



Conference on Employability Skills and Challenges of the Labor Market

ИПА ПРОЕКТ МОСТОВИ

ПОТРЕБНИ ВЕШТИНИ ЗА ВРАБОТУВАЊЕ И
ПРЕДИЗВИЦИ НА ПАЗАРОТ НА ТРУДОТ



IPA Cross-Border Programme
CCI Number 2007CB16IPO007

The process of becoming an EU member is not an easy one. States already members of this community have set a full scale of standards according to which every single member state adjusts its activities and ways how things are done. Such way of behavior provides unified standards in every corner of the EU, which on the other hand makes life easier for the people that live in this community.

Of course, there are countries which are still not member of the EU but would like to become one. Such status cannot be obtained by simple submission of an application form, but a necessity for preparation of that country and most of all its population is required.

In order to make this approximation easier EU member states have created several instruments which provide possibilities for the enterprises and civil organizations to adjust their way of work according to those one which are practiced in EU and one of those instruments since 2007 is known as IPA (Instrument for Pre-Accession). Project proposals under this instrument should promote collaboration by the institutions from both sides of the border region and the proposals should be addressing in one of the two priority areas:

1. Economic development and social cohesion
2. Improvement of quality of life

Institutions that are responsible for the implementation of the program are the Ministry of Regional Development and Public Works on the side of the Republic of Bulgaria as management authority and the Ministry of Local Self-Government on behalf of the Republic of Macedonia as national authority.

On the Call for Applications in 2009 the American University in Bulgaria as lead partner and Goce Delchev University as partner, submitted a project named as Bridging Universities and Business for Enhancing Employability Skills for Students (BRIDGES). The aim of this project to identify the volume and quality of knowledge the students are required to possess in order to meet the expectations by the employers.

For such purpose a survey was conducted from both side of the border on 200 enterprises from different area of activity and on 200 students which are gaining skills on both of the Universities. The questions were set to provide answers on several key issues among which:

- a) Employers' satisfaction level of students' level of knowledge and skills who are applying for job
- b) Students' impression on the necessity of practical assignment as a way of implementation of the knowledge gained by theory.

The results of the survey are a part of document which is in your possession. The American University in Bulgaria and Goce Delchev University will continue their collaboration in order to improve the knowledge and skills of their students.

Reporting under Project “Bridging Universities And Businesses For Enhancing Employability Skills For Students”

Results from the survey in the Republic of Macedonia

The survey was conducted over the business sector and as well as students in the East of Macedonia. Hereby, the summary analyses will be presented about 65 received surveys from 100 distributed surveys to the business sector and 103 students involved out of 200 (students are in their 3rd and 4th year of studying considering that almost all of the University programs include total of 4 years of study).

The process of collecting the survey questionnaires was supported by using the university database of companies and contacts, although it didn't result with a descent amount of responses. Our team collected most of the data using their personal contacts and resources because the response was extremely disappointing (10% of the companies replied in the deadline period).

We were using excel for analyzing survey questionnaires' and chart description of the results obtained. The findings will be presented by simultaneous comparative analysis of the students' survey and the business sector's survey questionnaires.

Results obtained from student surveys considering the question about the level of preparedness for the business environment are on a satisfactory level. Students answered that the University gives them good (34%), satisfactory (30%) and great (22%) preparation for the right business environment (Figure 1). Only 2% of the students have replied that they have no idea if the current University is giving them the adequate preparation. This outlines the ability of the students to recognize the quality of their University program offering.

To what extent do you think the education you receive at the University prepares you for the right business environment?

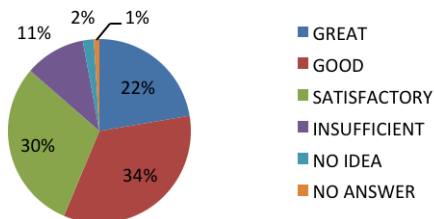


Figure 1

Since full time students don't have the opportunity to work in our country according to the law regulative, 60% of the students replied that they have not been looking for job opportunities, but those who have were facing serious issues regarding the lack of key professional skills and work experience (Figure 2).

If you were looking for job, which were the main difficulties you have faced?

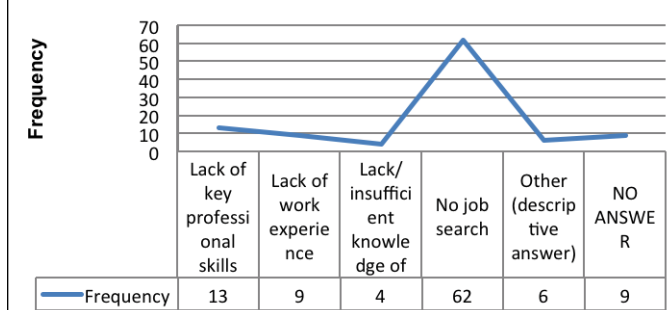


Figure 2

It is concerning that 51% of the students have no practice work included in their university programs which is alarming since the students opinion on the importance of the practice work is highly rated – 60% altogether find practical work useful for establishing contacts in the area in which they are to grow and also find practical work crucial for developing practical and professional skills. This information should be of high importance for the Universities in order to be more devoted on the implementation of the practical work program into their study programs (Figure 3 and Figure 4).

