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**DEMAND FOR LABOR AND MANPOWER TO LABOR MARKET IN  
KAYSONEPHOMVIHAN CITY SAVANNAKHET PROVINCE**

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Article Received: 28 August 2025

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Article Revised: 18 September 2025

Department of Commerce, Faculty of Business Administration,

Published on: 08 October 2025

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**ABSTRACT**

This study examines labor Demand for Labor and Manpower to labor Market in Kaysone Phomvihane city, Savannakhet province. The sample group is made up of corporations and educational institutions, which are separated into two groups: those that use labor (120 units) and those that produce labor (7 institutions). Data was collected using questionnaires, interviews were conducted utilizing development methods, and the SPSS program was used for data analysis. The study's findings revealed:

In terms of general labor requirements, the majority of entrepreneurs are female (60.8 percent), with 46 percent being under the age of 30. Entrepreneurs have increased demand, particularly for workers with less than a bachelor's degree, who account for 27.46 percent, followed by workers with a bachelor's degree (17.86 percent). The majority of the subjects of study that entrepreneurs require are accounting fields, accounting for 23.25%. Commercial sectors account for 18.67 percent; non-specific subjects account for 17.11 percent; and mechanical engineering accounts for 15.78 percent. Entrepreneurs will require 51.37 percent of labor in 2024, while both public and private educational institutions can create 48.63 percent of labor to meet labor market demands. Regarding the result of the business units' labor shortage, there are many laborers who have to negotiate about salary or wages (28.68 percent), labor lack of expertise in specific subjects (15.47 percent), lack of language skills (35%), and insufficient experience (12.83 percent). Guidelines for improving the quality of educational institutions for labor production should increase education development so that the labor produced has a career and create a higher level of labor competitiveness by establishing a management center for the production network and developing manpower in specialized fields and professional excellence To develop the labor force in the central region,

especially to develop the economy and various industries, to develop labor skills to become professionals in the present and in the future through Up-Skill, Re-Skill and New-Skill of labor to become stable entrepreneurs, to strengthen the cooperation system with the private sector and entrepreneurial institutions to develop the quality of labor to be concentrated and have quality

**KEYWORDS:** Demand labor production, education development guidelines.

## INTRODUCTION

From the concept, vision, aims, and strategic development plan of Savannakhet University 2025 - 2030, Section 2, production and development of workforce, research, and innovation to build the country's competitiveness. The objective is to produce a workforce with competencies, skills, and essential characteristics needed in the 21st century and to meet the needs of the job market and national development. To raise the educational and professional qualifications of people in school and working age and increase the labor force's productivity. To adjust the direction of producing graduates and graduates that emphasize quality rather than quantity. The goal is to increase the workforce with the necessary skills and competencies to meet the needs of the labor market and the country's economic and social development. And monitor with indicators to increase the proportion of vocational education learners compared to general education learners and the percentage of learners studying in the dual, cooperative education system in establishments with increased standards. By educational institutions and agencies that provide education to produce graduates with expertise and excellence in specific fields, along with specifying indicators for the percentage of educational institutions that offer instruction in the form of bi-education, bilateral, cooperative education, and school curriculum in factories according to standards. Specified increase several educational institution programs provide dual degree education. The number of competency-based courses in fields that meet the needs of the labor market and national development has increased. Percentage of establishments providing education to develop workforce as market demand increases. Percentage of partners in the network of cooperation between the state, private sector, and association establishments. Recent research found that the results of the synthesis of the future of the production and development of vocational education people in the region suggest that the course should be opened - the recommended vocational subjects including construction, information and communication technology occupation, transportation, and Logistics. *Reference from the: Office of the Education Council Secretariat of Thailand; 2018: Pages: 120 – 121.*

Recent research has informed the policy that produces more vocational students that meet the needs of the labor market. The Vocational educational institutions in Savannakhet Province are providers for creating and developing students' potential to enter the labor market in a quality and systematic manner. Factories and factories that lack workers to meet; on the other hand, each university and educational institution produces more than 5,000 personnel to serve society, but they do not meet the demand, causing many workers to be unemployed, lack of income, causing several workers who graduated from the university to sell labor abroad, causing domestic business units to lack work. Hence, the university is critical and necessary to create personnel to serve society and meet the needs of the labor market. Although the Lao labor force has been developed in terms of skills, their expertise, quality work, and a variety of professions, as well as stable jobs with higher incomes, need to be strengthened to meet socio-economic development needs. In doing so, the Savannakhet Administration will develop the labor force with quality to become an essential factor for the primary production force in line with industrialization and modernization. Furthermore, there is a need to balance the labor force in the labor market and promote job creation in urban and rural areas for stability and various occupations. Additionally, a quality labor force can raise productivity and decent income for the province, encouraging disadvantaged workers to access the labor market and contribute to the labor force for socio-economic development as specified in the 9th National Socio-Economic Development Plan (2021-2025).

