**Analysis of the employability of young people in the Republic of North Macedonia and the necessary skills for its improvement**

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**Abstract**

Unemployment is one of the biggest socio-economic problems facing many countries in the world. This is primarily due to the fact that unemployment is not an isolated socio-economic problem, but the high unemployment rate brings with it a number of other negative phenomena such as poverty and social insecurity, which in turn results in low quality of life of the population, and negatively affects both resource utilization and economic growth.

Youth employment is becoming more and more relevant and gaining importance on national and global development agendas, which is not at all surprising given that the job crisis increases the vulnerability of young people, which in turn results in higher unemployment, lower quality in the workplace, greater labor market inequality between different groups of young people, longer and more precarious transition from education to work, and greater distance from the labor market.

The purpose of this paper is to identify the skills and competencies that young people and employers consider necessary for greater employability, which should certainly result in increased youth employability, ie faster and easier employment of young people and their readiness to start immediately. work. Such a situation is a challenge for the competent institutions to take appropriate measures to reduce youth unemployment because these measures gradually solve current and potential future economic, social and population-migration problems in the country.

**Keywords:** employability, strategy, labor market, employers, active measures

**Introduction**

The daily changes and dynamics of today's living impose a need for additional types of knowledge that are appropriate for the jobs offered. Knowledge acquired through formal education is often not enough to secure a suitable job. Therefore, further improvement and refinement of existing knowledge and skills is needed in order to acquire new practical experiences that will enable easier access to certain jobs. Young people who are inclined to new knowledge, to new experiences and competencies can mostly be directed in this direction.

In the National Strategy for Employment in the Republic of North Macedonia from 2021 - 2027, it is pointed out that employers mostly emphasize the need for knowledge of foreign languages ​​(English, German, Italian), knowledge of basic computer skills (MS Office, Auto Cad), as well as acquired advanced knowledge and skills in the field of information technology (server - administrator, CISCO, Java programmer, Oracle), while emphasizing the need for certificates for acquired knowledge. Among other skills, the need for communication skills, ambition, responsibility, reliability, accuracy, teamwork, data entry and reading skills, flexibility, sales and marketing skills, and management skills are emphasized. As the most desirable competencies and qualifications that young people should possess in order to get a job, the following can be emphasized: leadership, marketing, finance, commercial law, knowledge of the technological process, sales, teamwork, human resource management, etc. The following priorities that would attract young people to apply for a job in a certain company stand out: good and secure salary, possibility for personal affirmation, promotion and career building, positive working atmosphere, productivity, additional training, safe working conditions, additional benefits and bonus packages.

Modern companies that are financially powerful and success-oriented tend to invest in their young staff in the direction of growth and development of the company. They continuously invest in additional training, training, courses and seminars that will enable young people to realize themselves in the position that suits them best and will enable them to progress in their career thanks to the required qualifications: ambition, patience, dedication, persistence, investment in the informal education, practical work, etc.

**Research methodology**

Bearing in mind that this paper deals with the problem of the employability of young people and the need for additional skills and competences, the method of analysis of specific problems in the past years (mostly in the last decade), analysis of the current conditions, as well as their comparison using the comparative method. The data analysis will be performed with the method of descriptive explanation of the obtained research results.

The necessary data and information will be used from the database of the State Statistical Office of the Republic of Macedonia, from the Employment Agency, from the Chamber of Commerce of Macedonia, from the Eurostat database, data from the World Bank, etc.

For a clearer presentation of the obtained results, tabular reviews with appropriate data for a certain statistical sequence of years will be used, graphic representations through bar graphs will be used, as well as presentation of the obtained results through diagrams.

**State of the labor market in Macedonia with a special reference to young people**

When it comes to workers' rights, young people are among the most vulnerable. The youth unemployment rate in Macedonia is one of the highest in Europe. The labor market today requires higher skills and adaptability to new achievements, creativity and ability for innovative thinking, so formal and informal education should be developed in that direction. Discrimination in terms of gender, political affiliation, physical and intellectual disability in the employment of young people should be eradicated through the creation of new, more adaptable employment policies.

According to the official data of the Employment Agency of the Republic of Macedonia, 34.9% of young people aged 15 to 24 are unemployed. In March, April and May 2020 alone, due to the economic crisis caused by the C

Covid pandemic, over 3,500 young people up to the age of 29 lost their jobs. In this same age group, the lowest employment rate of 20.8% was registered. But analysts and non-governmental organizations estimate that the worst is yet to come. For a large number of young people who lose their jobs due to the crisis, there will not even be accurate data, because they are often part of the gray economy, and therefore the foreseen protection measures do not apply to them. The supply and demand in the labor market are out of step. The World Bank warns that by sitting at home every day, young people lose the job skills and knowledge they have acquired in formal education.

