



USAID Macedonia Workforce Development Assessment

*“Taking Steps toward a 21st Century
Workforce in Macedonia”*

Regional Workforce Development
Conference


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Assessment based on extensive (and intensive) consultation and research

- Hundreds of documents from donors, government, and researchers
- 80+ meetings and focus groups with more than 225 different individuals
- 11 focus groups with employers, students
- 17 private firms plus 8 chambers
- 17 government agencies, national and local
- 17 schools, training agencies, university faculties
- 12 ngo's, donors, and donor-assisted agencies
- 6 USAID projects



Observations from the assessment

- **Macedonia faces sharp challenges to economic growth and the development of a modern skilled workforce. These include:**
 - *macro-economic realities and the need for labor market adjustments*
 - *low employment and high unemployment*
 - *Competition in the Region*
 - *A large "grey" market*
 - *ethnic and economic inequities*
 - *An education system struggling to catch up with changing realities of a market economy*
 - *A complicated pathway to European Union membership*



Findings from the assessment

- **There is an uneven official government response**
- **The “Demand” side observes significant skill gaps in a changing economy**
- **“Supply-side” institutions are slow to adapt**
- **Macedonia lacks consistently effective mechanisms to connect supply with demand**
- **Even if the current demand and supply equation were perfectly aligned, there are not jobs**



Sorting and grouping recommendations for priority, feasibility, and impact

40 ideas, sorted into five general (and often overlapping) categories:

- Target future workers and students
- Target currently unemployed, with focus on youth, under-educated
- Target presently employed, but under-skilled
- (Governmental) policy initiatives
- Capacity building initiatives



Criteria for selecting recommendations

- *Systemic importance* (if it worked what difference would it make?)
- *Leverage* (could USAID's investment leverage useful change?)
- *Feasibility* (could it be done successfully?)
- *Innovation* (will it break new ground?)
- *Compatibility with context* (could it fit Macedonian policy and organizational realities?)
- *Potential for scaling up and sustainability*
- *Public-Private Partnerships* (does it advance this interest?)



3 “types” of recommendations

- *Core* – initiatives for proposed project
- *Supplemental* – related capacity-development and policy activities
- *Linkage* – ties to current USAID and other programs



Core Recommendation #1: Job Creation through entrepreneurship and enterprise development

- Starting a business platform
- Micro-finance and Incubators for start-ups
- Small equity investments for expansion
- Business Angels (BA) for both
- “Quick-fix” training for expansion




Core recommendation #2: Pilot One Stop Career Centers: a demand-supply matching mechanism

- Two or three (regional) locations
- Partner with municipality, vocational secondary school, employment service agency, university
- Strong public-private partnership with Board
- demonstrate demand-responsive career counseling and coaching,
- assessment-based training and education, and
- managed job placement, internship matching for secondary vocational students, university students, and the currently unemployed



Core Recommendation #3: *Green Jobs Corps: Education, Employment, and Energy Efficiency*

- energy conservation training and work readiness (modeled after Youth Conservation Corps and YouthBuild USA)
- out of school, and unemployed young people, aged 15-27)
- “crews” of 8-10 with skilled adult supervisors/coaches
- Assistance to low-income households and government facilities



Core Recommendation #4: *The “Rising Generation” Project: Skill-building for currently employed, focused on family-owned enterprises*

- business management skills, business-based “soft skills”
- Target: sons and daughters of current owners of promising business enterprises
- Overcome resistance to change to modern methods by the future owners and operators
- Tie to entrepreneurship and regional centers



Supplementary Recommendations

- Skills Gap Survey and Analysis (MoLSP)
- Individual Employment Plans and current “active measures” (ESA)
- Competency-based alternative diploma (Center for Adult Education)
- Government and donor support for job creation, entrepreneurship and small enterprise growth (MoE)
- Rapid response system for major job losses and plant closures. (MoLSP, MoE)



Linkage Recommendations

- Competitiveness Project: Internships
- Primary Education Program (PEP): early introduction of entrepreneurship
- Planning for new education program
- AgBIZ program: business skills and “rising generation” initiative
- Business Environment Project: labor policies, taxation and registration issues
- Local Government Project: tie with municipalities and regional centers