International Journal of Education, Vocational and Social Science
https://e-journal.citakonsulindo.or.id/index.php/IJEVSS
E-ISSN : 2963 4954
IJEVSS

Job Seekers and The Dominance of The Informal Sector in Padang Panjang City: A Qualitative Study

Hendri Febrian
Program Magister Manajemen, Institut Teknologi Dan Bisnis,
Haji Agus Salim Bukittinggi, Indonesia
Anne Putri
Program Magister Manajemen, Institut Teknologi Dan Bisnis,
Haji Agus Salim Bukittinggi, Indonesia

Corresponding Author: hendri.fp@gmail.com

Abstract

This study was motivated by the limited formal labor market in Padang Panjang City, which has not been able to optimally absorb job seekers, causing the informal sector to become a dominant employment option. This study aims to describe job seekers' understanding of the limitations of the formal labor market, their experiences in searching for jobs, the factors they consider in choosing jobs, and the position of the informal sector as an employment option. This study employed a descriptive qualitative approach. The research was conducted in Padang Panjang City, West Sumatra. The informants consisted of 7 people, namely 4 main informants who were registered job seekers and 3 supporting informants from Special Job Placement Units (BKK) and an employment analyst. Data were collected through in-depth interviews, observation, and documentation, and then analyzed through data reduction, data display, and conclusion drawing. The findings show that the formal labor market in Padang Panjang City remains limited due to the small number of large companies, the underdevelopment of labor-intensive industries, and the mismatch between company needs and job seekers' competencies. Under these conditions, job seekers remain active in seeking employment, but they still face obstacles such as educational requirements, lack of work experience, weak soft skills, and limited social connections. Their job choices are influenced by income, distance, working hours, comfort, skill suitability, experience, and career prospects. The informal sector is understood not as a final destination, but as a temporary option and an adaptive strategy when formal employment has not yet been obtained.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Thus, the dominance of the informal sector in Padang Panjang City is the result of the interaction between the limitations of the formal labor market and the adaptive strategies of job seekers.

Keywords: job seekers, formal labor market, informal sector, adaptive strategy, Padang Panjang City

INTRODUCTION

Employment development is one of the indicator important in evaluate quality development economy something region. Healthy labor market structure ideally marked with ability formal sector in absorb power Work in a way wide, providing protection social, as well as ensure stability income . However in Indonesian context, structure employment Still marked by dominance sufficient informal sector high. Data from the Central Statistics Agency (BPS) shows that in February 2025 around 59.40 percent power Indonesian workers work in the informal sector. This means that almost six from ten worker is at in general work own protection social limited and level certainty relative income low (Biedma Ferrer & Medina Garrido, 2014). Condition This show that the informal sector is still become room adaptation main for force work that is not absorbed in the formal sector (Jiang & Shen, 2023).

Phenomenon This is also reflected in the level of areas, including Padang Panjang City. Padang Panjang City is city small with area of approximately 23 kilometers square. Based on publication , structure economy area This No supported by the sector industry processing scale big and area modern manufacturing (Hasselwander et al., 2022). Composition Product Gross Regional Domestic Product (GRDP) according to field business show that activity economy more Lots relying on the sector agriculture, trade scale small, and business micro and services local (Tawodzera & Crush, 2023).

Characteristics use land and structure production area show that the Padang Panjang City area is still own domination activity based agriculture compared to with development area industry big. Absence of industrial base large and limited investment sector manufacturing cause capacity creation field formal work in amount big relatively limited. With Thus, the limitations of the formal job market in Padang Panjang City are not solely problem fluctuations economy, but rather related with characteristics structural regional economy (Swain et al., 2022).

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Table 1. Generation Employment and Unemployment Rate in Padang Panjang City in 2025

Indicator	Amount
Workforce	30,900 people
Work	29,334 people
Open Unemployment	1,566 people
Open Unemployment Rate	5.07%

Condition is also reflected in indicator employment in Padang Panjang City. Based on publication number force work in Padang Panjang City in 2025 is recorded as many as 30,900 people, with amount unemployment open as many as 1,566 people. The Open Unemployment Rate (TPT) in 2019 the by 5.07 percent. This figure show that Still there is group public age unfinished work absorbed in work.

Table 2. Population Work According to the Main Occupation Status of Padang Panjang City in 2025

Primary Employment Status	Man	Woman	Number of people)
Try Alone	3,611	2,047	5,658
Try assisted laborer No still	1,761	1,548	3,309
Try assisted laborer still	1,092	194	1,286
Workers / Employees / Staff	6,808	5,828	12,636
Worker free agriculture	406	274	680
Worker non- agricultural free	1,527	560	2,087
Worker family / no paid	1,281	2,397	3,678
Total	16,486	12,848	29,334

the total 29,334 working population in 2025, employment status the biggest is Workers / Employees / Staff as many as 12,636 people. However, the amount worker with business status alone (5,658 people), trying assisted laborer No permanent (3,309 people), workers free agriculture (6,802 people), workers non- agricultural free (2,087 people), as well as worker family / no paid (3,678 people) is also significant. If seen from characteristics connection his work, some of it big category the own characteristics informal work, namely No own connection Work fixed and not fully equipped protection formal social conditions This show that although level

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

unemployment relatively under control, the structure of the Padang Panjang City labor market is still very dependent on the informal sector as absorber power Work.