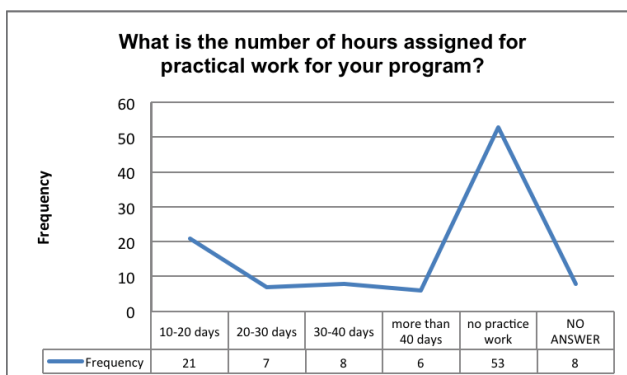


Figure 3

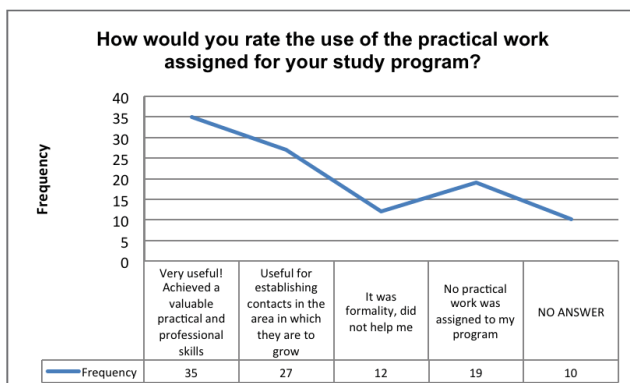


Figure 4

We find it very interesting the fact that 43% of the surveyed students want to professionally realize themselves in their hometown and therefore we give credit to the dispersed study programs for the above mentioned (Figure 5).

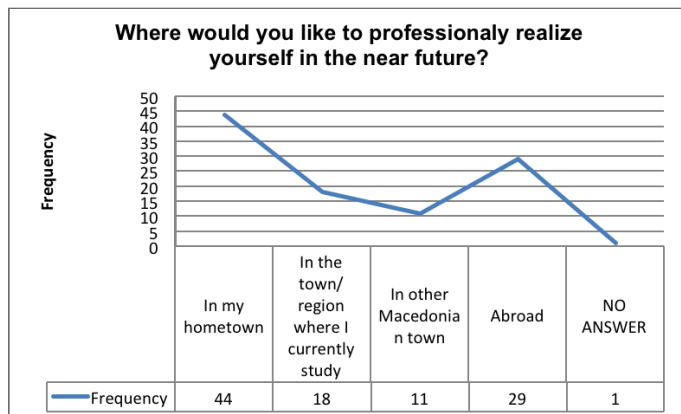


Figure 5

Students are aware of the importance of the practical work for their future development and integration into the business sector which can be seen from Figure 6 that shows that the 70% of positive ranking of students is related to the need for more practical work. Universities have a lack of adopted study programs according to the labor market needs as well as lack of cooperation with employers and business owners. On the other side Figure 7 shows the readiness and interest of the business sector in cooperating with the Universities adopting their programs to the labor market needs. Universities must use this hint in order to create a strong professional body (as a missing link) that will manage these activities and represent the connection between the Universities and the business sector.

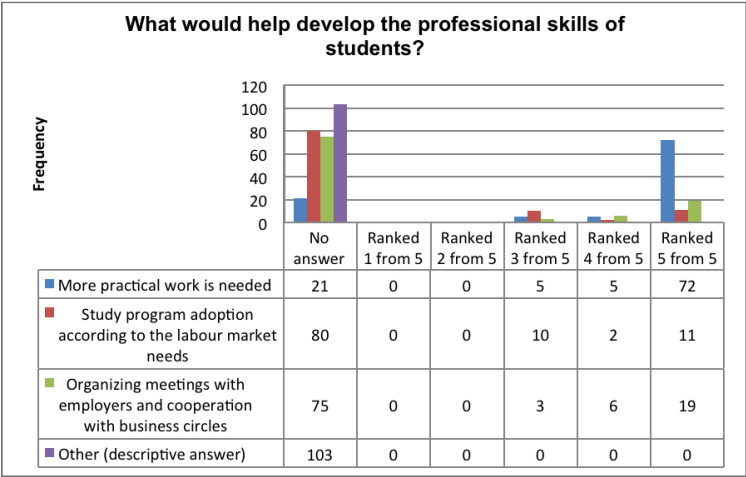


Figure 6



Figure 7

Companies in Macedonia do need a better qualified staff and share the opinion that the region offers good potential of trained and qualified professionals (Figure 8 and Figure 9). That is a bit contradictory because previously they stated that the Universities have a lack of adopted study programs according to the labor market needs.

