

# **Service Related Competences: Education Practices in the Republic of North Macedonia**

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## **Abstract**

This paper presents research on service related competences in Republic of North Macedonia. This research was conducted as part of Erasmus+ CBHE project entitled "Enhancing and validating service related competences in versatile learning environments in Western Balkan universities (e-Viva)". Innovations and development of new technologies including automation of manufacturing processes cause paradigm shift in business models in manufacturing sector while service sector emerges as potential for economic growth by absorbing more labour and offering diverse services. Thus, development of service related competences is an important issue for overall development of service sector. Assessment of service related competences in South East Europe aimed at the identification, analysis and description of current education programmes and practices relating to service orientation with focus on the interface between formal and informal learning in the higher education sector and possible connections to validation practices in relation to EQF, NQFs and the related instruments (ECTS, ECVET and EUROPASS).

*Method:* Results of desk research, online questionnaire results and results of interviews with stakeholders (one-to-one or focus group) as well as interpretation of needs analysis in North Macedonia are elaborated and presented in this paper.

The results of this project and research show that significant attention is devoted to development of competences in service sector in North Macedonia. The findings indicate that respondents/parties are aware about the positive aspects of the “Service Related Competences”, especially regarding the professional, career development, and employment prospects. There is a need of online courses where basic theoretical concepts should be presented, and then, in combination with practical learning, the same should be exercised and learned how to be used in practice.

**Keywords:** Service, Competences, Education, Validation, Entrepreneurship, North Macedonia

## Introduction

Structural change in the economy is an inevitable concomitant of economic growth. Its impact is visible, not least, in the shifting employment and value-added shares of the different sectors of the economy. In the early phases of economic growth, the expansion of the industrial sector dominates. However, its dominance is soon contested by the service sector. In fact, by the end of the twentieth century, there is no advanced economy in which the service sector has not absorbed the largest share of employment and value added (see, e.g., Schettkat, 2007). This transformation often described as the rise of the “service economy” – has since long been noted and addressed in economics (see, e.g., Fourastié 1952, Chenery 1960, Kuznets 1971, Pasinetti 1993). Nonetheless, the causes and contingencies are still not entirely clear.

The service economy is usually associated with tourism, education, insurance, financial services, retail, health or similar, but also the products themselves recently have growing service component, enabling modern product-service system.

Analysts of the contemporary political economy of advanced industrial nations have largely neglected the role of the service economy in determining labour market outcomes and policy trade-offs. An important exception is Iversen and Wren (1998), wherein the concept of a ‘trilemma’ is developed in showing how the shift to employment in services creates new trade-offs between inequality, unemployment, and budgetary restraints.

During last decades number of manufacturers at that list is decreasing, while the number of service companies is increasing, clearly showing growing relative importance of service-oriented economy. GDP percentage made up by service

economy is very high in the most developed countries; example is Hong Kong with even 95%. Service economy requests very different competences of labourers and leaders. Regarding leadership, the Hong Kong Institute of Service Leadership and Management, highlighted 25 principles valid for the service economy (e.g. principle of 15 min of leadership, principle of self-leadership, and other), actually defining needs for different and upgraded education for future service economy employees (Shek et al., 2015).

Interestingly, a similar clustering of countries holds when we examine service-sector employment trends for high skill workers. Anglo-American states have high levels of private service sector employment and high inequality among high-skilled workers. Scandinavian states have high levels of skilled public-sector employment and more wage compression among high-skilled workers. Finally, Continental countries have both restricted high-skill service sector employment and sustained wage compression. However, the theoretical mechanism developed by Iversen and Wren to explain cross-national differences in the employment and wage inequality of low-productivity workers does not give us much purchase in explaining these similar patterns among high-skilled workers. Whereas wage compression at the bottom end of the wage distribution presents the threat of unemployment, wage compression at the top end has no such influence indeed firms would be happy to employ skilled workers for wages significantly below their marginal product. In particular, so-called 'FIRE' services (finance, insurance, real estate) are high value added and have seen a large increase in their share of the workforce in many OECD countries over the past few decades. Other less productive services have also increased their share of the workforce, including retail and catering (largely low productivity) and social services (often public or non-profit and consequently with unclear levels of productivity). There is a strong demand for college-educated workers not only from the dynamic sectors, which rely on the ability of employees to perform non-routine cognitive tasks (Autor, Levy, and Murnance, 2001) but also from a host of non-dynamic sectors which either focus on providing social services or public administration. Turning to labour supply, the incentive of graduates to pursue employment in either dynamic or non-dynamic services depends on the differential wages and benefits offered in these different professions and on the overall level of wage compression in the economy. Consequently, different institutional environments may channel university graduates into different areas of the service sector. In particular, where graduates must repay fees they will be more likely to seek employment in dynamic service sectors with less wage compression.

Modern economy is more and more characterized by the development of service economy, and that process is even checked for the relationship to innovation processes. "Servitisation" process is evident not only in developed economies, but also in transitional and countries in development. Many countries are also showing that enhanced innovation can be associated with the increasing participation of the service economy, supported with the technical and technological progress, underlining ICT (Gryczka, 2017). Service economy adapts the most rapidly to changes at the modern market and moreover has the potential to absorb labourers not needed any more in manufacturing. Labour need transformations in last decades, that were decreasing the number of agricultural employments but also later the industrial employments, found new employments mostly in the service economy, leading to modern society as a service-oriented economy (Cioban, 2014).

All of these is bringing more and more attention to development of service related competences at university graduates. The publication of Georgetown University very attractively titled "The Economy Goes to College - The Hidden Promise of Higher Education in the Post-Industrial Service Economy", underlines that the US economy transformation from industrial to a post-industrial economy was followed with labourers increased skill levels requested. US economy focus changed from manufacturing to the delivery of variety services like finance and business services, healthcare and education, or lately IT services. From 1947 to 2011 share of employments in production industries dropped from more than 40% to less than 15%, but that requested also a shift in education of new employees that are mostly engaged in service economy (Carnevale and Rose, 2015).