The height proportion informal workers in Padang Panjang City can understood as reflection from limited Power absorb the formal labor market at the level local. When formal employment is not yet available available in a way wide, part resident Work Finally enter to informal sector as room more work open and more easy accessed. Condition This important examined Because informal sector in one side of course capable become buffer economy society, but on the other hand often associated with limitations protection work, income that is not stable, and prospects lack of work promising compared to formal employment (Sultana et al., 2022a). Therefore that, its height proportion informal workers in Padang Panjang City do not can viewed only as symptom statistics only, but need understood as part from job market dynamics more areas wide (M. M. Harfadli et al., 2024).

Condition the show that problem employment in Padang Panjang City is not only lies in its limitations formal employment, but also on how seeker Work adapt self to structure opportunity available work.

For strengthen argument that the formal job market in Padang Panjang City is not yet develop optimally, it is necessary indicators that are not only show height proportion informal workers, but also describes condition structure economy the area that underlies it. In the context this, the limitations of the formal job market can read through a number of indicators, such as domination informal workers, limited amount stable formal job, character business local which is still dominated scale small, not yet development industry congested works, as well as Still size dependence to investment For open chance Work new.

The limitations of the formal job market in Padang Panjang City can also be seen from characteristics investment and structure its economy. Padang Panjang City Data in Figures 2026 shows that activity existing industry Still dominated scale small. In 2025, the field of business chemical, agro, and products forest recorded as many as 690 companies with 1,557 power work. Meanwhile that, in 2024 the total potential industry small in Padang Panjang City only totaling 818 companies with 1,903 power work, with mark investment around Rp9.54 billion. This value of course show existence activity investment, but the scale Still relatively limited For forming an industrial base big capable absorb power formal work in amount large. At the same time, the structure The economy of Padang Panjang City also shows that growth more Lots driven by the sector services. In 2025, Padang Panjang City's GRDP at current prices will reach IDR 5,067.66 billion. with rate 3.61 percent growth. The sector with the highest growth precisely service others

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

and services finance and insurance, while industry processing grew 5.92 percent.

Condition This show that development economy area Not yet fully supported by expansion sector strong formal industry, but rather more Lots based on activities services and businesses scale small. With Thus, the limitations of the formal job market in Padang Panjang City do not only seen from height proportion informal workers, but also from weak investment base and structure economy area in create field extensive and stable formal work (IFEANYI et al., 2022).

Table 3. Workforce Mapping by Highest Education (Padang Panjang City, 2025)

Level of education	Total Labor Force (people)	Amount Working (people)	Amount Unemployment (people)	Presentation Work of the Labor Force (%)
Low Education (Elementary or under)	3,794	3,741	-	98.6
Elementary Education (Junior High School)	3,924	3,892	-	99.2
Secondary Education (SMA/SMK)	13,769	12,814	955	93.06
Higher Education (Diploma/S1 to on)	9,413	8,887	526	94.41
Total	30,900	29,334	1,566	94.93

Source : BPS Padang Panjang City, Padang Panjang City in Figures 2026

Temporary that, mapping power Work based on education the more clarify dynamics said. Group education secondary (SMA/SMK) is group the biggest in structure force work, but also shows proportion relative unemployment more tall compared to group education low. Meanwhile that, group education base tend absorbed in informal work, especially in the sector agriculture and business micro. This pattern show that improvement level education No in a way automatic followed by labor market capabilities local in provide field appropriate formal work with qualification power Work (Ghani et al., 2023).

Table 4. Searchers Work Registered with the Padang Panjang City Manpower Office (2024–2025)

Data	2024		2025		Amount
	L	P	L	P	
Seeker Work Registered	137	135	60	68	400
Interest Domestic Work	111	121	24	23	279
Interest Work Abroad	26	14	36	45	121

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

In addition, data from the Padang Panjang City Manpower Office shows that in period in 2024–2025 there will be 400 searchers registered work in a way official, consisting of of 197 men and 203 women. If compared to with amount unemployment open as many as 1,566 people, seen that No all over unemployment recorded as seeker Work active in the agency employment. This is indicates existence possibility that part seeker Work choose direct enter informal sector without through mechanism recording official.

Phenomenon domination the informal sector does not can released from orientation and preferences seeker Work to location and type job. Based on a survey conducted by the Padang Panjang City Manpower Office in June 2025 on 230 respondents with multiple choice which means seeker Work may choose more from One location, known that seeker Work own orientation diverse work (Waiganjo et al., 2025). Most of them respondents state interest For working in Padang Panjang City, but at the same time also showing sufficient interest big For working outside city, good in province, outside province, as well as abroad. Findings This indicates that seeker Work No own One orientation single work, rather tend adaptive to available opportunities (Etim & Daramola, 2020).