The research grant aims at providing information related to the demand for labor in Savannakhet Province, workforce production to the labor market of educational institutions offering higher education courses in Savannakhet Province (e.g., industry type, commerce, fine arts, household economics, agriculture, tourism, textile, information and communication technology), and the needs of entrepreneurs in terms of labor performance and knowledge. The research grant is an opportunity for young people, women, and the disadvantaged to access education and enter the labor market because the majority of workers in the labor market are women and young workers, especially in factories in the Savannakhet Special Economic Zone. To achieve the goal above, we outline three main objectives which are summarized as follows:

1. To study the needs of the labor market in Savannakhet Province;
2. To study the Cause of labor shortage of business units
3. To provide knowledge product (e.g., policy brief) to inform policy formulation on labor market and job creation in Savannakhet Province.

## RESEARCH METHODS

### Population borders, sample groups

The population and sample group are defined to include businesses and educational institutions in Kaysonphomvihan Savannakhet province, which serves as a hub for both domestic and foreign investment.

The study's model is qualitative, with a questionnaire as the data collection technique. Data were collected from firms in the Savannakhet Special Economic Zone, companies outside the Special Economic Zone, and educational institutions in both the public and private sectors.

The group separated the sample into two halves as follows:

1. Labor is used by the commercial sector outside the area and in the Savannakhet Special Economic Zone, which has 120 units.
2. The group that produces labor is educational institutions, both public and private, in Kaysonphomvihan Savannakhet province, with seven designated institutions.

### Data Analysis and Interpretation

The data analysis is based on information gathered through questionnaires, interviews, and summaries of comments from target groups. The descriptive approach is used to examine percentage values, average values, and percentages with the SPSS application.

## RESULTS AND FINDINGS DISCUSSION

### The results of the analysis of the general information of the respondents

From Table 1.1, the results of the analysis of the gender of the respondents to the labor demand questionnaire in Savannakhet Province show that there are more females than males accounting for 73 people, which is 60.8 percent, and 47 men, which is 39.2 percent.

**Table 1.1: Results of data analysis by sex.**

No	Sex	Number of people	Percentage (%)
1	Male	47	39.2
2	Female	73	60.8
Total		120	100

From Table 1.2, the results of the analysis of the data of the respondents of the labor demand questionnaire in Savannakhet province show that most of the respondents are under 30 years of age accounting for 46 people accounting for 38.3 percent, followed by those between 30-

35 years of age and 40 years of age and above accounting for 31 people accounting for 25.8 percent and between the ages of 36-40 accounting for 12 people accounting for 10 percent.

**Table 1.2: Results of data analysis by age.**

No	Age	Number of people	Percentage (%)
1	Age below 30 years	46	38.3
2	Age between 30 - 35 years	31	25.8
3	Age between 36 - 40 years	12	10
4	Age 40 and above	31	25.8
Total		120	100

From Table 1.3, the results of the analysis of the data divided by the type of business of the respondents to the labor demand in Savannakhet province, it is seen that private companies account for 59 companies accounting for 49.2 percent, followed by private businesses accounting for 55 companies accounting for 45.8 percent, state enterprises accounting for 5 companies accounting for 4.2 percent and.

**Table 1.3: The results of the data analysis broken down by type of business.**

No	type of business	Number of people	Percentage (%)
1	Private company	59	49.2
2	Private business	5	4.2
3	State enterprise	55	45.8
4	Other	1	0.8
Total		120	100

From Table 1.4, the results of the analysis of the data separated by the growth trend of the respondent's labor demand in Savannakhet province show that the business tends to grow the most, accounting for 92 companies accounting for 76.7 percent, followed by stable business accounting for 27 companies accounting for 22.5 percent and non-expanding business accounting for 1 company accounting for 0.8 percent.