This was the origin for considerations of the eViva project partners to apply for the Erasmus+ CBHE project aiming to build capacities at partner countries' universities to include both formal and informal training for students, targeting achievement of specific service economy-oriented competences at graduates. Consortium led by European University of Tirana, with partner institutions from Albania, Austria, Bosnia and Herzegovina, Germany, Kosovo, Montenegro, North Macedonia, Portugal and Serbia recognized the need for previously described upgrade of their study programmes and applied for a project titled "Enhancing and validating service related competences in versatile learning environments in Western Balkan universities (e-Viva)". Later approved project as its first activity had national gaps assessments for the countries of Western Balkans, actually doing deep research on service related competences education practices in South East Europe universities (and thus finding what needs still to be brought into practice).

As is generally known, in the countries of South East Europe, in accordance with the trends of economic development, university curricula are also being developed. This means that in the faculties for the study of engineering disciplines, areas/subjects are being developed that give students learning outcomes related to the development of service related competences.

Consequently, education for acquiring service-oriented competences has recently been acquired at engineering faculties, in addition to the formal form, especially intensively through informal education. Within these forms, students acquire knowledge related to development: communication, creativity, critical thinking, leadership, problem-solving skills, teamwork skills, vision development, planning and management, initiative, perseverance, perceiving opportunities, etc. (Bacigulapo et al., 2016). In this way, the countries of South East Europe join the generally accepted global trend of developing service-oriented competences through different types of education (Nair et al., 2013). In addition, service-oriented competences are also, in addition to formal and informal education, developed through the forms of so-called, lifelong learning, which has recently become especially important in the countries of Southeast Europe (Sitthisak et al., 2007).

In the third trimester of 2020, the active population in Macedonia numbered 958,770 persons, of which 759,445 were employed and 199,325 unemployed. The service sector employs half of the employed population, followed by industry and construction (27%) and agriculture (24%). Over 99% of the total number of companies are small and medium-sized enterprises, contributing with more than 76% benefit [State Statistical Office of RNM, 2020]. According to the activity of the companies, the larger part of the Foreign Direct Investment (FDI), or around 59.3 million euros, out of the total FDI for the January – June 2020 period, which was 327.57 million euros [Economic Chamber of the RM, White book 2019] was invested in the service sector.

The Employment Agency of the Republic of Macedonia conducts an analysis of the skill needs on the labour market once a year. The survey research for the Analysis of the Skill Needs on the Labour Market provides useful short-term indicators of employers' expectations regarding new employments and the skills required in order to be more competitive on the labour market [Employment Agency of the RM, Skopje 2019].

On the other hand, the Law on Public Sector Employees in the Republic of North Macedonia mentions the Principle of Service Orientation. On article 8/2, is explicitly mentioned: “public sector employees are service-oriented, i.e. active, innovative,

cooperative and flexible towards efficient and effective application of the parties' rights and interests, bearing in mind the public interest. (3) Public sector employees are obliged to provide proper referral of all parties to the competent services towards application of their rights and the realization of their interests. Consequently, almost all public institutions include this principle in their acts/statutes.

Many training providers, i.e. providers of non-formal learning operate in North Macedonia. However, there is no single register consolidating all of them. Although the Adult Education Centre can issue certificates in informal learning, still, most providers lack certification and are not obliged to have since uncertified trainings are also recognized as relevant references in business.

The collaboration between the business sector and higher education in North Macedonia resulted with the establishment of Technology Parks. Technology Parks are venues designed and organized to support innovations usually functioning within universities, also known as research parks or science parks. These institutions are intended to support university (student) innovations, as well as outside ideas aiming towards creating a highly developed technological society.

Learning Technologies in the sense of supporting learning at work and the application of blended technologies are not present as a specific strategic direction in education policy in RNM. However, in the last decade there have been several projects in higher and high school education promoting these. The entire education system, particularly high school and higher education underwent program reforms, now created according to learning outcome-based approach. Still, industry maintains the opinion that graduates are difficult to employ due to the problematic adjustability to the working environment and the slow transfer of knowledge and skills in the real working environment. The technical faculties offer several e-learning courses for students intending to familiarize themselves with the use of information and mobile technologies in specific areas.

The law requires practical lessons in high school and higher education (internship), however legal provisions, particularly in higher education, lack sufficient and clear definition of internship thus preventing students from achieving actual results in such lessons. None of the higher education institutions or high schools offer distance-learning programs. None of the universities offers 5A level programs. Only one five level program was detected offering a high school diploma in artisanship, the result of a collaboration between a vocational high school and a chamber of commerce.

The verification process of adult education programs (non-formal learning programs) offering qualifications or partial qualifications began in 2012 in RNM. In addition, since 2014, 35 individual programs for acquiring specific knowledge, skills and competences have been verified. Currently, there are 77 verified providers of non-formal training authorized to issue certificates recognized by the state. Regarding the requirements for special knowledge and skills potential candidates with higher degree of education should possess, the research revealed that employers mostly emphasize the requirement of speaking a foreign language (English, German, Italian), basic computer applications knowledge (MS Office, Auto Cad). Additionally, advanced knowledge and skills in the field of information technology (server administrator, CISCO, Java programmer, Oracle) are preferable. Among other skills, particularly emphasized are communication skills, ambition, responsibility, confidentiality, precision, teamwork, and data entry, reading skills, flexibility, marketing skills, and managing skill.

The Adult Education Centre has been working on creating a Validation of Non-formal and Informal Learning system (VINFL) in Macedonia since 2014. So far, this has resulted in the preparation of several documents, staff training, and the development of legislation for the validation process.

The Macedonian Qualifications Framework (MQF) aims to improve the education and training system by applying an outcome-based approach, to alleviate the access to learning in every context and make the results clear for each citizen, to raise the general level of qualifications of the entire population and strengthen the link between qualifications and employment opportunities. With the adoption of the Law on the National Qualifications Framework in 2013, and the appointment of an official representative as a full member of the European Qualifications Framework Advisory Group, the country obliged to harmonize the MQF with the European Qualifications Framework (EQF).

According to the European Training Foundation, North Macedonia is making strong progress in education. The ETF has been supporting and advising the government and local stakeholders in cooperation with the EU and other donors on a range of issues (ETF, August 2021). These include implementing qualifications reform, reviewing the VET financing framework, establishing Regional VET Centres, mapping developments in work-based learning, refining the employment strategic framework and enhancing skills intelligence gathering to better link VET and labour market demand.