A number of study about the informal sector in general put sector This as consequence from limitations development economy and labor market structure that is not capable absorb all over force work. Studies the more Lots focus attention to characteristics informal workers, contribution informal sector towards economy, as well as factors structural influences development informal sector, with the general approach nature quantitative (Octaviani & Puspitasari, 2022). Although give description important about structure employment and dynamics informal sector, studies the relatively Still limited in dig How seeker Work as actor individual respond limitations of the formal job market as well as How they understand and decide informal work as choice work. In the context of city small with structure limited economy such as Padang Panjang City, a study that places seeker Work as subject main in understand dynamics choice Work the Still seldom done (Immanuel, 2023). Therefore that, research This make an effort fill in emptiness the with focus analysis on searchers Work as actor interacting rational with limitations labor market structure local, through approach qualitative descriptive For describes the process of consideration, response, and adaptation strategies seeker Work in choose jobs in the informal sector (Musara & Nieuwenhuizen, 2020).

This research focused on seekers Work as actor main in job market dynamics local. Focus study directed at efforts describe How seeker Work respond limitations of the formal job market and understanding informal work as choice work (M. M. arij Harfadli et al., 2025). Therefore that,

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

research This use approach qualitative descriptive purposeful describe in a way systematic process, considerations, and search strategies Work in determine choice work in the informal sector (Kurniawan et al., 2022).

Through approach said, research This expected can give greater understanding comprehensive about dynamics employment in Padang Panjang City, with put seeker Work as actor rational in limited labor market structure. This understanding important as base for formulation policy employment areas that are not only based indicator statistics, but also consider dynamics taking decisions at the level individual

RESEARCH METHOD

This research use approach qualitative with type study descriptive approach qualitative chosen Because study This aim For understand in a way deep How seeker Work respond limitations of the formal job market as well as How they consider work in the informal sector as one of the choice work. Approach This allows researchers For dig experience, considerations, and strategies carried out by the searcher Work in face available job market conditions (Dousin et al., 2022).

Type of research used in study This is qualitative descriptive research aim For describe in a way systematic phenomenon social events that occur in something context certain without do manipulation to variables studied. In this research this, approach descriptive used For describes the searcher's consideration process and strategies Work in determine choice work, especially in choose work in the informal sector when chance relative formal work limited (Korsunova et al., 2022).

This research held in Padang Panjang City, West Sumatra Province. The election location study based on considerations that Padang Panjang City has characteristics of an attractive job market For studied, especially related with limitations chance formal work as well existence informal sector as one of the alternative choice work for public (Chen et al., 2018).

In addition, the selection location research also considers availability access to data and information related employment in the region Data regarding the seeker work, labor market conditions, and dynamics employment in Padang Panjang City can obtained through agency related such as the Department of Manpower as well as through interaction direct with seeker work that becomes informant in study This (Sultana et al., 2022b).

This research use purposive sampling technique, namely technique election informant in a way on purpose based on criteria certain things that are considered relevant with objective

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

research. This technique used Because study This aim For understand in a way deep How seeker Work respond limitations of the formal job market as well as consider work in the informal sector as one of the choice Work (Kusumawardhani et al., 2023).

Informant in study This consists of from informant main and informant supporters. Informants main is individuals who are direct experience the phenomenon being studied, namely seeker work in progress look for work or Once experience difficulty get formal employment. Meanwhile that, informant supporters is parties who have knowledge about labor market conditions and dynamics employment in Padang Panjang City.

Data sources in study This consists of from primary data and secondary data. Both the type of data used in a way each other complete For get a clearer picture comprehensive about dynamics seeker Work in face limitations of the formal job market as well as consideration they in choose jobs in the informal sector (Sengupta et al., 2022).

In research this, researcher use guidelines semi- structured interviews as instrument main For obtain data from informant. Guidelines interview arranged based on focus research and formulation problem, so that questions asked still directed, but give room for informant For explain experiences, views and assessments in a way more wide. Use guidelines semi- structured interviews chosen Because in accordance with approach qualitative descriptive used in study this, namely For dig into data deep about experience seeker Work in face limitations of the formal labor market and dominance informal sector in Padang Panjang City.

Data collection techniques are steps used by researchers For get required information in answer problem research. In research qualitative, the data collection process is carried out in a way directly in the field through interaction between researchers with informant as well as through search various relevant documents with topic study (Kurniadi & Sumarna, 2022).

Data analysis in study qualitative is the process of organizing, grouping, and interpret the data obtained from field so that can produce meaningful understanding to the phenomenon being studied. The data analysis process in study This done in a way sustainable since stage data collection up to withdrawal conclusion study .

RESULTS AND DISCUSSION

Overview of Research Location

This research was held in Padang Panjang City, West Sumatra Province. Padang Panjang City is one of the city small in West Sumatra with relative regional character narrow compared to other surrounding districts / cities. Based on official data from the Padang Panjang City Central

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Statistics Agency, the area of Padang Panjang City in 2025 will be around 23.00 km², which is divided into to in two sub-districts, namely West Padang Panjang and East Padang Panjang. The limited regional conditions This be one of context important in understand structure economy and labor market dynamics area (Heim et al., 2023).