Considering the nature of your business - does your company need a better qualified staff?



Figure 8

Do you think that the region in which your company operates has good potential of trained and qualified professionals for your business?

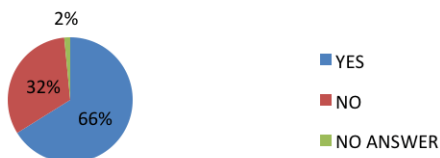


Figure 9

The results shown below suggest that the business sector is ready for cooperation with universities but the Universities are the ones that have to be aware that they should be the initiators of this cooperation and take managerial position in it (Figure 10, Figure 11, Figure 12 and Figure 13).

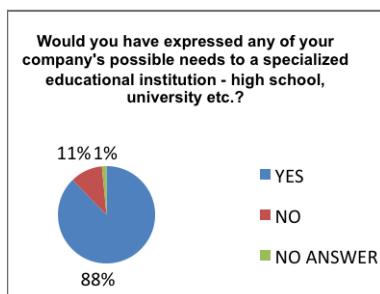


Figure 10

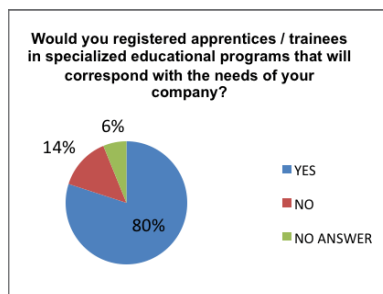


Figure 11

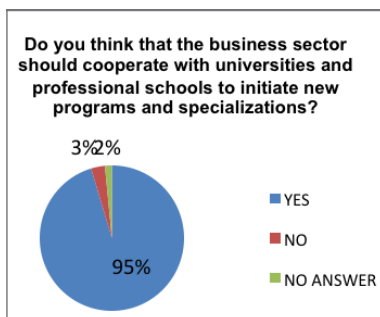


Figure 12



Figure 13

Next figure shows the closeness of the companies for cooperation with the Universities. On one hand, companies are expecting Universities to initiate cooperation and start the process of exchanging mind force but on the other hand their answers do not show positive and cooperative environment. Figure 14 shows the employers answers regarding their will for cooperation. There are even 18% questioned employers that replied negatively and stated that it is not their job to accept working with students from higher education institutions and are not willing to cooperate. The business sector agrees on the fact that practical work is an important part of the education (46%) and 37% want to constantly cooperate with Universities on this subject. Companies also share the opinion that hard skills and team work are a crucial skill for an employee to be successful (Figure 15).

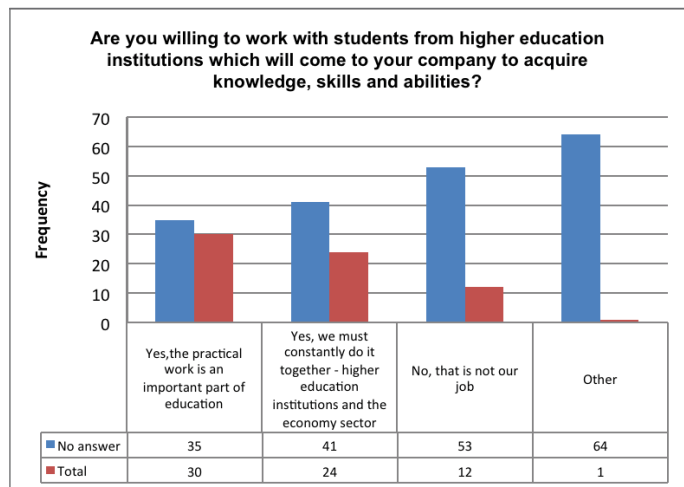


Figure 14

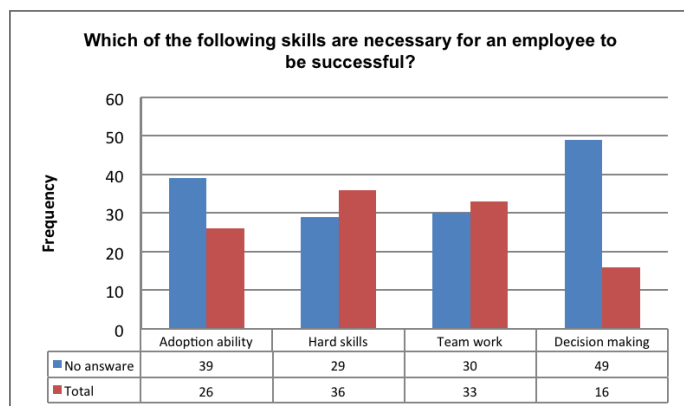


Figure 15

With this analysis we can confirm the scope of this project which is the focus on the role of universities as factors for growth and competitiveness and their effective partnership with the business sector.