Methodology (Century Gothic, 16 pt)

Research methodology was developed in order to identify, analyse and describe the state of art in education programmes and in practice related to service orientation. The focus was on the interface between formal and informal learning in the higher education sector and possible connections to validation practices in relation to EQF, NQFs and the related instruments - ECTS, ECVET and EUROPASS (eViva project, 2019).

The purpose of the survey was (eViva project, 2019)

Report which backs up the REBUS approach and project setting.

Needs analysis underlining the REBUS concept that shall be developed within the project.

Entrance to educational stakeholders and employers and discuss the significance of the results making comparisons with previously published work.

The output of the survey was planned to be (eViva project, 2019):

- Report which gives a good reason for our eViva approach and project setting.
- Needs analysis underlining the eViva concept that will be developed within the project.
- Entrance to educational stakeholders and business sector

Survey was employed on the following target groups:

- Educational stakeholders
- Potential employers (enterprises, NGOs, public employers, industries)
- Learners (students/learners in formal education)

The content of the service related competences survey was (eViva project, 2019):

- Level of awareness about these competences among the target groups
- Rating of the importance of these competences for target groups
- More detailed idea which sub-competences are considered being important in a service rendering enterprise/sector
- The content of the survey was to identify how these competences can be acquired

Research framework implemented in eViva consisted of three parts:

- Desk research
- Online questionnaire



- Interview with stakeholders (substantiating the online questions) either in individual interviews or in focus group interviews

Desk research consisted of four parts:

- Service related competences in practice
- Service related competences in higher education and continuing professional development
- Learning technologies and blended learning in higher education
- Job related competences, informal learning and validation
- Each part of the desk research consisted of set of questions. Each partner performed desk research, and afterwards partners from each country created national desk research

Online questionnaire consisted of six parts:

- Target group
- Valuing the importance of the service related competences
- Acquisition of service related competences
- Validation of service related competences
- Digital learning
- Future communication details
- Partners from each country made national analysis of answers on online questionnaire
- Interviews were conducted as either individual interviews or focus group interviews. Each partner country institution performed interviews separately. Interview consisted of five parts. Each part included a set of questions as guidelines for the interview

The parts of the interview were:

- General demand for education on service related competences
- Stakeholders support
- Provision of service related competences education
- Methodology (learning location and technologies blend of different learning modalities and blended learning aspects)
- Validation and assessment of service related competences

At the end partner, country institutions made national report, which included desk research, analysis of results of the online questionnaire and interview reports as well

as interpretation of research and needs analysis. Based on national reports from all partner countries transnational report was created.

## Results

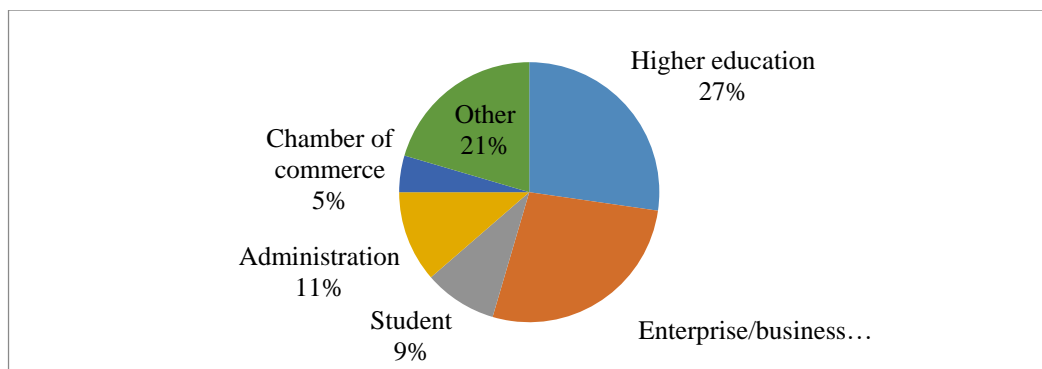
The research about the status of service related competences in North Macedonia was performed by representatives of the Mother Teresa University (MTU) and the Institute for Sociological, Political and Juridical Research (ISPPJ), University "Ss. Cyril and Methodius" in Skopje.

This research provided answers to numerous questions regarding the current state of service related competences in North Macedonia, needs and opportunities for their development, as well as questions regarding validation of these competences and conditions for their development. Desk research shows that significant attention is devoted to development of competences in service sector in North Macedonia.

The aim of the online research was to understand how familiar stakeholders in Higher Education (e.g. professionals as well as students) are with the concept of the Service Economy and Service Related Competences in connection with web-based learning environments as well as with approaches and instruments for validation of learning outcomes in their practice.

In the online research a total number of N=44 respondents completed questionnaire from Republic of North Macedonia, or 9,93% from the total number of respondents from all countries involved in the project (total N=443. The Macedonian research sample (N=44) broken down according to demographic traits included female (33) 75.00% and male (11) 25.00%.

The respondents belonged to the following age groups: <30 years (29,55%), 30-40 years (34,09%), 41-50 years (20,45%), 51-60 years (6,82%) and >60 years (9,09%).

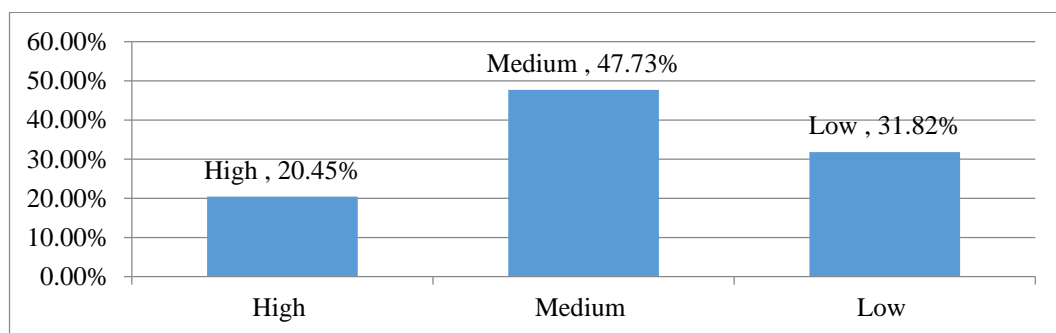


**Figure N01:** Research sample description by employment/education status

According to the employment and educational status, the respondents are divided as following: Higher education representatives (N=12) 27,27%, Enterprise/business representatives (N=12) 27,27%, HE Students (N=4) 9,09%, Administration (N=5) 11,36%, Chambers of commerce (N=2) 4,55%, Other: primary and secondary education representatives, NGO sector representatives, employers' organizations representatives (N=9) 20,45%.