From the side population, Padang Panjang City including city with amount residents who do not too big, but own density sufficient population tall Because wide its territory relatively small. Projection resident 2025 shows that amount The population of Padang Panjang City is around 60,264 people. With small area size and number population that continues to grow increase, pressure to need Work become Enough important, especially Because chance formal work no develop as fast as possible growth force work and job seekers Work new.

Characteristics Research Informants

In research qualitative, characteristics informant own role important Because quality findings are heavily influenced by relevance experience, position, and knowledge informant to focus research. This research involving 7 informants, consisting of from 4 informants main and 3 informants supporters. Informants main is seeker work registered with the Padang Panjang City Investment and PTSP Service in the field of employment, whereas informant supporters originate from element institutions that have relatedness direct with the transition process seeker Work to the world of work, namely the Job Exchange Especially in schools vocational and analyst employment from the Department of Manpower.

Labor Market Conditions and Limitations Formal Employment in Padang Panjang City

job market conditions in Padang Panjang City show existence imbalance between amount seeker Work with availability field formal work. Based on results interview with informant, opportunity formal work in the region This Still limited and not yet capable absorb all over seeker available jobs. On the other hand, the informal sector is actually become more sectors dominant in provide chance Work (Indrawati et al., 2023).

Condition that in the end strengthen level competition between seeker work in Padang Panjang City, especially in access formal jobs in number limited. In this situation like this, seeker Work tend face limitations choice work and forced For adapt preference they with existing market conditions. This is push part seeker Work For consider work in the informal sector as more alternatives realistic and easy accessible, even though work the No always give certainty adequate work and protection.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

In perspective labor market theory, the conditions that occur in Padang Panjang City reflect existence imbalance between supply and demand power work. Findings study show that amount seeker available work more big compared to with amount vacancy existing formal work. This is No only seen from data and conditions structural, but also confirmed from experience informants who are direct face limitations opportunity formal work in the region. Conditions the cause No all seeker Work can absorbed to in formal sector, so that some of them must look for alternative work other. This is as felt by the informant supporters who stated that : *" Field work in the formal sector limited …"* (IP-03)

Therefore that, the limitations of the formal job market in study This No only understood as condition background behind, but as factor the main thing that is direct form dynamics seeker work in Padang Panjang City, especially in push they For consider informal sector as alternative choice Work.

Response Seeker Work

Findings study show that limitations of the formal job market in Padang Panjang City are not responded to in a way passive by the seeker work. On the other hand, job seekers Work show various form response that is adaptive in face narrowness opportunity formal work in the region. Response the looks in method they adapt expectation work, expand choice job, accept work outside preference beginning, and make informal sector as room alternative while still maintain orientation to formal employment. With Thus, the response seeker Work to limitations of the formal labor market in study This No only describe condition forced, but also shows there is an adjustment process rational to opportunity available work (Nurhalimah Harahap & Atika Hanan Julia Harahap, 2024).

One of form the most prominent response is trend seeker Work For still make an effort enter to formal work, but at the same time willing adapt choice Work when opportunity the No quick available. Findings This show that formal employment still viewed as objective main Because considered more promising from side certainty work, income, and future work. However, when access to formal work is felt difficult, seeker Work No stop at position waiting, but start open self to other more work easy entered.

Factors That Influence Seeker Work Choose Jobs in the Informal Sector

Findings study show that decision seeker Work For working in the informal sector does not happen in a way coincidence, but rather influenced by various interrelated factors related factors

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

the covers limitations opportunity formal work, requirements high work, factors individual like skills and experience, consideration economy, as well as convenience access to informal work. With Thus, the choice to sector informal in study This No can understood as choice single standing alone, but as results from interaction between condition structural and consideration rational seeker Work.

Informal Sector as Choice Work and Adaptation Strategy

informal sector in study This appear as one of the room important in dynamics seeker work in Padang Panjang City. Based on results interview with informant main and informant supporters, the informal sector does not understood as objective the end that the seeker ideally chooses work, but rather more as choice while, space survival and adaptation strategies when access to formal employment still limited. Findings This show that existence the informal sector does not can released from labor market conditions narrow local, low Power absorb formal sector, as well as need seeker Work For still get income and activities productive.

In IU-01, jobs in the informal sector were lived as volunteers at MBG in general firm positioned as alternative, not objective main. This is seen from his statement : "If there is Later vacancies at the hotel… I want one too." (IU-01). Statement the show that informal work accepted No Because become ideal choice, but because at the time That is more choices realistic and still give benefit economy (Basyaruddin Daulay et al., 2022).

Based on overall findings said, can concluded that the informal sector is forms of adaptation strategies seeker Work to limitations of the formal job market. Choices to the informal sector is not based on preference main, but rather as response rational to tight job market conditions. Therefore that, domination the informal sector in Padang Panjang City does not only reflect structure employment, but also shows How seeker Work in a way active adapt self to limitations opportunity formal work available.