The survey data proves that young people in the region do not possess certain employability skills, mainly hard skills which are stated from the business sector; and secondly, there is not a link between Universities, students and the business sector. Therefore we suggest creating of a professional body by Universities that will fulfill the gap and lead the cooperation between students and companies.

Follow-up Report Under

SERVICE CONTRACT №01/BGMK

HR RESEARCH AND CONSULTANCY

Results from the survey in the Republic of Bulgaria

What is the purpose of this project and why we have been chosen to carry out research on the business tendencies and employment specificities of the border region?

First, as a company with experience and expertise in the operations of the Bulgarian and the world labor market we have the opportunity to actively interact with both parties: employers and job-seekers and facilitate their economic relations.

Second, we firmly believe in the importance of this venture and a major reason why we applied for this project is the conviction that the final product will be a self-developing system which will add value to the regions which are the object of our research.

We will present a summary analysis of the survey carried out among 100 business managers in the South-western Bulgarian border region, which shall be referred to hereunder as employers and approximately 60 students.

We shall begin with the findings from the employers' survey, and then we will analyze the students' survey and shall finish with a comparative analysis of the two.

Some major problems for the local business were identified at the very beginning of our survey among employers. We developed a methodology and a variety of tools to reach as many local employers as possible and draw a detailed picture of the business environment in the border region.

When we started the survey we faced some insuperable obstacles.

To start with, there is no functioning branch association – be it industrial or of any other type. There is no centralized structure to facilitate business communication, regardless of the field of national economy. Having realized that, we decided to address the city administrations and the mayors, as we figured they will be able to provide contacts with employers or at least to give some general information on the local business environment. Unfortunately, this turned out to be of no effect as well. Of all city administrations addressed, none responded. This led to another unpleasant conclusion – not only that there isn't a functioning branch structure, but even the structures that collect taxes from local business enterprises have not developed an information network about the status of the business in the region.

Second, from our meetings with small and medium business owners we were left with the bitter feeling that the local business as far as it exists has put itself in a very awkward position. On the one hand entrepreneurs have established some kind of corporate structures, but on the other hand there is no ambition whatsoever to develop further and to increase the company's market share. What is more, we observed a general lack of action for further development of the companies.

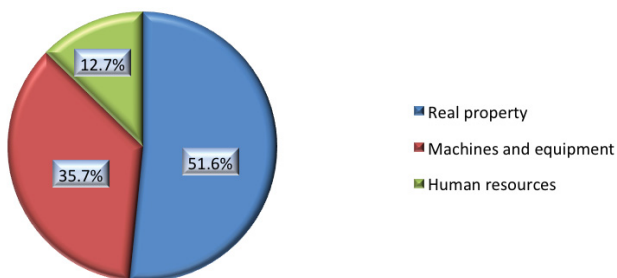
Basing on the analysis made we can conclude that the causes for the above phenomena can be traced in two directions – first, part of the functioning companies are in a position of dependence on certain economic structures and second, there is a huge gap between employers' expectations and need of qualified staff and the employability potential of the border region which is marked by an increasing depopulation.

What does plain statistics show?

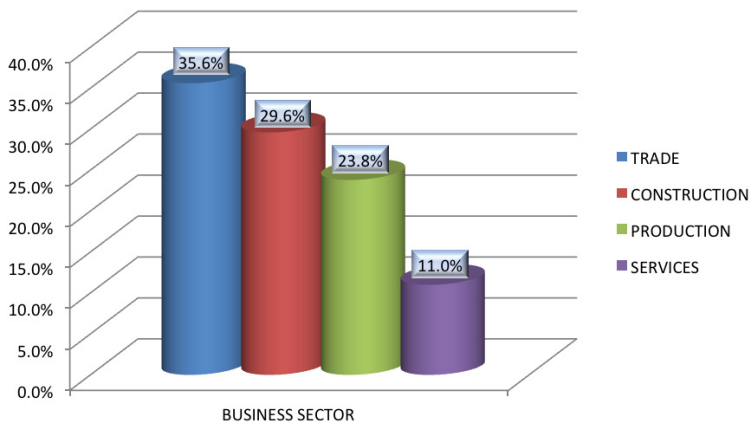
Less than 30% (29 forms were received within the deadline) of the employers invited to participate in the survey responded positively.