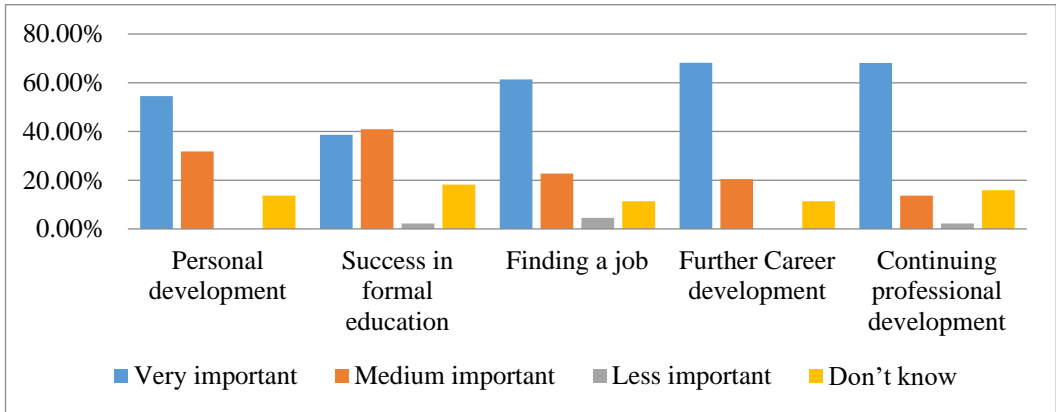
### Descriptive data analysis

The first thematic question was oriented toward the knowledge about the topic and it was formulated as follows: "How would you rate your knowledge on the concept of Service Related Competences?" Almost half of the respondents (47,73%) said that they have medium knowledge of the concept, 31,82%, have low knowledge, and only 20,45% have high knowledge about the concept Service Related Competences.

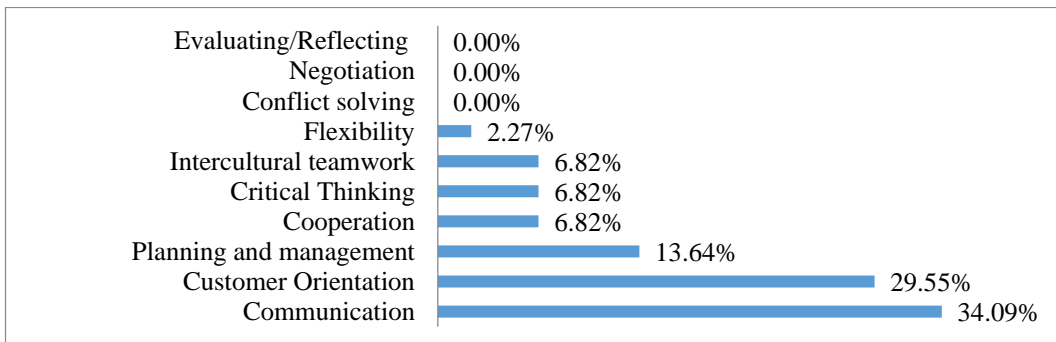


**Figure 1.** Knowledge of respondents about the concept of service related competences

The second thematic question was about the importance of the concept of "Service Related Competences" for different aspects of life especially professional part of the life. The respondents think that "Service Related Competences" are very important for "Further Career development" (68,18%) and with the same percent for "Continuing professional development" (68,18%), than for "Finding a job" (61,36%), "Personal development" (54,55%) and at least they opted for "Success in formal education" (38,64%). The choice of answers was mostly in ranges of very important and medium important, only less than 5% of answers was in the column less important only for options: "Finding a job" (4,55%) and in "Success in formal education" and "Continuing professional development" with same percent (2,27%).



**Figure 2:** The rate of importance of Service Related Competences



**Figure 3:** The aspects and competences consider most important for persons who are “service related”

According the results, from individuals who are “service related” it is expected to have high levels of positive aspects and competences as they are communication (1<sup>st</sup> place), customer orientation (2<sup>nd</sup> place) and planning and management (3<sup>rd</sup> place). It is interesting finding that flexibility is chosen in a very low percentage (2.27%) and conflict solving, negotiation and evaluation/reflecting were not selected at all.

In the third section, the respondents were asked for their opinion about how/where the Service Related Competences can be acquired in the best way.

**Table 1.** In which formal educational domain service related competences are best acquired

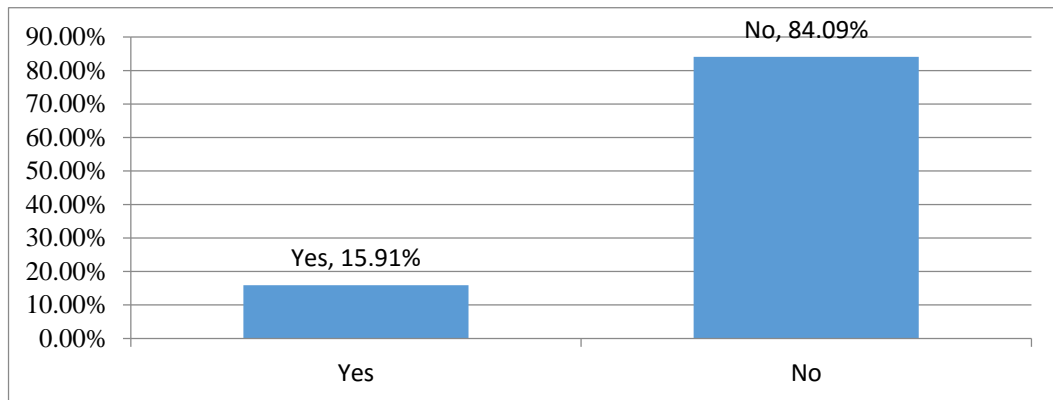
	Very important (%)	Med important (%)	Less important (%)	Don't know (%)
School education	31,82	43,18	18,18	1,2
Adult education	45,45	43,18	6,82	2,3
Vocational Education and Training	72,73	18,18	4,55	1,8
Higher education	54,55	38,64	2,7	1,1

According to the results, respondents think that vocational education and training is most important for acquiring Service Related Competences, on the second place is higher education, on the third place is adult education, and at the fourth place are school education. If we add the number of answers very important and medium important, we can see from the results that internships or traineeships and mobility were rated slightly higher than workplace or voluntary work.