Seeker's Hope Work and Support Institutional to Chance Future of Work

Seeker's Hope Work to chance future work is part important in understand How they look at opportunity work, assess role government and institutions education, as well as formulate the needs they have consider important to be able to get more work good. In research this, hope seeker Work No appear as individual desires that stand alone, but rather as reflection from experience real they when face narrow formal job market, requirements high workload, limitations access information, as well as experience Work or enter informal sector as a survival

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

strategy. Therefore that, sub-chapter This discuss two interrelated aspects related, namely hope seeker Work to repair chance future work and shape support institutions being assessed important For answer need the (Oktarina & Feriansyah, 2022).

Third, strengthening mentoring transition work. Based on results research, search work basically need the party that helps they through the transition process from graduate status or unemployed become workers. Therefore that, the Department of Manpower can develop a more comprehensive mentoring model intensive, especially for seeker Work young, for example through clinic work, short coaching, CV and interview guidance, simulation selection, as well as service consultation career. Findings from BKK which has do training pre work and parenting employment show that approach mentoring like This potential effective and can adapted to the service more employment wide.

DISCUSSION OF RESEARCH RESULTS

Research result This show that dynamics seeker work in Padang Panjang City no can understood only as problem individuals who have not get work, but must read in context labor market structure limited local. Based on findings field, good informant main and informant supporters You're welcome show that formal employment in Padang Panjang City is still limited, good from side amount vacancies, various work, as well as capacity absorption. In the condition In this case, the informal sector appears as room more work easy entered, even though No give guarantee work, stability income, as well as protection adequate social. Findings This show that domination the informal sector in Padang Panjang City is not just results preference personal seeker work, but related close with limitations structure economy area in provide adequate formal employment (Lisjak et al., 2021).

If associated with labor market theory, results study This show that the job market in Padang Panjang City is not yet is at in balanced conditions. In labor market theory, absorption power work is greatly influenced by relationships between offer power work and demand power work. In the context of Padang Panjang City, the offer power Work seen Enough big, whereas request power formal work still limited (Putro, 2021). This is depicted from at least company big, no existence industry congested strong work, as well as limited amount available formal vacancies. Informant from the Department of Manpower even in a way firm state that field formal employment in Padang Panjang City is limited, while the informal sector is far away more dominant.

Condition the show that problem The main job market in Padang Panjang is not only lies

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

in the existence of seeker work, but on the weakness capacity formal sector in create chance work. In this situation like this, seeker Work No all of it can absorbed in formal employment even though they own desire For work, even in a number of case has own skills, experience, or background behind education certain. With Thus, unemployment and shift to informal sector in study This No can explained solely as individual issues, but must read as consequence from limitations structure economy local.

Findings study this is also in line with theory job market segmentation. This theory explain that the job market No nature single and homogeneous, but split to in segments that have characteristics different levels different access, and quality different work. In research this, segmentation the looks Enough clear between formal sector and informal sector. Formal employment is perceived as more work stable, more clear the contract, more guaranteed, and more promising for the future (Eskreis-Winkler et al., 2014). On the other hand, informal work is perceived more easy entered, but own weakness in the form of income that is not stable, working hours are not always clear, pressure Work certain, and minimal guarantee. Informant main and supporting in a way consistent show that No all seeker Work own equal access to formal employment, and when access That closed or limited, they tend enter to more informal segments open.

In context this, the informal sector can understood as segment secondary in the job market local functioning accommodate power unfinished work absorbed in the formal segment. However, the results study This show that segment secondary the No just place disposal power work, but rather room active adaptation used by searchers Work For still get income, experience work and social status as a working person. Therefore that, the informal sector in study This No only reflect dualism of the labor market, but also shows How seeker Work move from One segment to other segments as form adjustment to structure opportunity work that is not balanced (Rawal, 2023).

More far, results study this also strengthens relevance theory informal sector. In research this, the informal sector does not only come on stage as category jobs that are outside formal system, but also as mechanism adjustment socio-economic for seeker work. Informant main show that they enter informal sector because work the more fast accessed, no too demand condition higher education, and allows they still get income as well as experience work. IU-02, for example, looks at informal work as alternative temporary while wait more formal jobs according to. IU-03 and IU-04 also show similar patterns, namely make informal work or business family as room endure while still guard orientation to formal employment.

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Findings This show that the informal sector in Padang Panjang City has function double. In one side, sector This become buffer economy for seeker unfinished work succeed enter to formal employment. On the other hand, the sector This at a time become marker that local formal sector Not yet develop Enough strong For accommodate force available work. The more dominant the informal sector, increasingly It also appears that the formal job market at the regional level local Not yet capable develop in a way adequate. In other words, the informal sector in study This No only demonstrate a defensive strategy individual, but also reflects limitations structure economy area (Kusumawardhani et al., 2023).

Research result this is also very close relation with theory choice rational. Seeker Work in study This No act in a way passive or without consideration, but do calculation on available opportunities. They weigh income, distance, working hours, comfort environment, suitability with skills, experience work, and prospects career before accept or reject something work. In IU-01, for example, consideration main is distance, salary, and working hours. IU-02 takes into account skills, access enter work and needs economy. IU-03 more pragmatic in choose available jobs For fulfil need himself. While IU-04 shows more orientation strong in position work and prospects career to front.

