ASSESSMENT OF TRAINING REQUIREMENTS FOR EMPLOYEES OF MAQUILADORA INDUSTRY ON THE US-MEXICO BORDER

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ABSTRACT

A priority of the maquiladora industry is to hire a skilled workforce. Thus, this research explores the opportunity to assess the requirements of technical training and/or educational services in business for a new market: The technical training of employees of the Maquiladora Industry on the US-México border. If Laredo, TX can be recognized as The Gateway of International Trade, then Texas A&M International University (TAMIU) can be acknowledged as the essential Higher Education Institution in International Business given its "business strengths" (AACSB & SACS Accreditation, A. R. Sanchez School of Business (ARSSB), Western Hemisphere Trade Center (WHTC), Bachelor, Master, Dual MBA, (double degree) and Ph.D. Programs, Professional Certifications, QM Courses, Signature Courses, etc.); consequently, we can consider that this research is parallel to Laredo's business strengths: Maquiladora Industry, Logistics Industry, Bank Industry, etc. and should be pondered as an area of opportunity. A diagram of a theoretical model for the interaction between employees' training requirements frequency and the maquiladora industry sectors is presented. The industrial sectors were electronic, automotive, textile, and other (food, chemicals, pharmaceuticals, etc.), where the employees reviewed 31 training areas clustered in three blocks (basic, practical, and functional). The frequency distribution of the employees' training requirements was analyzed via nonparametric statistics.

Keywords*: Maquila Industry, Industrial Sectors, Mexico-US Border, SWOT and Statistical data analysis*

1. INTRODUCTION

Eighty-one years ago, the Bracero Program was created during 1942 to reduce the labor absences that were being faced in the United States because of World War II. In this program, Mexicans were allowed to go and work in the US, mainly in the agricultural sector. Contract labor was primarily used, with an estimated 4.6 million employment contracts issued between 1942 and 1964. It has the most extensive US contract labor program.

The contract ended in 1964, when the Maquiladora Program, also known as the Border Industrialization Program (BIP), was formulated by the Mexican government in the state of Sonora. This program was mainly meant to reduce the high rate of unemployment that was being experienced at the Mexico and US borders (Wong, 2000). In the beginning of the 1980s, the Asian companies were very successful and were surpassing the US businesses, which forced them to seek low-cost labor from the Mexicans to keep up with the high competition. Most US investors opted to establish their offshore manufacturing companies (Richter, 2020) in the border regions instead of Asia.

Years later, the tourism and petroleum industries in Mexico were surpassed by the Maquiladora Program, which became the second-largest industry. In 1994, the creation of the North American Free Trade Agreement (NAFTA) was primarily to boost the Maquiladoras Program in the border regions of Tijuana and Ciudad Juarez. In 2006, the Maquiladora Program was transformed into the IMMEX Program by the Secretariat of Economy of the Mexican Government; this program was classified into five categories: (1) Industrial program, (2) Services Program, (3) Holding Company Program, (4) Shelter Program: Here, the Mexican companies register on behalf of the manufacturers who are operating under the Maquiladora Program, and (5) **Outsourcing** Program: Where, the company works on behalf of another company that is not able to carry out its own manufacturing processes.