**Table 2.** In which informal learning context service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
In mobility	45,45	36,36	4,55	13,64
Voluntary work	29,55	54,55	4,55	11,36
At the workplace	65,91	22,73	4,55	6,82
In internships or traineeships	56,82	31,82	4,55	6,82

Regarding the informal learning context, the results indicate that the workplace and the internships/traineeships are considered as more important for acquiring Service Related Competences, then the mobility and voluntary work.



**Figure 4.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

On a question whether they are aware about the learning programmes or activities for promoting the acquisition of service related competences (Figure 3), overwhelming majority respondents answered No (84.09 %).

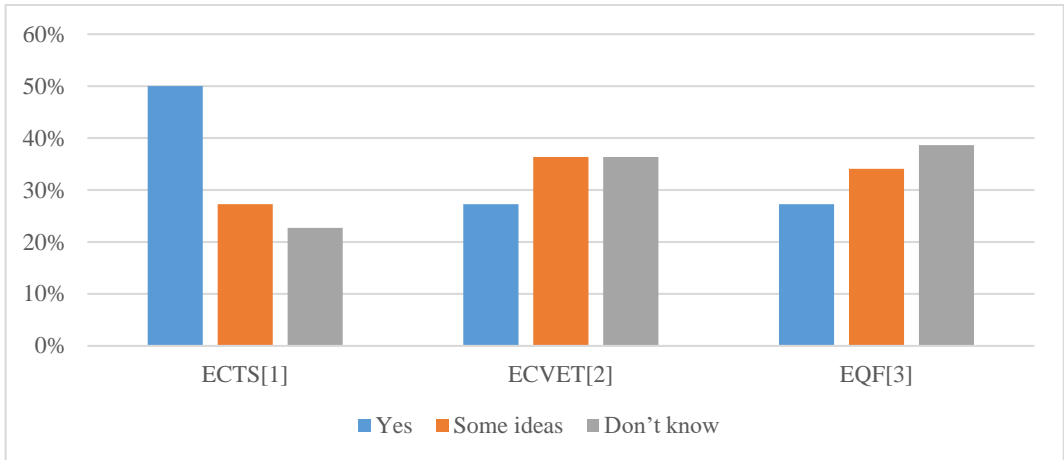
**Table 3.** Validation of service related competences

	Do you have an idea about the validation of these competences? (%)	Do you consider the validation of competences as important? (%)	Do you know approaches for validating service related competences? (%)
Yes	18.18	82	18
No	82	0,00	82
Don't know	38.64	16	0,00

Last set of questions in online questionnaire was related to the means of validation of service related competences (Table 3). While 18.8 % of respondents answered (Table 3) that they are somewhat familiar with the concept of validation of these competences, 38.64 % stated that they have no idea.

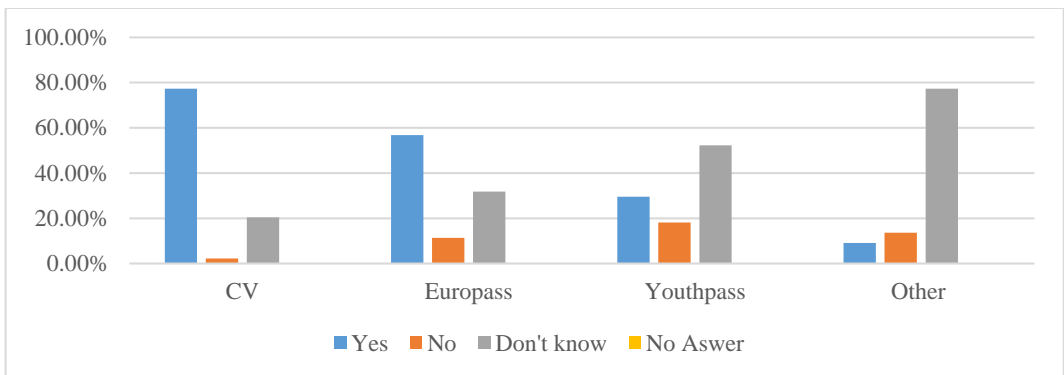
At the same time, majority of respondents (82%) answered that they consider validation important, while only 0.00% consider it not important and 16 % did not know. Most indicative was the answer to the question whether the respondents are

aware of any approach or tool for validating service related competences. Overwhelming majority (82%) answered that they never heard of any such approach.



**Figure N° 5:** Familiarity on instruments

Given the figure above, among 44 participants to this survey in North Macedonia 50% of knew about ECTS while 27.27 % had some ideas about it. 22.73 % did not have any knowledge about ECTS. Regarding ECVET just 27.27% knew about it while 36.36% had some ideas and the rest of 36.36% did not know about ECVET. EQF is among less known instruments, 38.64% of participants did not know about it while 34.09% had some ideas, 27.27% of participants knew about it.



**Figure N° 6:** Allocation of proofs of Service-Related Competences

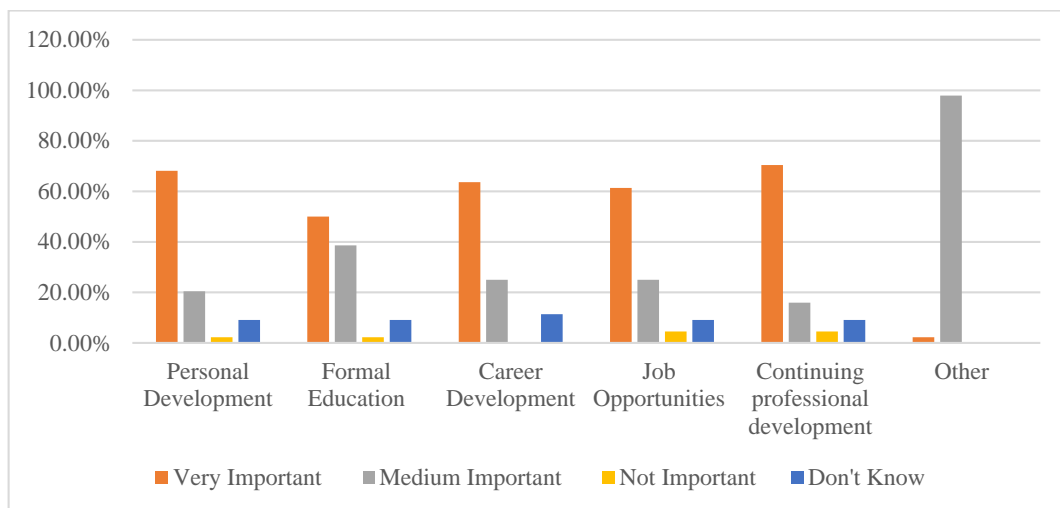
77.27% of Macedonian respondents answered to allocate proofs of Service Related Competences on their CV, while 2.27% responded no to the same question. On the