All This show that entry seeker Work to the informal sector is not solely consequence compulsion absolute, but is the decision that is considered the most likely and most realistic in condition opportunity limited formal work. Emerging rationality in study This No rationality in the sense of obtaining choice best ideally, but rather rationality adaptive, namely choose the most likely alternative done based on information, sources power, skills, and available opportunities. In the context of the labor market narrow local, decisions For working in the informal sector, helping business family, or accept work temporary is a logical and sensible choice reason from corner view seeker Work (Jumady & Lilla, 2021).

Beside that, the result study this can also explained through human capital theory. In the theory this, education, skills, experience, and capacity individual viewed as capital that influences opportunity Work someone. In research these factors the appears very strong. Seeker Work often judge that education they Not yet enough, their skills Not yet in accordance with need company, or experience Work they Still less. IU-03, for example, states that one of the difficulty in get formal work is Because company often request graduates above vocational school. On the other hand, informants supporters from BKK and Disnaker also emphasized that mismatch between competence power Work with need company Still become problem main.

However, the results study this also shows that human capital in labor market context No

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

limited to a diploma or major education. Soft skills such as discipline, ethos work, character, mental readiness, courage wandering, and ability adapting is also seen as part important of human capital is decisive convenience somebody enter to formal employment. Informant from BKK SMK Negeri 2 in general clear highlight importance character, ethics, and commitment work, while informant from BKK SMK Negeri 1 also highlighted the importance of soft skills and power struggle graduates. Findings This show that human capital seeker Work in study This multidimensional : encompassing formal education, skills technical, experience, and personal qualities (Brieger et al., 2020).

Although Thus, the results study this also confirms that human capital development just No automatic finish problem employment If fixed formal labor market structure limited. School through BKK has do various effort like synchronization curriculum, alumni tracer, training pre work, employment parenting, and strengthening connection with industry. Government area through the Department of Manpower has also running job fairs, walk-in interviews, training Language Japan, training security guards and delivery participant to BPVP/BBPVP. Efforts This show that from side institutional Already There is intervention For repair readiness power Work.

However, the power absorb the formal job market in Padang Panjang remains Not yet adequate Because amount company big limited, industry congested work Not yet available, and investment Not yet Enough strong For open field Work new in amount big. At the point here it is seen that problem employment in Padang Panjang is results from meeting between human capital issues and problems structure economy area. If only repair skills seeker Work without expand opportunity formal work, then seeker work that has been more ready anyway will face limitations access. On the other hand, if only focused on opening field Work without strengthen quality power work, then mismatch problem will still appear. Therefore that, second side the must read in a way simultaneously.

From the discussion said, can understood that domination the informal sector in Padang Panjang City occurred Because three matter main. First, limitations formal labor market structure, namely at least company big, narrow variation vacancies, and limited Power absorb formal jobs. Second, there is a mismatch between characteristics seeker work and needs company, good from aspect education, skills, experience, and soft skills. Third, there is rationality seeker Work in adapt self to available opportunities, so informal sector selected as the most realistic way For still work. Third factor This each other related and forming job market dynamics typical local (Darby et al., 2023).

With Thus, the results study This show that seeker work in Padang Panjang City basically

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

still orient oneself in formal employment. However, when formal opportunities no adequate, they do adjustment with enter informal sector as choice transitional. The informal sector in context This functioning as room endure life, space adaptation economy and space filler time Work until more formal opportunities Good found. Because of that that, domination the informal sector in Padang Panjang is not just reflection low quality power work, but also a reflection from Not yet strong structure economy area in produce field extensive, diverse, and appropriate formal work with need seeker Work.

CONCLUSION

Based on results research, can concluded that dynamics seeker employment in Padang Panjang City is greatly influenced by the limitations of the formal job market at the regional level. local. At least company large, limited vacancy formal work, high condition work, and mismatch between characteristics seeker work and needs company show that formal labor market structure in the region This Not yet develop in a way strong. In condition said, the seeker Work No behave passive, but respond in a way active, adaptive, and rational with utilise various opportunity available work, including enter informal sector.

Choice to informal sector in study This No understood as objective ideal work, but rather as a survival strategy, to gain income, building experience, and waiting more formal opportunities good. The decision influenced by factors structural, such as the narrowness of the formal job market and the high condition enter work, and individual factors, such as need economy, skills, experience, convenience access work, network social, and preferences personal. With Thus, dominance the informal sector in Padang Panjang City is results interaction between limitations of the formal labor market and rationality adaptive seeker Work.

