demonstrate that successful workforce localisation depends on aligning local employment with organisational skill requirements.

The financial findings are also noteworthy: 65% of industries perceive financial benefits from employing local workers, while 55% do not experience inconvenience and 60% do not perceive negative effects on organisational climate. These results collectively suggest that local recruitment is broadly acceptable from operational, financial and organisational perspectives. The relatively small proportion of negative responses indicates that the barriers are manageable through appropriate recruitment, training and workforce-management strategies.

Overall, the findings establish that local industries are willing to employ local people, local employees are largely compatible with organisational requirements, and local recruitment can provide financial and operational advantages; however, the availability of adequately skilled and talented local workers remains the principal challenge. This provides a strong empirical basis for strengthening industry-linked career guidance and demand-driven skill-development initiatives aimed at connecting local industries with local unemployed and underemployed youth.

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