other hand, 20.45% did not know whether they would allocate Service Related Competences to their CV or not.

In comparison to CV, 56.82% of respondents answered to allocate their proofs of Service Related competences to on their EUROPASS 11.36% answered negatively while 31.82% did not know whether they would allocate proofs of Service Related Competences on their EUROPASS.

On the question whether participants of the eViva survey would allocate their proofs of Service Related Competences on their Youthpass 29.55% said yes while 18.18 % not and over half of respondents, more specifically 52.27% did not know the answer about this question.

9.09% of respondents would allocate proofs of service related competences somewhere else. While 13.64% answered to not allocate this proofs somewhere else. 77.27% percent of participants of the survey did not know whether they would allocate this proof somewhere else.



**Figure N<sup>o</sup> 7:** The importance of the validation of competence

Chart above shows that 68.18% of surveyed Macedonians considered validation of competences very important for personal development while 20.45% considered moderately important. 2.27% considered validation of competences not important. Among respondents, 9.09% did not know whether validation of competences is important or not.

Half of the surveyed participants from North Macedonia considered validation of competences very important for formal education while 38.64 considered moderately



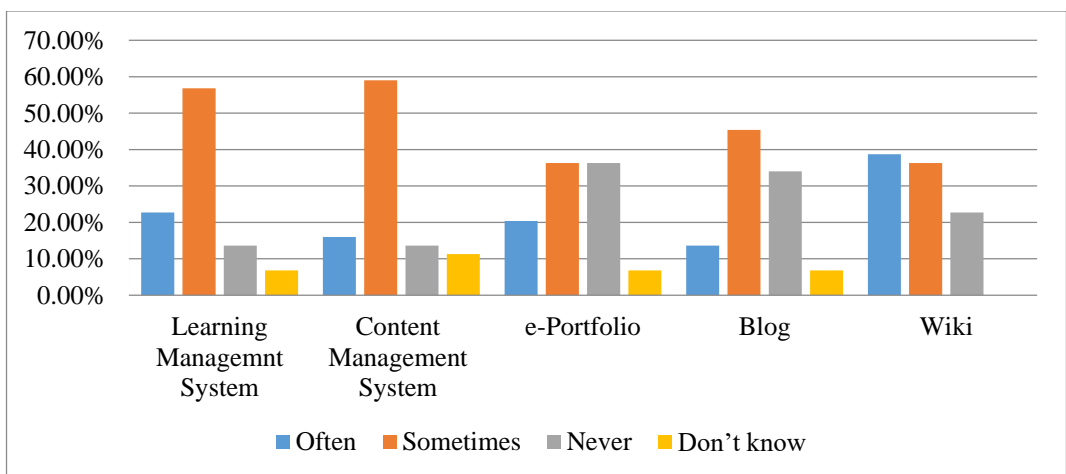
important while 1 responded or 2.27% considered validation of competences for formal education not important at all. 9.09% did not know the answer of whether validation of competences it is important or not for formal education.

According to the results 63.64% of respondents considered very important validation of competences for career developments. 25% considered moderately important while 11.36% did not know whether validation of competences is important for career development.

Validation of competences for job opportunities is considered very important for 61.36% of surveyed participants from North Macedonia. 25% consider this matter moderately important while 4.55% of the respondents did not find important validation of competences for Job Opportunities. Furthermore 9.09% of responded to not know if validation of competences is important or not for job opportunities.

The fifth thematic question was related towards the digital learning, and the respondents were asked whether they use digital learning (e-learning/blended learning) in their university, educational organization, etc. The majority of the respondents (61.3%) replied that they are using digital learning, while 38.7% replied that they are not using digital learning in their institutions.

Furthermore, in this thematic part the respondents have been asked how often they worked with web-based learning tools and instruments in their personal or professional life. According the data received the majority of respondents often uses Wiki web-tool (38.7%), LMS (22.7%) and e-Portfolio (20.4%). It is evident that choice of answers was mostly in ranges of “sometimes” and “never”.



**Figure 8:** Web-based learning tools and instruments

The chart above brings data on the question whether they are familiar with open learning system that connect with validation. It is evident that the majority of the respondents are not familiar with the web-aided system (63.6%) and 36.3% responded that they do not know about this system.

The majority of the respondents (61.3%) consider that using Open learning system is useful, while 34 % do not know and 4.5% considered that is not useful the usage of the OLS.

### Qualitative results

In regard to the topic two focus groups have been conducted. The interview guidelines were identical and standardized for all partners involved in the E-VIVA project. Besides moderators/members of the E-VIVA project team, respondents include the following persons/representatives (presented in the report with unique codes): A - Administration; B1 - Business; B2 - Business; P - Professor in higher education; S - Student; S1- Student1; S2- Student.

Regarding the question on how do you understand the concept of the Service Economy and Service Related Competences, various answers have been received. Despite of being a teacher, student or business, many of the interviewees agree on the fact that service economy is related to that typology of economy where most important economic activities are based in services. Anyway, they do not exclude the manufacturing of goods as part of the system as well. On the other hand, even though they could not answer properly about service related competences, they argument this is due the fact there is very little efforts to introduce and adopt service related competencies to the new generations. They consider service related competences as competences that a country or an individual requires to perform in order to commit intangible outputs. Competences adopted with the new economic conditions in order to provide what is mostly required services. Moreover, the respondents were not able to specify clear definition of service related competences. They all agree that service related competences are the knowledge that graduated students/pupils should have obtained because of the education process, which will help them to accommodate fast to the working organization and to the work/employment, as well as to establish appropriate relationships with the customers. Additionally, they all agree that there is no direct demand for service related competencies in the public and the private sector as well, but there is a great need.