Attached are two graphical representations of the unemployment situation in Macedonia, in order to confirm the fact that the country has a sufficient number of able-bodied persons with completed education, but still cannot meet the needs of employers when it comes to certain skills and competencies. .

|  **Table 1. Unemployed by length of unemployment and age** |
| --- |
|  | **2018** | **2019** | **2020** | **2021** |
| **2 years** | **3 years** | **4 years and older** | **2 years** | **3 years** | **4 years and older** | **2 years** | **3 years** | **4 years and older** | **2 years** | **3 years** | **4 years and older** |
| **Total** | 1 562 | 15 858 | 108 382 | 5 594 | 11 681 | 78 388 | 2 625 | 13 874 | 75 589 | 2 223 | 14 862 | 74 648 |
| **15-19** | : | : | : | : | : | 1 168 | - | : | : | - | : | : |
| **20-24** | : | 4 346 | 10 485 | 1 309 | 2 798 | 8 470 | 650 | 3 878 | 6 132 | : | 4 263 | 5 818 |
| **25-29** | : | 3 747 | 20 295 | 890 | 2 135 | 16 421 | : | 3 366 | 13 339 | 820 | 2 595 | 10 626 |
| **30-34** | : | 1 923 | 18 321 | : | 1 213 | 13 996 | : | 1 554 | 11 540 | : | 1 982 | 12 023 |
| **35-39** | : | 708 | 10 298 | 633 | 1 344 | 8 054 | : | 1 342 | 10 125 | : | 1 472 | 11 319 |
| **40-44** | : | 1 535 | 9 867 | 705 | 1 511 | 7 398 | : | 779 | 8 111 | : | 740 | 9 278 |
| **45-49** | : | 1 009 | 10 434 | 520 | 902 | 6 871 | : | 1 196 | 7 439 | : | 1 301 | 7 420 |
| **50-54** | : | 936 | 10 658 | 599 | 1 232 | 6 546 | : | 846 | 7 350 | : | 855 | 7 409 |
| **55-59** | : | 804 | 11 643 | : | : | 6 567 | : | 693 | 7 096 | : | 925 | 6 900 |
| **60-64** | : | : | 6 024 | : | : | 2 885 | : | : | 4 415 | : | : | 3 761 |
| **65 +** | - | - | : | - | - | : | - | - | - | - | : | : |

Source: State Statistics Office of the Republic of Macedonia

|  **Table 2. Unemployed by length of unemployment and level of education** |
| --- |
|  | **2019** | **2020** | **2021** |
| **2 years** | **3 years** | **4 years and older** | **2 years** | **3 years** | **4 years and older** | **2 years** | **3 years** | **4 years and older** |
| **Total** | 5 594 | 11 681 | 78 388 | 2 625 | 13 874 | 75 589 | 2 223 | 14 862 | 74 648 |
| **No education** | : | : | 857 | - | - | 749 | - | : | 590 |
| **Unfinished primary education** | : | : | 1 336 | : | : | 2 192 | - | : | 3 037 |
| **Primary education** | 1 783 | 1 690 | 15 351 | 581 | 1 092 | 19 878 | : | 2 209 | 18 719 |
| **3 years of secondary education** | : | 682 | 6 164 | : | 1 112 | 4 813 | : | 1 224 | 6 596 |
| **4 years of secondary education** | 2 926 | 6 708 | 37 210 | 1 430 | 7 209 | 32 453 | 1 227 | 7 983 | 31 952 |
| **Higher education** | : | : | 525 | : | : | 943 | - | : | 635 |
| **High education** | : | 2 475 | 16 944 | : | 4 106 | 14 562 | 662 | 3 169 | 13 118 |

Source: State Statistics Office of the Republic of Macedonia

The World Bank's analysis of the systemic diagnosis for Macedonia also shows that although about 20 percent of graduates are unemployed, employers still cannot find people with the necessary skills, especially skills of a higher degree, that respond to rapid technological changes. If a comparison is made between the supply and demand of labor force in terms of completed education, for all profiles of education the supply is greater than the demand. The largest number of employments is expected for people with completed secondary education (10,771), then with primary education (4,623), with higher education (1,623), and the least number of jobs are open for people with higher education (1,435) (graphically shown in Graph no. 1

 **Chart 1: Labor supply and demand**


Source: Study - Youth unemployment in the Republic of Macedonia, USAID, Institute for European Policy and Youth Info International, 2019

The data show that on the supply side it is necessary to stimulate creativity, innovation and criticality in the acquisition of new knowledge. In addition, it is necessary to raise awareness among a wider circle of social partners, including employers, in designing new and modernizing existing curricula that will respond to rapid technical-technological changes to a greater extent. At the same time, emphasis should be placed on practical skills without neglecting the quality of theoretical knowledge. For this purpose, in addition to internships, other innovative forms such as university business incubators should be used.