This study also shows that seeker work basically still more formal work oriented worthy, more stable, and more in accordance with ability they. Although support institutional from schools and government area has available through distribution information work, training, alumni tracer, job fair, and walk-in interview, support the Not yet fully capable overcome problem employment Because Still limited by weakness expansion chance formal work in the region. Therefore that, repair problem employment in Padang Panjang City is not Enough only through improvement quality seeker work, but also requires strengthening structure economy regions, investment, and creation field more formal work wide

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

REFERENCES

Basyaruddin Daulay, Zainuddin, & Nasrun. (2022). Principal Leadership Effectiveness And Some The Determinant Variable. Kinestetik : Jurnal Ilmiah Pendidikan Jasmani, 6(3), 581–593. Https://Doi.Org/10.33369/Jk.V6i3.23734

Biedma Ferrer, J. M., & Medina Garrido, J. A. (2014). Impact Of Family-Friendly Hrm Policies In Organizational Performance. Intangible Capital, 10(3), 448–464. Https://Doi.Org/10.3926/Ic.506

Brieger, S. A., Anderer, S., Fröhlich, A., Bäro, A., & Meynhardt, T. (2020). Too Much Of A Good Thing? On The Relationship Between Csr And Employee Work Addiction. Journal Of Business Ethics, 166(2), 311–329. Https://Doi.Org/10.1007/S10551-019-04141-8

Chen, F., Luo, Z., Yang, Y., Liu, G.-J., & Ma, J. (2018). Enhancing Municipal Solid Waste Recycling Through Reorganizing Waste Pickers: A Case Study In Nanjing, China. Waste Management & Research: The Journal For A Sustainable Circular Economy, 36(9), 767–778. Https://Doi.Org/10.1177/0734242x18766216

Darby, S., O'hanlon, D., Casterton, S., Harding, N., O'brien, A.-M., Quinn, G., Urmeneta, O., & Tweddell, S. (2023). Improved Learning Outcomes And Teacher Experience: A Qualitative Study Of Team-Based Learning In Secondary Schools. Social Sciences & Humanities Open, 8(1), 100590. Https://Doi.Org/Https://Doi.Org/10.1016/J.Ssaho.2023.100590

Dousin, O., Collins, N., & Kler, B. K. (2022). The Experience Of Work-Life Balance For Women Doctors And Nurses In Malaysia. Asia Pacific Journal Of Human Resources, 60(2), 362–380. Https://Doi.Org/10.1111/1744-7941.12282

Eskreis-Winkler, L., Shulman, E. P., Beal, S. A., & Duckworth, A. L. (2014). The Grit Effect: Predicting Retention In The Military, The Workplace, School And Marriage. Frontiers In Psychology, 5(Feb), 1–12. Https://Doi.Org/10.3389/Fpsyg.2014.00036

Etim, E., & Daramola, O. (2020). The Informal Sector And Economic Growth Of South Africa And Nigeria: A Comparative Systematic Review. Journal Of Open Innovation: Technology, Market, And Complexity, 6(4), 134. Https://Doi.Org/10.3390/Joitmc6040134

Ghani, S. E., Kerr, W., & O'connell, S. D. (2023). Female Business Ownership And Informal Sector Persistence. Ssrn Scholarly Paper. Https://Papers.Ssrn.Com/Abstract=2328451

Harfadli, M. M. Arij, Ramadan, B. S., Ulimaz, M., Rachman, I., & Matsumoto, T. (2025). Environmental Impact And Priority Assessment Of Municipal Solid Waste Management Scenarios In Balikpapan City, Indonesia. Cleaner Waste Systems, 10, 100223. Https://Doi.Org/10.1016/J.Clwas.2025.100223

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Harfadli, M. M., Ramadan, B. S., Rachman, I., & Matsumoto, T. (2024). Challenges And Characteristics Of The Informal Waste Sector In Developing Countries: An Overview. Journal Of Material Cycles And Waste Management, 26(3), 1294–1309.

Hasselwander, M., Kiko, M., & Johnson, T. (2022). Digital Civic Engagement, Open Data, And The Informal Sector: A Think Piece. Transportation Research Interdisciplinary Perspectives, 16, 100700.

Heim, M., Schulz, C. M., Schneider, F., Berberat, P. O., Gartmeier, M., & Schick, K. (2023). Measuring Informal Workplace Learning Outcomes In Residency Training: A Validation Study. Bmc Medical Education, 23(1), 1–12. Https://Doi.Org/10.1186/S12909-023-04529-1

Ifeanyi, C. O., Edith, E. A. G. U., Onyinye, G. E., Chikezie, P.-M. E., & Mobolaji, O. K. (2022). A Theoretical Model For Standardized Taxation Of Nigeria's Informal Sector: A Pathway To Compliance. International Journal, 1(2), 83–97.

Immanuel, M. (2023). Adaptasi Sosial Dan Ekonomi Pedagang Sektor Informal Universitas Hasanuddin Selama Masa Pandemi= Social And Economic Adaptation Of Informal Sector Traders At Hasanuddin University During The Pandemic Period. Universitas Hasanuddin.

Indrawati, C. R. W., Arso, S. P., & Budiyanti, R. T. (2023). Analisis Manajemen Sumber Daya Manusia Di Instalasi Central Sterile Supply Departement Rumah Sakit X Kota Semarang Dalam Memenuhi Standar Kompetensi Dan Kewenangan Staf Akreditasi Rumah Sakit. Jurnal Kesehatan Masyarakat, 11(6), 573–583. Https://Doi.Org/10.14710/Jkm.V11i6.37514

Jiang, H., & Shen, H. (2023). Toward A Relational Theory Of Employee Engagement: Understanding Authenticity, Transparency, And Employee Behaviors. International Journal Of Business Communication, 60(3), 948–975. Https://Doi.Org/10.1177/2329488420954236

Jumady, E., & Lilla, L. (2021). Antecedent And Consequence The Human Resources Management Factors On Civil Servant Performance. Golden Ratio Of Human Resource Management, 1(2), 104–116. Https://Doi.Org/10.52970/Grhrm.V1i2.101

Korsunova, A., Halme, M., Kourula, A., Levänen, J., & Lima-Toivanen, M. (2022). Necessity-Driven Circular Economy In Low-Income Contexts: How Informal Sector Practices Retain Value For Circularity. Global Environmental Change, 76, 102573.