In order to attract greater attention for the subject of service economy and service oriented competences in RNM, the cooperation between education sector and

business has to be maintained on a continuous basis, and through partnership relation, especially in high schools and higher education. In their opinion, this partnership has to begin already during preparation of educational programs. Then, a consolidated approach should be designed during internship and mentorship in the organization. Moreover, according to the participants, both Governmental and Non-Governmental institutions should be engaged in promoting the impact of these competences, furthermore they should give incentives to increase awareness and especially, to the youth as a long term sustainable development. The representative from academia highlights the role of HEI in this regard. They all agree there are many tools to be used for promotion, with particular emphasis in the role of social media, which can be considered, be the main channel for distributing information on the perspectives of Services related competences and other marketing tools such.

The respondents consider that there is a lack of entrepreneurial education in the country. Although there are courses for entrepreneurship in secondary and higher education, they are unpractical and not related to the real business. One positive example are school contests for entrepreneurial ideas. The lack of entrepreneurs is not only because of educational system, but also of the social environment of the country (political and economic). The unstable environment affects the shortage of entrepreneurs to a large degree, and because of that leads to absence of the need for service related competences.

The role of Chambers of Commerce is considered as very important in supporting and implementation of the concept of service related competences in the educational process. It is stressed that the chambers of commerce should establish stronger relationship with educational sector to promote this concept, through organizing joint conferences and education of their own members. When it comes to introduction of the service oriented competences in the national legislation, the opinions of the respondents were somewhat divided, because, in their opinion, legal obligations would not help a lot. When it comes to internship all respondents, agree that it should be better regulated in the respective laws. The current regulation does not suite the needs of the practice.

The business sector representative criticized the academic educational and training programs. Respondents agree that the business sector can contribute to training in service related competencies by means of scholarships, accepting pupils/students for practical work/internship. These efforts should be rewarded with certain benefits for the business e.g tax relieves/exemption.

Related to the question on how can stakeholders of government and administration, in particular education policy institutions, provide better educational approaches related to Service Related Competences, all of the participants expressed that the most important part is to understand the urge of updating educational curriculums. Additionally, integrating the same ones with countries that have been successful in transforming their educational system towards today's needs. The representative from administration suggests that consultants and specialists of the field should be hired in order to bring new policies that would result on improving current educational approaches. Respondents stressed that relating theory with practice in the higher education programs is a significant problem. Business representatives consider that the cooperation with professors is good, but it is difficult to come to common solutions when it comes to programs for training or education, which they need the most for the real business/work practice. Regardless of the existence of entrepreneurship courses in the educational process, the quality of knowledge depends primarily from the manner in which the professor presents the contents of the course to students/pupils. The courses are currently designed without any practice or practical learning. Students are not sufficiently motivated for these courses and gain little knowledge because of non-existing instructions for practical activities in managing/dealing with business, lack of contact of the contents and the way of communicating them with the real sector.

The need for integration of programs with the practice is more than obvious. Respondents gave several positive examples of foreign non-governmental organizations and their programs, and foreign investors they consider good. Their examples can be used in future. Respondents stressed that there is a lot to be learn from foreign investors in the country and that cooperation with them is needed, both for the government (policymakers) and for education sector.

Focus group participants expressed that an actual lack of entrepreneurship in all programmes at HEI is the mind-set to satisfy customers need and later on to calculate risks and profits. The understanding of the definition, the impact of entrepreneurship in many of the challenges that the country faces such as unemployment, brain drain, social inclusion etc. might be a good start for change. Most of them think there is a total lack when it comes to the presence of a design thinking approach to integrate the customers in the product and service creation.

When participants have been asked where the learning should take place, they mainly answered that the best location to learn SRC are Higher education institutions, VET Schools, NGOs, Training Centres, Business premises, International mobility

institutions, etc. Moreover, the interviewees think that better success can be achieved if the theory can be combined with practice.

Respondents agree that in this type of programs a combination of different learning modalities should be used. For example: case studies, role playing games, simulations, clinical teaching with experts from the business, field work where students will be faced with real tasks and problems, e-learning, etc. In order for this approach to be implemented, respondents stressed that the mentor system in the practical teaching should be improved (similar or same as in dual studies).

Respondents consider that information technology can and should be used for learning of service-oriented competences. There is a need of online courses where basic theoretical concepts should be presented, and then, in combination with practical learning, the same should be exercised and learned how to be used in practice. Nevertheless, no one from the respondents did not know to point out at least one learning technology specifically. Respondents favours practical learning. Practical learning via direct contact and communication with clients, teamwork, workshops with discussions, and work on specific cases are considered as most useful methods for acquiring service-oriented competences.

In regard to customer relation and for service creation and rendering, the participants in the focus group stressed mainly in client orientation, communication, flexibility and the aspect of problem solving and networking is considered important as well. Additionally, all participants share the opinion that leadership and project management do not have significant influence for service orientation to clients.

Related to the question on assessing Service related competences, the respondents consider the methods of direct testing, testing with simulation and testing in real situation (on desk) to be as most important for assessment of service oriented competences.

The professionals from Higher education thinks that the competences should be certified in long and short term. In short term, by archiving important assessment documents as a proof of the knowledge acquired; in long term by following and validating the level of applicability of competences. Meanwhile the representative from the administration thinks that if there are any proofs on learning or training competences would be include on individuals CV.

Related to the validation framework, many respondents were not aware of any validation framework. The administrative and the HE teachers mentioned the following two validation frameworks: EntreComp: The Entrepreneurship

Competence Framework, which offers a tool to improve the entrepreneurial capacity of European citizens and organisations and European Qualifications Framework.

## **Conclusion**

After a detailed analysis of the data collected was conducted, and the findings were disaggregated at the institutional and national level in the preceding section, a more condensed and generalized picture of the discussion at the national level shall be presented in this section.

