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## SERVICE RELATED COMPETENCES EDUCATION PRACTICES IN SOUTH EAST EUROPE

**Abstract:** *This paper presents research on service related competences in South East Europe. This research was conducted as part of Erasmus+ CBHE project named 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 important factor for overall development of service sector. Stocktaking 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).*

*Results of desk research, analysis of results of the online questionnaire results and interviews with stakeholders (one-to-one or focus group) as well as interpretation of needs analysis in South East Europe are presented in this paper.*

**Keywords:** *Service; Competences; Education; Validation; Entrepreneurship.*

### 1. Introduction

American business magazine Fortune ([www.fortune.com](http://www.fortune.com)) publishes the Fortune 500 list, which presents largest US companies (including both public and private for which revenues are provided publicly) ranking by achieved yearly revenue. 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

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et al., 2015).

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.

The U.S. economy development in last decades shows the rising service economy importance, in parallel with the growth in related wages in spite of increased availability of high-skilled workers. The paper of Buera and Kaboski (2012) gives a view on the link between the service economy growth and the skill accumulation. The theory developed predicts a further growth of the available skill level, so as increasing price of services linked to such skill, thus making the service economy even more competitive (Buera and Kaboski, 2012).

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 also has the potential to absorb laborers 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

intriguingly 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 & Rose, 2015).

This was the basis 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 partners 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 also finding what needs still to be brought into practice).

Research was composed of desk research, provision of online questionnaire and direct interviews with the stakeholders (with focus groups or one-to-one interview). Results of this extensive research are presented with the following chapters.

## **2. Literature Review**

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.

Entrepreneurial education, according to the largest number of scientific papers, is divided into: formal education including education in schools and institutions of higher education, and informal education including all other forms of entrepreneurship education outside educational institutions in the form of different types of trainings, events, competitions etc. (Vucijak et al., 2018).

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, life long learning, which has recently become especially important in the countries of Southeast Europe (Sitthisak et al., 2007).

While the entrepreneurship concept (including the specific entrepreneurship competences) is well known and widely discussed in Bosnia and Herzegovina (BiH) and there is increasing interest to increase

participation of entrepreneurship topics into education, there is no widely accepted perception of specific service related competences.

Researching service related competences in practice, we found that the Development Strategy of Bosnia and Herzegovina mentions service economy only at two places in the document (recognizing chances for increased income from services like tourism and financial services), while the Development Strategy of BiH entity Federation of Bosnia and Herzegovina (2010-2020) writes that even 74% of the private companies are engaged in service economy (54% in trade). This stresses the dominant part of GDP earned within the service economy and stresses its potentials for faster development, but documents do not specify which competences are the key ones for growth of this sector.

In general, strategic documents stress the need to secure that education outcomes and acquired competences meet the needs of a competitive economy, but without specifically referring which exact competences are actually needed for any targeted area of work.

Employment Mediation Agency Posao.ba ([www.mojposao.ba](http://www.mojposao.ba)) operates within the company Kolektiv d.o.o. which was established in 2001. They are specialized in mediation in employment in the wider areas of the labour market and for different candidate profiles.

They have identified the gap between available resources and time needed for selecting adequate candidates from the side of an employer and therefore, decided to offer this service.

After finding potential candidates (registered through the website [posao.ba](http://posao.ba)), the agency starts a selection process that involves interviewing candidates, psychological testing (16PF or Hogan tools), checking references, education, financial expectations, cancellation deadlines and other information that is necessary for the client.

Reviewing the jobs advertisements one can say that the major requests for the applicants relate to their formal education and experiences in the area, but a few of the service economy competences are sometimes added to the requests, underlining the communication and negotiation skills, teamwork, ability to work effectively in multicultural environment, good critical thinking and problem solving, client orientation and similar. These competences sometimes also perceived as “soft-skills”, seem to be more demanded with the job ads published by international organizations and companies.

Enterprises, companies, private and public employers in BiH active in service related economy usually underline as their key competences the following ones: Client orientation as a priority target, Adaptability to the changing market requirements, effective and efficient Communication with their customers, Creativity and Problem solving regarding the emerging social needs. If wishing to underline only one, usually that would be the Client orientation.

In general, still there are no explicit demands from BiH business sector even regarding the more general entrepreneurship education, and especially related to the service economy competence building. Nevertheless, efficient small and medium enterprises, often being family owned, send youngsters to entrepreneurship-oriented study programme. It should be also noted that the business sector does not have perfectly clear vision on specific competences needed to support effective entrepreneurship.

Besides the organization’s mission, vision, values and business and technical culture, it is of crucial importance to provide continuous professional education of its employees in order to retain and increase its competitiveness in dynamic and rapidly changing business environment. When organization itself is not able to provide education for its employees through own resources or capacities, then it is appropriate

and meaningful for organization to consider engagement of professional education institutions such as higher education institutions, institutes and third-party organizations specialized in particular professional education.