**Table 1.4: The result of data analysis separated by business growth trends.**

No	Business growth trends	Number of people	Percentage (%)
1	Grow	92	76.7
2	Remain the same	27	22.5
3	Not growing	1	0.8
Total		120	100

### The needs of the labor market that entrepreneurs need in Savannakhet province

Based on Table 1.5 A total of 1,443 individuals are required if entrepreneurs are to fill positions in every industry for the next five years. When the needs in each field were separated, it was discovered that entrepreneurs had a high demand for labor in the accounting field (193 people, or 13.37 percent), followed by 155 people in the field of commercial administration (10.74 percent) and 142 people in the field of unlimited education (9.84 percent). Following in order are workers with a degree in mechanical engineering (131 individuals, or 9.08 percent); entrepreneurs in need of workers with a degree in general business administration (112, or 7.76 percent); financial administration (108, or 7.48 percent); and electrical engineering (101, or 7.00 percent). Graduates in subjects like mass communication, environmental science, animal science, mixed media technology, banking management, architecture, network technology, agricultural business and after-marketing, Japanese, French, road bridge engineering, plant science, post-production science, and product promotion are also in high demand from entrepreneurs. These fields include Chinese language, transportation management, English, transportation engineering, Vietnamese language, information technology, engineering, tourism management, hotel management, and physics This also depends on the kind of business, the state of the economy, and the rate of expansion of the enterprise, in accordance with the various labor amounts. The degree of demand in the labor market varies yearly and depending on the particular branch.

**Table 1.5: The number of workers needed by entrepreneurs in each industry for the next five years.**

Sequence	Branches required by the labor market	Quantity	Proportion
1	Accounting administration	193	13.37
2	Commercial administration	155	10.74
3	Not limited to educational materials	142	9.84
4	Mechanical Engineering	131	9.08
5	General business administration	112	7.76
6	Financial management	108	7.48
7	Electrical engineering	101	7.00
8	Chinese language	71	4.92
9	Transport Administration	66	4.57
10	English	66	4.57
11	Transport engineering	48	3.33
12	Vietnamese language	36	2.49
13	Information technology	35	2.43
14	Engineering	30	2.08
15	Tourism administration	22	1.52
16	Hotel management	21	1.46

17	mass communication	18	1.25
18	Environmental Science	10	0.69
19	Animal science	10	0.69
20	Mixed media technology	8	0.55
21	Banking administration	7	0.49
22	Architecture	6	0.42
23	Network technology	6	0.42
24	Agricultural business and aftermarket	5	0.35
25	Japanese	5	0.35
26	French language	5	0.35
27	Bridge Engineering	5	0.35
28	Plant science	5	0.35
29	Post-production science and product promotion	5	0.35
30	Agricultural business and aftermarket	4	0.28
31	Chemistry	3	0.21
32	Law	2	0.14
33	Nature conservation tourism	1	0.07
34	Physics	1	0.07
Total		1,443	100

### Cause of labor shortage of business units

From Table 2.38: From the survey of the comments of the entrepreneurs, it was found that the reason for the lack of labor in the business units is that the labor has to negotiate about the salary or wages. There are 76 people, accounting for 28.68 percent, followed by the lack of skills in specific subjects, there are 41 people, accounting for 15.47 percent. 12.83 percent. In addition, there are 26 workers who lack IT skills, equal to 9.81 percent, and workers who have insufficient basic knowledge in the applied positions, there are 24 people, equal to 9.06 percent.

**Table 2.38: The result of data analysis on the causes of labor shortage of business units.**

No	Cause of labor shortage	Number of people	Percentage (%)
1	labor lacks skills and expertise in specific subjects	41	15.47
2	There is insufficient basic knowledge in the position applied for	24	9.06
3	Salary or wage issue	76	28.68
4	Not enough experience	34	12.83
5	Inappropriate personalit	25	9.43
6	Lack of language skills	35	13.21
7	Lack of IT skills	26	9.81
8	Manufacturing Machinery (Skills)	1	0.38
9	The task is quite heavy	2	0.75
10	Lack of electrical engineering skills	1	0.38

**To provide knowledge product to inform policy formulation on labor market and job creation in Savannakhet Province.**

Labor production in line with the party-state policies of Lao PDR educational institutions, particularly those in the city of Kaysonaphomvihan, Savannakhet Province, the province with the second-largest production base in the nation and a province that traverses the East-West economic corridor. As a result, educational establishments ought to develop and establish the following objectives for instruction.