The whole problem with youth unemployment, especially with the emergence of the global pandemic, should also be seen through the prism of emigration. The "Balkan Barometer" survey shows that 41% of Macedonian citizens are actively planning to leave the country. The countries of the region are in a similar situation, where 71% of young people in the Western Balkans are thinking about working abroad.

Based on what was previously stated regarding the employability of young people in Macedonia and the need for additional so-called soft skills, the following weaknesses can be ascertained, but also opportunities that are available in this sphere:

**Weaknesses:**

- a large number of unemployed low-skilled persons,

 - inadequate educational structure of unemployed persons,

 - lack of additional work skills,

 - mismatch between supply and demand of labor force,

 - insufficient knowledge of foreign languages, basic and advanced computer skills, communication skills, management skills, sales and marketing skills, teamwork, reliability, responsibility, precision, flexibility,

- lack of training for acquiring employment skills,

- lack of occupational standards on the basis of which programs are developed for certain necessary occupations.

**Features:**

- unemployed people to become more competitive on the labor market through:

greater involvement in non-formal education for the purpose of acquiring skills needed for employment,

- greater involvement in the measures offered by the state through the Employment Agency,

- improvement of educational programs and their adaptation to the needs of the labor market,

- creation of policies and measures to encourage informal education,

- creation of new programs adapted to the requirements of the business (to be connected with the analysis made by the leading companies for the needs of specific skills,

- to make changes to the method of subsidizing, i.e. redesigning the measures in the Operational Plan for active programs and measures for employment and services on the labor market, by financing the number of employees after successfully completed training, and not according to the number of participants in the training,

- to work on raising the awareness of the business sector for investing in knowledge and skills among employees,

- to make an additional verification of the programs offered by the providers of training in foreign languages ​​and computer technologies that are certified by

- foreign organizations and are recognizable on the market,

- to introduce subsidization of training for communication skills, management skills, sales and marketing skills, teamwork, reliability, responsibility, precision, flexibility,

- to introduce new occupations based on the requirements of the employers, and aligned with the future needs of the business,

- to make regular analyzes of the future needs of the labor market and develop standards of occupations in joint cooperation with employers,

- to increase the "visibility" of non-formal education and its benefits

through promotion which should be two-way: - to the bidders (yes

become independent from state finances and be competitive in the market and

- to users of informal education (through validation of the received certificate in the system of formal education).

**Conclusion**

An appropriate mix of knowledge and skills is crucial for the success of the individual, but also for the companies. Formal qualifications and professional knowledge are only part of the skills needed to achieve competitiveness. Research conducted in recent years on the most important skills that an individual should possess, in addition to professional skills, also identifies soft, digital and entrepreneurial skills. In a meta-analysis of the skills students need for the 21st century, the World Economic Forum identifies 16 different skills, which are grouped into three clusters: application of basic skills in everyday activities: including scientific, financial and ICT literacy; approach to solving complex problems: such as critical thinking, problem solving, creativity, communication and cooperation; approach to changes in the environment including initiative, adaptability, leadership and the like. Soft skills, also called generic skills, employability skills, i.e. all skills that complement professional skills, are transferable between industries and jobs. They refer to aspects such as communication, teamwork, problem solving, reasoning, making independent decisions, etc., and in many studies digital skills are also included here. The need for this type of skills is increasingly emphasized, especially with the increase of the service sector on a global level, but also as a result of the new approach to work which is based on project orientation and working in dynamic and changing organizational and market environments. In that direction, Deloitte Access Economics predicts that by 2030 these skills (including digital skills) will be a key criterion for two-thirds of jobs. One of their research on employee soft skills shows that employees who apply teamwork skills are 3% more productive than other employees. Modern companies that are financially powerful and success-oriented tend to invest in their young staff in the direction of growth and development of the company. They continuously invest in additional training, training, courses and seminars that will enable young people to realize themselves in the position that suits them best and will enable them to progress in their career thanks to the required qualifications: ambition, patience, dedication, persistence, investment in the informal education, practical work, etc.

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