In March of 2017, the project "Development of a Qualifications Framework for Lifelong Learning" has been started. The goal of the project is to strengthen the quality and efficiency of the education system, including providing adult education and contributing to the comparability of education systems in BiH with education systems in the EU based on the 2020 Strategy and the European Qualifications Framework for Lifelong Learning. The purpose of the project is to further develop and implement the Qualification Framework in BiH with a focus on secondary vocational education and training (VET) and adult education with special attention to a systematic approach to the development of quality assurance in VET and to improve the identification of relevant qualifications and mechanisms for financing VET (EACEA National Policies Platform, 2021).

According to the European Training Foundation Bosnia and Herzegovina is making strong progress in education, including through the VET Strategy (2015-2020) and development of a National Qualifications Framework (NQF) guided by participation in the European Qualification Framework (EQF) advisory group. In 2015, representatives from entities completed the drafting of a comprehensive skills development policy strategy. Progress is being made in entrepreneurial learning, through the implementation of the Small Business Act. Progress has also been made in non-formal learning: a comprehensive training needs analysis was completed for SMEs in four economic sectors and capacity-building initiatives in business chambers such as the creation of databases showing business service providers that offer non-formal entrepreneurial learning (ETF, 2021).

A validation is seen as an important opportunity in the new framework and forms part of the action plan, but there is no country-wide system. Neither VET nor higher education yet has agreed criteria for validation of qualifications, which would support quality assurance and levelling of qualifications in the NQF (ETF, 2016).

According to the report (Bokonjic & Vico, 2016), “the universities have not developed legal framework or practices for the validation of the NF and IF learning.”

However, there are efforts towards VINFL, including:

- Defining NF and IF learning in the law for Adult Education by the majority of cantonal ministries in Federation BiH (Bokonjic & Vico, 2016).
- In October 2014, the Council of Ministers of Bosnia and Herzegovina “adopted the Strategic Platform for the Development of the Adult Education in the Context of the Lifelong Learning for the Period 2014–2020” (Bokonjic & Vico, 2016).

Furthermore, the Council of Ministers of Bosnia and Herzegovina has adopted a new strategic document in the field of vocational education and training entitled “Improving the quality and relevance of vocational education and training in Bosnia and Herzegovina – based on the conclusions from Riga (2021-2030)”, at a session held on January 28, 2021.

### **3. Research methodology**

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 competence among the target groups.
- Rating of the importance of these competence 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 done either as 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.

## **4. Results and discussion**

Analyses of the research performed by the partner institutions in South East Europe from Montenegro, Albania, Serbia, Kosovo and Bosnia and Herzegovina is presented below.

### **4.1. Montenegro**

The research about the status of service related competences in Montenegro was performed by representatives of the University of Donja Gorica (UDG) and the University of Montenegro (UOM).

This research provided answers to numerous questions regarding the current state of service related competences in Montenegro, 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 Montenegro. Basic strategic branches of Montenegrin economy development are based on services, especially on tourism, transport, but also on agriculture and its service processes. Montenegro has recognised its potential in the development of service sector and had changed its strategic direction of development and had performed restructuring of the economy from production

oriented to service related enterprises through reorganisation of economy. Accordingly, Montenegro turned to service sector in the recent years, and in has created prerequisites for intensive acquisition of competences for service activities. Needs of business sector in Montenegro contributed to promotion of dual education in high schools, especially in the service sectors, such as tourism and hospitality. It was the case mostly due to the fact that Montenegro is recognised tourist destination and tourist product a relevant economic factor for the state.

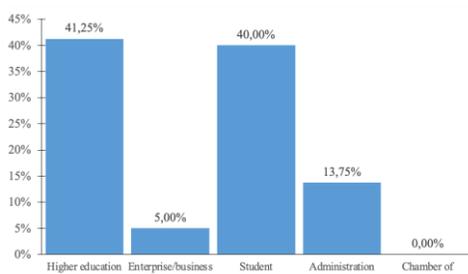
Study programs at the level of higher education are implemented in accordance with market requirements, i.e. requests of business sector. Namely, competences acquired during the creation of a specific study program must be accredited as usable in the market, i.e. to fulfil business sector requirements.

Business sector has also frequently appeared as initiator for development of a certain study, i.e. about educational programs. These define levels of required knowledge, competences and skills, i.e. studying outcomes to be mastered by students or pupils. This is important for both, the service business sector and other fields. Efforts were implemented to improve students' competences through the involvement of business entities in the educational process at the level of higher education, more precisely, in study programs. The Law on Higher Education defines an obligation to provide 25% practice at program and / or study program at the level of all study programs in higher education organisations, through cooperation with the so-called basics for organising practical lectures. Validation of competences is essential for HE institutions because it enables them to know which exact competences, knowledge and skills they are developing. There is no system of validation of vocational trainings and similar educational options. Employers in private sector especially look for these types of education because they provide additional skills which are often beyond what HE

institutions offer.