The following issues have been observed in the country's contexts examined by this paper:

Vocational Education and Training (VET) institutions have demonstrated greater acquisition capacities with regards to formal education domain service related competences,

On the other hand, workplace settings have demonstrated increased effectiveness in the acquisition of informal learning context service related competences (on-the-job training, etc.),

However, interruptions have been identified concerning mechanisms fostering knowledge retention and validation of service related competences. Therefore, in the country observed there are problems with institutionalization and sustainability of service related competences.

The Government of the Republic of North Macedonia considers education, training, research and innovation as key factors for strengthening the national economy and wellbeing of the citizens. These efforts resulted in numerous steps: Entrepreneurial Learning Strategy; Advisory Group monitoring the implementation of the Innovation Strategy; National Council for Higher Education, Science, Innovation and Technology; Fund for Innovation and Technology Development (FITD), competent for promoting and encouraging innovations. The collaboration between the business sector and higher education resulted with the establishment of Technology Parks. Technology Parks are venues designed and organized to support innovations usually functioning within universities, also known as research parks or science parks.

The Macedonian Qualifications Framework (MQF) aims to improve the education and training system by applying an outcome-based approach, to alleviate the access to learning in every context and make the results clear for each citizen, to raise the general level of qualifications of the entire population and strengthen the link between qualifications and employment opportunities. With the adoption of the Law

on the National Qualifications Framework in 2013, and the appointment of an official representative as a full member of the European Qualifications Framework Advisory Group, the country obliged to harmonize the MQF with the European Qualifications Framework (EQF).

In the Republic of North Macedonia, so far, no programs from the field of informal learning has been accredited – but there are many non-formal programs. *The Adult Education Centre* has been working on creating a Validation Non-formal and Informal Learning system (VINFL) in Macedonia since 2014. However, this has resulted in the preparation of several documents, staff training, and the development of legislation for the validation process. The process follows the phases: identification, documentation, evaluation and certification, with trained assessors involved in the third phase, assessment.

The Employment Agency of the Republic of North Macedonia conducts an analysis of the skill needs on the labour market once a year. Ministry of Education and Science, launched “Skill development and innovation support project” (SDISP). In the Republic of North Macedonia, the service sector employs half of the employed population; over 99% of the total number of companies are small and medium-sized enterprises, contributing with more than 76% benefit.

The findings of this research indicate that respondents/parties are aware about the positive aspects of the “Service Related Competences”, especially regarding the professional, career development, and employment prospects.

The communication and customer orientation competences should be the core of the educational/training programs for Service Related Competences.

In the Republic of North Macedonia, there is a lack of knowledge about Validation of competences as well as the approaches.

Regarding the instruments such as ECTS, ECVET and EQF, the findings indicate that also in this area there is a lack of knowledge about the instruments.

In the Republic of North Macedonia, the majority of the Institutions are using digital learning. Nevertheless, still a sufficient number is not using at all any digital learning tool in their Institutions.

Concerning the web learning tools instruments the study shows that Institutions in the country are familiar with the learning tools instruments and they are using them in their personal and professional life. Nevertheless, they are not active users since in many learning tools they responded that they are using sometimes, as for LMS, CMS

and Blogs and maybe mainly this happened in public higher education institutions. The data implies that Institutions mainly uses Wiki web browser as learning tool in their individual and professional life, and this argues correctly the balance of the respondent's responses.

It is evident that Institutions in Republic of North Macedonia are familiar with the open learning system (LMS, e-Portfolio) that connects with validation and the majority of the Institutions are using those tools but still a solid number don't know about the web aided learning system.

Additionally, under the context of the definition of service related competences, the graduated students/pupils should have obtained because of the education process, which will help them to accommodate fast to the working organization and to the work/employment, as well as to establish appropriate relationships with the customers. Both Governmental and Non-Governmental institutions should be engaged in promoting the impact of these competences, furthermore they should give incentives to increase awareness and especially, to the youth as a long term sustainable development. Noted by academics that there are many tools to be used for promotion, with particular emphasis in the role of social media, which can be considered, be the main channel for distributing information on the perspectives of Services related competences and other marketing tools such. Influencers could play a very important role to advertise and attract more students.

The importance of customer orientation as a key factor on defining entrepreneurship Nowadays because the customer is the foundation of any business' success. They are aware there is clearly a lack of entrepreneurial education in the country and the urgent need for a customer-focused strategy if companies/businesses want to survive in the long term in a market of rapid change. Customer orientation is especially important when it comes to education. It can offer significant data to measure the extent to which new curricula and scientific activities in HEI can be further developed to fulfil then the expectations of the market.

Furthermore, under the context of increased economic growth (despite periodic downturns) and increased national and foreign investment in several industries of the tertiary and quaternary sectors of the RNM observed, local and central government focus has shifted into nurturing the development of service related competences, specifically targeting HR competences, technology and innovation.

Moreover, the role of Chambers of Commerce is considered as very important in supporting and implementation of the concept of service related competences in the



educational process. It is evidenced that the chambers of commerce should establish stronger relationship with educational sector to promote this concept, through organizing joint conferences and education of their own members. Additionally, noticed by the business sector that they can contribute to training in service related competencies by means of scholarships, accepting pupils/students for practical work/internship, etc.

Lack of entrepreneurship in all programmes at HEI is the mind-set to satisfy customers need and later on to calculate risks and profits. The understanding of the definition, the impact of entrepreneurship in many of the challenges that the country faces such as unemployment, brain drain, social inclusion etc. might be a good start for change. In addition, there is a total lack when it comes to the presence of a design thinking approach to integrate the customers in the product and service creation. Business representatives consider that the cooperation with professors is good, but it is difficult to come to common solutions when it comes to programs for training or education, which they need the most for the real business/work practice.

The most important part is to understand the urge of updating educational curriculums and integrating the same ones with countries that have been successful in transforming their educational system towards today's needs. Furthermore, evidenced by administration that consultants and specialists of the field should be hired in order to bring new policies that would result on improving current educational approaches.

The use a blend (mix) of different learning modalities to promote Service Related Competences in North Macedonia is a perfect combination. The following modalities has been proposed: case studies, role playing games, simulations, clinical teaching with experts from the business, field work where students will be faced with real tasks and problems, e-learning, etc. Noted that information technology can and should be used for learning of service-oriented competences. There is a need of online courses where basic theoretical concepts should be presented, and then, in combination with practical learning, the same should be exercised and learned how to be used in practice.

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