Kurniadi, K., & Sumarna, E. (2022). The Process Of Collaboration In Regulating Street Vendors In Bandung City. The Qualitative Report, 27(5), 1439–1454. Https://Doi.Org/10.46743/2160-3715/2022.5458

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Kurniawan, T. A., Dzarfan Othman, M. H., Hwang, G. H., & Gikas, P. (2022). Unlocking Digital Technologies For Waste Recycling In Industry 4.0 Era: A Transformation Towards A Digitalization-Based Circular Economy In Indonesia. Journal Of Cleaner Production, 357(April), 131911. Https://Doi.Org/10.1016/J.Jclepro.2022.131911

Kusumawardhani, N., Pramana, R., Saputri, N. S., & Suryadarma, D. (2023). Heterogeneous Impact Of Internet Availability On Female Labor Market Outcomes In An Emerging Economy: Evidence From Indonesia. World Development, 164, 106182. Https://Doi.Org/10.1016/J.Worlddev.2022.106182

Lisjak, J., Rončević, A., & Markovinović, D. (2021). Key Tasks And Competences Of Spatial Data Manager In Local Self-Government. Tehnički Glasnik, 15(2), 213–219. Https://Doi.Org/10.31803/Tg-20201117134708

Musara, M., & Nieuwenhuizen, C. (2020). Informal Sector Entrepreneurship, Individual Entrepreneurial Orientation And The Emergence Of Entrepreneurial Leadership. Africa Journal Of Management, 194–213. Https://Doi.Org/10.1080/23322373.2020.1777817

Nurhalimah Harahap, & Atika Hanan Julia Harahap. (2024). Connecting Local Wisdom And Social Media: Innovative Strategies In Building Economic Sustainability And Overcoming Unemployment. Jst (Jurnal Sains Dan Teknologi), 13(3), 455–463. Https://Doi.Org/10.23887/Jstundiksha.V13i3.90436

Octaviani, S. L., & Puspitasari, A. Y. (2022). Studi Literatur : Penataan Dan Pemberdayaan Sektor Informal: Pedagang Kaki Lima. Jurnal Kajian Ruang, 1(1), 130. Https://Doi.Org/10.30659/Jkr.V1i1.19991

Oktarina, T., & Feriansyah, T. (2022). Quality Analysis Of The Lapkin Website System Using The Webqual 4.0 Method At Department Of The Environment And Cleaning Palembang City. Jurnal Teknik Informatika (Jutif), 3(5), 1415–1421. Https://Doi.Org/10.20884/1.Jutif.2022.3.5.603

Putro, T. A. (2021). Establishment Of Omnibus Law In Solving Investment Issues In Indonesia. Indonesian Comparative Law Review, 3(2), 105–123. Https://Doi.Org/10.18196/Iclr.V3i2.12738

Rawal, D. M. (2023). Work Life Balance Among Female School Teachers [K-12] Delivering Online Curriculum In Noida [India] During Covid: Empirical Study. Management In Education, 37(1), 37–45. Https://Doi.Org/10.1177/0892020621994303

Sengupta, D., Ilankoon, I., Kang, K. D., & Chong, M. N. (2022). Circular Economy And Household E-Waste Management In India: Integration Of Formal And Informal Sectors. Minerals

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License

Engineering, 184, 107661.

Sultana, N., Rahman, M. M., & Khanam, R. (2022a). Informal Sector Employment And Economic Growth: Evidence From Developing Countries In Sdg Perspective. Sustainability, 14(19), 11989.

Sultana, N., Rahman, M. M., & Khanam, R. (2022b). The Effect Of The Informal Sector On Sustainable Development: Evidence From Developing Countries. Business Strategy & Development, 5(4), 437–451.

Swain, R. B., Kambhampati, U., & Karimu, A. (2022). Regulation, Governance And The Role Of The Informal Sector In Influencing Environmental Quality. In The Informal Sector And The Environment (Pp. 16–41). Routledge.

Tawodzera, G., & Crush, J. (2023). 'A Foreigner Is Not A Person In This Country': Xenophobia And The Informal Sector In South Africa's Secondary Cities. Urban Transformations, 5(1), 2.

Waiganjo, K., Odote, C., & Kabira, N. (2025). Informality In Governance: Evaluating Intergovernmental Relations In Kenya's Health Sector During The Covid-19 Pandemic. Journal Of African Law, 69(2), 289–306. Https://Doi.Org/10.1017/S002185532400038x

Copyright at authors some right reserved this work is licensed under a Creative Commons Attribution-Share Alike 4.0 International License