The interview was conducted with 2 entrepreneurs, 4 professors, 2 students and 2 representatives of Chamber of commerce. During the interviews, respondents stated that service related competences were seen as crucial for education by all of the interviewees. They stressed the need to modify existing educational practice because it does not stress them enough or does not include it in the sufficient level. However, there was a slightly different opinion between students and professors, the first pointing to the need of more encompassing approach, from primary and secondary level to university education. It was referred to both applied and theoretical knowledge. All respondents agree that there are huge opportunities for service related competences because the demand is high. They all pointed to the fact that faculties which are recognised to be the most service related, e.g. economy, tourism and hotel management enrol high number of students. It was concluded that entrepreneurship is being developed in Montenegro and demand of service related competences is rising. The state has been providing certain funds for these activities and it is the reason why this area is gaining increased interest. Development of already mentioned areas in Montenegro supports this thesis and all respondents agreed on it.

Online questionnaire was filled by 80 respondents and they come from various backgrounds. The majority (47,5%) were younger than 30, 15% were between 30-40, 23,75% between 40-50, 12,5% between 50-60 and 1,25% older than 60 years of age. Almost 2/3 of respondents were female (65%). 41,25% of respondents work in higher education, 5% come from the business sector, 40% are students and 13,75% come from administration, as it shown at Figure 1.

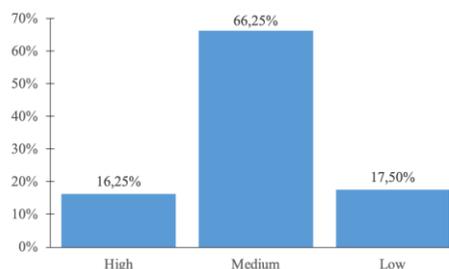


**Figure 1.** Respondents according to the professional status

Service related competences are seen as important by the highest majority of respondents. It refers both to their personal development, success in education, for finding a job, for their further career and development. It was the case with more than 80% of the respondents. Actually, 66,25% of respondents answered that they have medium knowledge about the concept of service related competences while 16,25% answered that they have high knowledge (Figure 2).

The majority of respondents states that

service related competences can be obtained in all of the possible ways that were offered in formal education. Consequently, it is a school education that is seen as very important and medium important by more than 3/4 of respondents.



**Figure 2.** Knowledge of respondents about the concept of service related competences

The similar number can be seen for adult education, vocational education and training and higher education, where the cumulative number for two answers was more than 90% (Table 1).

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

	Very important %	Medium important %	Less important %	Don't know %
School education	42,50	35,00	18,75	3,75
Adult education	60,00	26,25	11,25	2,50
Vocational Education and Training	68,75	26,25	2,50	2,50
Higher education	60,00	32,50	5,00	2,50

The analysis included a number of areas of informal learning context where service related competences can be acquired, as presented in the Table 2. It shows that learning about service related competences at the work place is evaluated by 91,25 % respondents as important (very important or medium important); learning through voluntary work is evaluated by 82,5% as also important (very important or medium

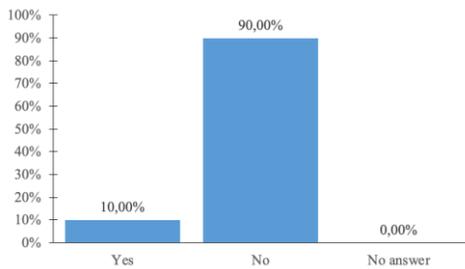
important), while learning through internships or traineeships is evaluated as important (very important or medium important) by 93,75% respondents.

The workplace is presented as the best option for learning about service related competences and mobility, voluntary work, internships and traineeships are seen as very relevant as well.

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

	Very important %	Medium important %	Less important %	Don't know %
In mobility	50,00	40,00	5,00	5,00
Voluntary work	41,25	41,25	10,00	7,50
At the workplace	66,25	25,00	2,50	6,25
In internships or traineeships	63,75	30,00	1,25	5,00

Discussing an awareness of respondents about any learning programme or learning activity which promote the acquisition of service related competences, it can be seen that most of respondents in Montenegro (90%) said No, as it shown at Figure 3.



**Figure 3.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

Answers in online questionnaire about validation of service related competences are presented in Table 3. Most of respondents answered that they are not familiar with the concept of validation of these competences.

Almost half, 47.5% exactly, said that they do not have an idea about the validation of these competences while 45 % stated that they do not possess any knowledge about it.