The average age of business owners in the region is 33; the average working experience in the particular field of economy is 12 years. 82,5% of the interviewed take a strong stand on civil issues and are interested in the local and world market trends. Over 75% implement innovations in their business and use Internet as an inseparable part of their work. The investment policy of the interviewed companies in figures is the following: 87% of the interviewed invest mostly in real property, machines and equipment and only 13% of the interviewed answered they allocate budget for human resources development.

INVESTMENTS



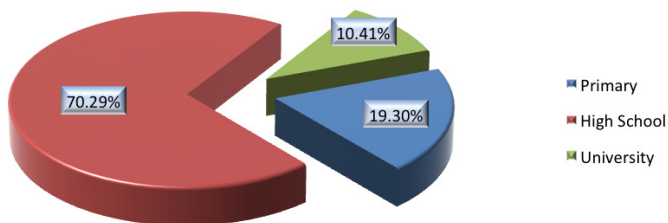
In terms of branch distribution, Trade and Commerce has the biggest share – 35,6%, followed by Construction – 29,6%, Production – 23,8% and Services with only 11%.



As far as education and professional qualification of the employees in the interviewed companies are concerned, at the time of establishing the companies the statistics is the following:

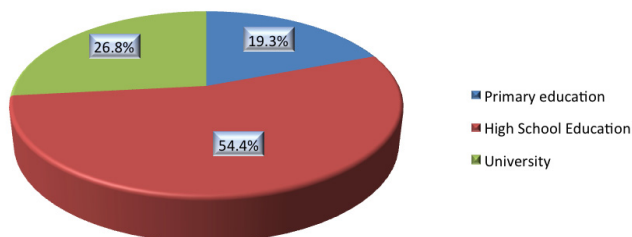
Primary education (up to 8th grade) 19,30%, High School or Vocational School 70,29% and University or higher – 10,41%.

Level of education of employees when the business was launched

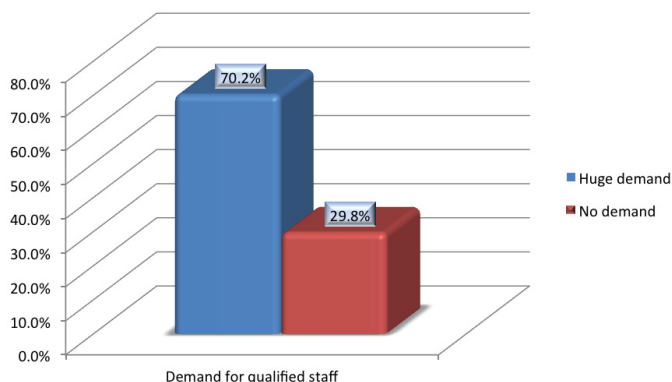


When we compare this to the statistics of employers' education at the time of the interview, we will notice that the education ratio does not differ significantly, though we can notice a slight increase in the number of university graduates and decrease in high school graduates. The figures are the following: Primary education (up to 8th grade) 19,33%, High School or Vocational School 54,35% and University or higher – 26,8%. This comes to show that employers are starting to realize the need to hire better qualified staff.

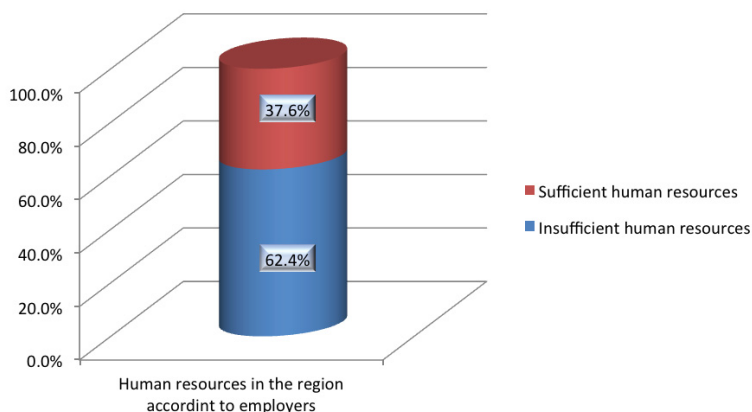
Level of education of employees at the time of the interview



70% of business owners in the region answered that they need better qualified and skilled employees.



62% of the interviewed claim that in the border region there is lack of qualified labor force in their field.



Over 68% of company owners are aware of the urgent need of integration and cooperation between the business and the educational institutions in order to enhance the employability skills of students and prepare them for their future employment. Furthermore, these employers express readiness to share their long-term expectations and needs in terms of staff with schools and universities and cooperate with them for the development of education methodologies.