**The advancement of education to enable employment opportunities and increase the labor force's competitiveness**

- Establish a center for the administration of the production network and cultivate professionals with specialized training to enhance the workforce in the central region, particularly for the advancement of diverse sectors and the economy.
- Upskill, Re-skill, and New-skill employees to become stable entrepreneurs by developing their abilities to become professionals in the present and the future.
- For the purpose of developing labor quality to be concentrated and have quality, strengthen the system of collaboration with the private sector and business institutions.

**Enhancing the province of Savannakhet's educational institutions' qualitative development**

- To improve the caliber of professional courses offered in the education sector in accordance with the province's strategy, with an emphasis on the province's location and a shift to the use of big data and local labor
- Upgrade each institution's curriculum to include learning centers and skill training centers around the province, as well as to boost application efficiency for a wider range of jobs.
- Create a high-quality, efficient, and effective curriculum and learning environment for employees, instructors, and students in order to promote the labor market and foster the entrepreneurship of workers.
- Help students acquire professional skills so they may practice on actual jobs.
- Expanding access to education for the underprivileged and those living in rural areas consistently and equitably



- Foster the development of teachers' and staff members' commitment, communication skills, sincerity, promptness, transparency, and professional management in order to adapt to the rapidly changing global environment.

### **With regard to the regulations designed to establish and grow centers of excellence in particular domains**

In order to produce and develop a workforce with specific skills and expertise in line with industrial development and the province of Savanakheth's development strategy, educational institutions should establish and grow centers of excellence in particular subject areas. They should also strengthen and become more competitive by forming partnerships with business unit institutions and developing partnerships with faculty members who possess excellence and specialized knowledge in areas that are relevant to business unit needs, with an emphasis on developing a quality management system.

### **Production of Labor Forces**

Both public and private educational institutions should develop strategies to produce and nurture skilled laborers in line with the demands of the labor market and the state of the economy. They should also form cooperative relationships with businesses and international organizations to enhance staff, teachers, and students' research skills and equip them with new knowledge and cutting-edge innovations. Finally, they should identify the qualities of prospective students in line with the requirements of each job position in the Lao workforce.

The educational institutions should offer the courses that the industry requires because the courses that currently generate workers are various, not yet in line with entrepreneurs, and the courses should be flexible and ready to alter at any time. In addition, the courses need to be developed because there are now too many different kinds of required, specialized, and basic subjects. In terms of the course, there are still not enough field credits, and more internships should be completed by collaborating closely with outside organizations to provide Work-Based Learning (particularly for professionals who should receive both theoretical and practical training during half of the semester). This can be achieved by arranging with the organization for student salaries and travel expenses, allowing students to work comfortably and rather than being a burden on the family, the curriculum should emphasize project-based learning by giving students more chances to collaborate with local organizations and develop entrepreneurship skills across a range of professions to improve the community in many ways. It should also establish an internship center that will serve as a hub for matching

internship candidates with businesses and offer incentives or guidelines to those who choose to hire interns.

### **Acquisition of Work Skills**

The company's ability to offer training support or to accept students for internships is still lacking since the development of labor skills is vital yet there is a financial barrier. Three key components of labor skill development are as follows:

1. Students who have recently graduated ought to be promoted based on their skill set. Following graduation, they may be able to get employment in fields including small and medium-sized business (SMEs) and funding sources. IT development, marketing development and internet marketing, data analysis and presentation, etc.
2. In addition to working with the Trade Service in the Savannakhet Creative & Design Center and creative economy development organizations, recently graduated workers or employees of public and private institutions arrange short-term training sessions and extracurricular activities.
3. Establish clear, professional training themes that are in line with the competitiveness of newly graduated production institutions. Examples of such topics include trade, investment, service, production, language, and service skills training; other topics include transportation management and third language instruction. During different emergencies, the government may arrive to assist with particular tasks.

### **Planning for human resources and skill management within the company (Human Resource Planning)**

This is due to the fact that improving human resources is critical to raising competitiveness in the manufacturing, trade, and service sectors. Therefore, it is crucial for firms across a range of industries to comprehend every step of the human resource planning process. They ought to weigh the advantages and disadvantages of human resource management in every situation. Including establishing incentives with outside parties (Explicit Motivation) in the form of promotions, bonuses, housing, and other perks. Additionally, focus should be on developing implicit motivation in workers by encouraging them to apply their abilities for a variety of activities and to understand the responsibilities of their jobs. (Task Identity) and acknowledge the significance of the work (Job Significant), with each task requiring the development or improvement of a response system. Workers will be content at work if internal and external motivation are kept in check. Lessen the issues of burnout and turnover

related to resignation from the workplace. Additionally, the market will be strongly impacted by this slight improvement in service quality. Oversee the Job Redesign system by creating training programs that help business units learn and implement new work practices. This will help employees become more skilled in a variety of areas. Examples of this include job enrichment, which helps employees realize the value of enhancing service quality, and job rotation, which allows staff members to take on new responsibilities and learn new skills, thereby broadening their scope of workers to lessen their level of boredom and boost their enthusiasm in their jobs. and enhance job design (job redesign) to make the job simpler, cut down on work hours, or give workers more freedom to create the work they want. to increase one's level of job satisfaction, etc.

However, there must be a foundational policy that supports the following in order for the policy to be put into effect.

1. Policy on Labor Management This is due to the fact that employment across a range of industries has not received the necessary assistance, particularly for recent graduates and workers who do not possess the necessary educational credentials.
2. Social security policy because workers in the trade, service, and production sectors are not yet universally covered by social security. This means that workers across a range of industries may be informal workers, a vulnerable group because of three factors: 1) low and unpredictable income; 2) often inadequate welfare management; and 3) issues with mutual aid funds. As a result, the government ought to make an effort to provide additional rewards for employees.
3. Policy for Academic Support Basic understanding is necessary for the organization's HR planning. As a result, in order to adapt to changes in the production and service industries, it is suggested that an academic unit focused on economics be established, such as the "Association of Trade, Service and Production Scholars." This unit would serve as a forum for information sharing and academic collaboration across a range of courses. The association may organize trade, production, and service activities for students with skills linked to social services in the new period, or it may host academic development activities like creating competition platforms and planning various events in concert with the government.

## DISCUSSION

According to the results of the interview, the gender that entrepreneurs have the most demand for is female, accounting for 73 people, accounting for 60.8 percent, the age is those who are under 30 years old, accounting for 46 people accounting for 38.3 percent, the business type is enterprises registered as private companies, accounting for 59 companies, accounting for 49.2 percent, and the trend of business growth, it was found that the business has a tendency to grow, accounting for 92 companies accounting for 76.7 percent.

The labor needs of many companies from 2024 - 2028, which have the need for personnel who have graduated in various fields as follows: accounting management branch with 193 people, commercial administration branch with 155 people, unlimited education with 142 people, mechanical engineering branch with 131 people, financial management branch with 108 people, electrical engineering branch with 101 people, There are 71 in Chinese 66 students in English and transportation management, 48 students in transportation engineering, 36 students in Vietnamese language, 35 students in information technology, 7 graduates in engineering, 30 students in tourism management, 21 students in hotel management, 18 students in mass communication, and 18 students in environmental science. and animal science branch with 10 people, mixed media technology branch with 8 people, banking administration branch with 7 people, network technology branch and architecture branch with 6 people, agricultural business and post-marketing branch - post-production science branch and product promotion - road bridge engineering branch - Japanese language branch - French language branch and plant science branch with 5 people each, agricultural business and aftermarket branch with 4 people, chemistry branch There are 3 people, there are 2 people in the field of law, there is 1 person in the field of nature conservation tourism, the field of physics, and the production side. From the results of the study, it was found that a large number of business units have a need for personnel who have graduated and graduated from a specific field directly because they have knowledge, skills and experience, can learn quickly and most of the entrepreneurs have a need for a bachelor's degree. But some companies don't need a specific field but ask for patience, perseverance, discipline and good language skills and so on.

From the survey of the comments of the entrepreneurs, it was found that the reason for the lack of labor in the business units is that there are 76 workers who have to negotiate about salary or wages. There are 76 people who account for 28.68 percent, followed by workers

who lack expertise in specific subjects. There are 41 people who account for 15.47 percent. The next order is the lack of language skills. In addition, there are 26 workers who lack IT skills, equal to 9.81 percent, and workers who have insufficient basic knowledge in the applied positions, there are 24 people, equal to 9.06 percent.

The majority of business units require workers or employees with a bachelor's degree in a specific field. The necessary employees must be self-developing, patient, creative, ethical, and enjoy working in the real world. They especially need employees with communication abilities in Chinese, English, and other languages. Therefore, educational institutions that produce workers to serve society should improve the curriculum by being more connected with business units, and the two parties should work diligently together to be able to produce workers in accordance with the labor market. This will ensure that the curriculum is consistent with the labor needs of entrepreneurs.

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