82% of the interviewed confirm their readiness to invest part of their capital in scholarship programs which shall prepare their future employees for the real-life employment. 97% of the interviewed employers are ready to accept trainees from the universities in the region in order to enhance students' employability skills. This is a positive sign that the local business is ready to invest in education and work together with universities to improve students' employability skills.

It is worrying that as much as 72% of the interviewed claim they are not able to plan their business for more than 5 years ahead.

Almost 80% of employers are not able to attend seminars, trade fairs or other business events because they do not have sufficient funds to do that. Around 64% of the interviewed do not stimulate their employees to improve their qualification by personnel training, seminars, etc for the same reason.

To sum all these figures up, a major problem in the border region is the depopulation, which leads to aging of the employed.

Aging is not a problem per se, the core of the problem is that people over 50 have education and qualification which do not match the current business requirements, namely regarding the automation of processes, the more dynamic business environment, the advancement of computers and high technologies in the business. Thus, what we observe is a mismatch between the demands of the labor market and the employability skills of job-seekers. Universities should take this into account and focus on developing skills to match the needs of the labor market.

Another issue which needs to be focused on is the poor condition of the service sector. A well-developed service sector is a prerequisite for the smooth functioning of any business. Internet providers and support, communication centres, logistics, transport and infrastructure, training centres and the so called business incubators, to name but a few, are all related to the service industry and are of great importance for the exchange of ideas and strategies and for a more dynamic environment.

We shall continue with an analysis of the survey among students from the American University in Bulgaria. After that we will try to draw some general conclusions.

For good or for bad our region is characterized by a very close relation of people to their home place, social environment, family, friends and relatives.

For thousands of years we have lived in a relatively closed environment, which explains why we have difficulty adapting to some of the changes and challenges that come with globalization. If we go back in history, we will notice that Bulgarian people managed to survive through the centuries very often namely because they lived in small communities that rarely interacted. Our ancestors' philosophy placed the security of the family and the property above all. In addition, the lack of inter-community interaction has led to a general skepticism to people outside our close circle and a feeling of distrust in social structures above community level. It is another issue that very often these structures justify the distrust people have in them. After all, the human resource they are formed by comes from these very same closed communities. Thus, what we observe is a perfect downward spiral. All this is rooted in the fear of losing the little we have. Meanwhile, busy taking care of that fear, we lose the most important thing – time for action.

Once upon a time it was part of the local countries policy to keep border regions relatively poor, here I refer not only to Bulgaria, but also Macedonia, Greece, Serbia, Romania, even Hungary. The idea was that if the border region local people were poor and underfed, they will be ready to protect the little they have at any cost, not to mention they were cheap to recruit as soldiers. Once upon a time... What is the reality now? You know it very well – the world is moving fast towards globalization, borders are being removed... The Internet is everywhere... What border regions do we speak of?

We firmly believe the border regions are a golden mine for anyone who has the brain and the heart to work really hard. Because for good or for bad, these regions are still like white sheet, ready to be written on.

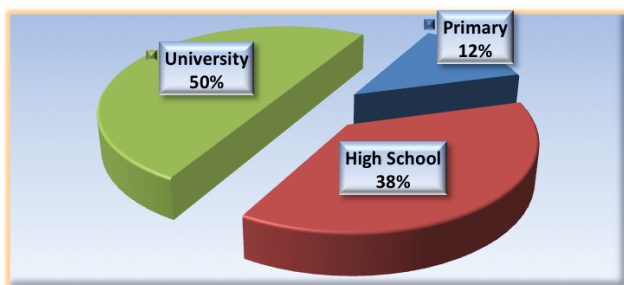
What are the general conclusions we made during our survey among students?

Positive tendencies

There is a positive tendency in Bulgaria in terms of education and qualification. More and more young people continue their education after High School. In addition, Bulgarian universities attract foreign students who feel they can receive quality education in Bulgaria. Over 39% of High School graduates continue their studies in universities. 60% feel that their school education prepared them well enough for employment but they want to further enhance their knowledge and skills in higher education.

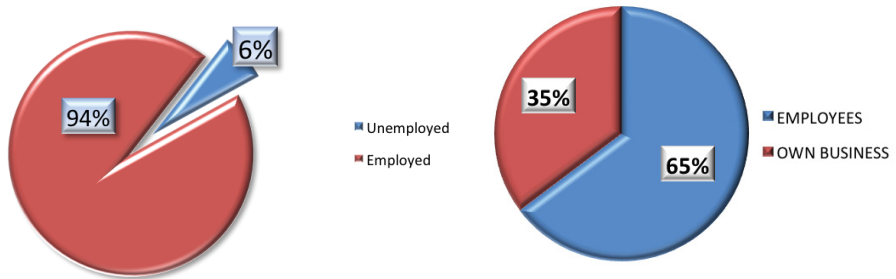
This tendency can be explained with the positive balance in terms of parents' education in the border region, among present students' parents, over 37% have High School education and over 50% are university graduates.

PARENTS' EDUCATION - BULGARIA



The survey results show that 93,6% of students' parents are actively practicing their professions and only 6,4% are unemployed.

PARENTS' EMPLOYMENT



2/3 (68,8%) of the parents are employed in private or state companies and 37,5 % have their own business – small or medium.

How can we interpret these figures? During the last 10 years we have observed an increase in the number of small and medium-sized businesses in the border region. The development of the business requires more and better educated and qualified employees. What could be better for a family business but to be continued by the children or grandchildren of its founders? In fact, this is exactly what we notice in the target region.

62,7% of the interviewed students answered they would like to return to their home towns and seek career development or continue the family business there. 75% assess high their university preparation, which speaks of confidence in the employability skills they adapt while studying.

87,5% of students are highly interested in the development of their region, 62,5% have ideas of how to contribute to its development, as 37,5% of the interviewed claim they have the capacity to contribute for the economic development of their local region upon finishing the university.

The fact that the family is the major reason for 25% of the interviewed to return to their home town reinforces our idea of the close relation to the community and the family.

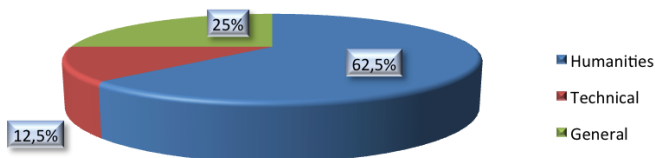
What conclusions can be made in terms of personal characteristics of the students who took active part in the survey?

62,5% of the interviewed practiced some kind of group sport and 37,5% practiced individual sports. Practicing any sport does not only help a person to be physically fit, but also helps develop some of the most essential personal qualities – ambition to win, aspiration for success and always aiming for better results. This comes to show that most of the students interviewed are team-players and a good number of them are people with leadership skills.

Contemporary students in the region are mostly pragmatically-oriented, only 12,5% of the interviewed have done some kind of art. Maybe this could be explained by the specificity of the university.

75% of the students have vocational training – in humanities or technology, and 25% have general high school education.

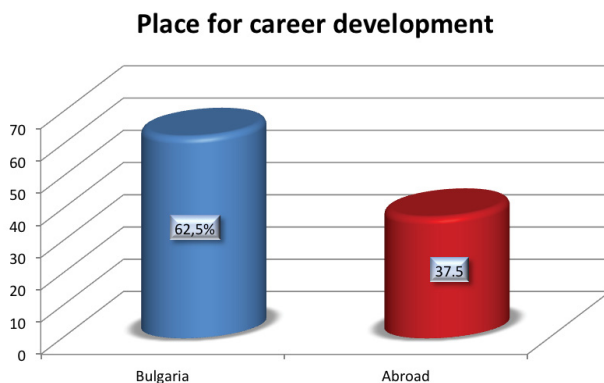
HIGH SCHOOL EDUCATION



Students part in terms of their opinion on how well they feel prepared by their high school education in terms of employability skills - 61,5% claim they feel confident in their skills acquired at high school, and 39,5% think their high school education did not prepare them well enough for the challenges of the present labor market.

43,5% of the interviewed are inclined to return to their home places after they finish university, while 56,5% will rather not return. Once again we see a division which shows students have hesitations as to the choice of a place for their career. It is interesting that a good number of foreign students are ready to stay in Bulgaria and pursue professional development in the target region.

62,5% of the students express a desire to remain and pursue a career in Bulgaria.



The general conclusion we could make is the following:

One of the most valuable qualities we have managed to preserve and the one that will most probably take us out of the economic crisis is that we are closely knit to our family and dear ones. On the other hand, we have a generation of technically competent people who are unencumbered by the emotional sentiments and dependencies that characterize the older generation. These young people have the ambition to help themselves and their families and to put their energy and knowledge into efforts to improve their way of life.

The media are showering us with information of an ignorant and uneducated new generation and drawing a darker and darker picture of our future. Long gone are the times when education was only in the hands of the state government, there is now independent local government and educational institutions can decide for themselves on the direction of their studies development. It is about time universities and business started to cooperate and share ideas on the direction of education and qualification development and what is more important, to implement these ideas in practice. Talking about practical implementation - 87,5% of the students claim their curricula does not include practical training and placement!

This is a very worrying fact, especially in a century marked by a rapid technological advancement, progress, Internet technologies and a world without borders! A time when theoretical education is not enough and practical training should be as important as theory.

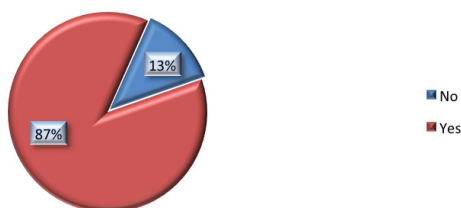
In Bulgaria, some years ago, each graduate had a guaranteed work placement. How was this achieved? How did universities know that in five years time there will be a demand of a certain number of experts in one field or another? Well, even though technologies were not as advanced, there was an information network which allowed strategic

planning. Some may quickly dismiss that and say this was during the communist time and the planned economy. This economy is denied now. Many people are inclined to put an equality sign between planned economy and communism. However, let's look at the USA, the only difference is that they call it business planning, strategic economy or something in the same line, but the meaning is similar. Why not take the positive features of this type of economy and implement them now? We are lucky enough to live in a very exciting era; we are the living witnesses of unique changes in the way of life. It is all about priorities, doctrine and consistent organization of initiatives. Once again, let's refer to what we began with, we are here to create something which will work, develop and achieve visible results towards the goal we have determined – namely to effectively and dynamically develop the Bulgarian and FYROM border region.

Worrying tendencies and conclusions

The worrying conclusions which could be drawn from the survey results are related to the educational institutions in the region and especially vocational schools and universities. The biggest problem which is actually sharpening with the years is that there is not enough practical training in the curricula. 87,5% of the interviewed students claim there are no practical training classes in their course of study.

PRACTICAL TRAINING CLASSES ACCORDING TO STUDENTS



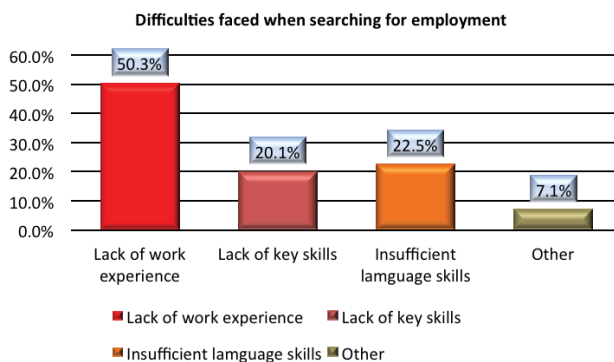
Let's illustrate the importance of practical training with an example from everyday life. How does a baby learn that the oven is hot? Hardly is there a parent who has not tried to protect their child from burning on the oven. Most certainly they have been explaining that the oven is hot and dangerous... When does a child, however, give up on the desire to touch the oven? They do it after they have touched it and realized it is hot and it burns which causes pain. It is the same with education – a somewhat 20 years later. What is the sense of looking at pictures of road construction machinery when one has not seen them and tried working with them? How can one become a good road construction engineer only by looking at pictures? Can you imagine a doctor who has not touched a scalpel or an X-ray photograph?

Why other universities allow this? Local administrations are notorious with the slow information processing and the lack of competent administrators – at the same time hundreds of people graduate in public administration from Bulgarian universities. How many of these public administrators had real training in real public administration environment during their course of study? Furthermore, if a trainee shows good skills and excels at the job, the manager might decide to keep them. In that way, graduates have a greater chance of employment and career development.

It turns out that a major problem is that to a great extent our educational systems breed “armchair experts”, people who have good theoretical knowledge but have no real practical experience. The result is atomic physics graduate sewing shoes in a factory in Ablanitsa village.

This cannot be satisfying neither for employer, nor for employees. On the one hand, funds and efforts have been invested to train an expert, and on the other hand, this very expert is forced to work something completely unrelated to his education in order to earn his living.

Another worrying tendency is related to the difficulty the interviewed faced when they tried to look for a job - 50% of the students answered that the reason why they failed to find a job is the lack of practical experience, insufficient professional knowledge, of these 20% answered that the insufficient knowledge and employability skills is the major reason why they failed to get a job, 22,5% - indicated the lack of language competences as the major obstacle for finding a job. How can students develop their employability skills during their university education? Perhaps, through more practical training!



100% of the students answered they would be happy to have more practical training in the program, 87,5% would like for the curricula to be adapted to the labor market requirements and more than 90% feel there is an urgent need for universities and local business representatives to start working together and to cooperate in order to enhance students' employability skills.

It is high time universities took responsibility and started developing a different approach to students training, an approach that will focus not only on theoretical performance but also on preparing students for the real working environment. An approach that will develop creative thinking, enhance employability skills and prepare experts who will be competitive on the labor market! This is the only way for universities to contribute to the economic sustainability of the region and the social cohesion in the region.

A general conclusion that can be drawn from the analysis of both surveys is that both employers and students are ready to cooperate and are open for a dialogue. Universities may serve as the medium which will facilitate this dialogue and encourage cooperation in view of enhancing students' employability skills.



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