At the same time, majority of respondents (70%) answered that they consider validation of competences as important, 6.25% consider it as unimportant, while 23.75 % respondents did not know. On the other hand, 88.75% of respondents answered that they have never heard of any approach to validation of service relating competences, while just 11.25% heard about it.

**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	7,50	70,00	11,25
No	47,50	6,25	88,75
Don't know	45,00	23,75	0,00

#### 4.2. Albania

The research was performed by European University of Tirana and University Aleksander Xhuvani. The service sector consists of the "soft" parts of the economy, i.e. activities where people offer their knowledge and time to improve productivity, performance, potential, and sustainability. The basic characteristic of this sector is the

production of services instead of end products. Services (also known as "intangible goods") include attention, advice, experience, and discussion. There are many definitions of what constitutes a service. Many definitions of services focus on the fact that the service itself does not produce tangible output, although it can be a tool for producing some tangible outputs. The production of information is generally also regarded as a

service, but some economists now attribute it to a fourth sector, the quaternary sector.

To gradually fill the gaps between the skills and qualifications offered by individuals and the market labour needs the VET framework is being updated through the new VET law no.15/2017. Also, a revision of the 2010 AQF law has been adopted in May 2018 for the same main purpose.

According to ETF report “Albania country strategy paper 2017-20”, analysing the country progress related with NESS 2014-20, the new VET reform aims to bring all VET providers under one legal framework, creating in this way the opportunity for better coordination of public VET provision in schools and vocational training centres (VTCs). Also, the law ensures and specifies the functions of national and regional bodies and VET providers.

The revised National List of Occupations was developed by NAVETQ in cooperation with Business sector, and was adopted in September 2017. The occupational descriptions and standards classified in this list form the basis for the National Register of Vocational Qualifications which contains all vocational qualifications that are provided in VE. Kulturkontakt in cooperation with ETF worked to develop the draft regulation for the implementation of internships in businesses of students in VET institutions.

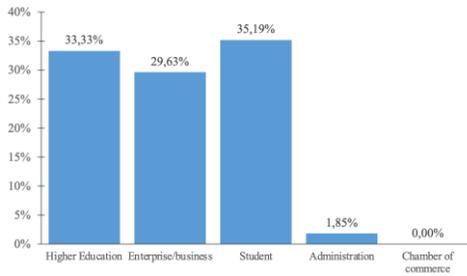
According to the Annual Progress Report 2017 for NESS 2014-2020 is emphasized as a continuous challenge the necessary progress towards involvement of the private sector in VET, mainly as a partner in delivering work-based learning through internships, apprenticeship schemes, VET trainers, etc. The most important is that this progress must be transformed from an ad hoc or piloting case towards a systematic approach, and this requires the adoption of other changes in the current legal base, enabling work-based learning (dual approach) in vocational education.

This was also emphasized and noted when the German Association of Industry and Trade in Albania, prepared a poll through the survey “Vocational Education & Training in Albania companies ask for better skilled workforce in Albania”, in order to gather the opinion of the companies about the supply and demand of vocational education in Albania.

For junior or entry level employees, companies are interested particularly in the following skills: logical/analytical thinking 74,7%, communicativeness 67,7%, teamwork 64,2%, ability to effectively learn new things 59,9%, self-organisation 55,3%, creativity 38,5%, problem solving 35,4%, stress resistance 31,1%, entrepreneurship and initiative 21%, independence at work and in making decisions 14%, leadership 12,1%, delegating and coordinating work of others 11,3%, conflict solving 9,3% (“First steps into the labour market” (Deloitte, 2015).

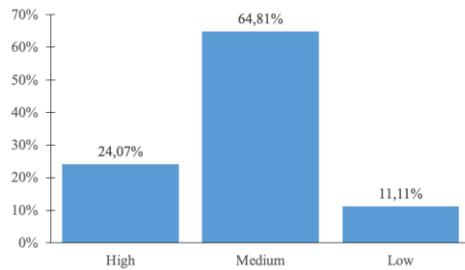
To provide an insight in knowledge and understanding of concept of the service economy and service related competences among different target groups in Albania (academic and administrative staff of HEIs, students and also professionals from public and private sector) a desk research, together with face-to-face interviews were conducted at University of Elbasan “Aleksander Xhuvani” (public HEI) and European University of Tirana (private HEI). There were sets of questions during the interview related to general demand for service economy and service related competences, provided support, provision, methodology and validation.

The interview was answered by 54 individuals, from which 33,33% were working in Higher Education sector, 29,63% were working in enterprise/business sector, 35,19% were students and 1,85% from the administration (Figure 4.). There were no respondents coming from chamber of commerce.



**Figure 4.** Respondents with respect to professional status

Survey respondents rated their knowledge on the concept of service related competences (Figure 5) mostly as medium – 64,81%, 24,07% of them stated that their knowledge is high, while only 11,11% rated their knowledge as low.



**Figure 5.** Knowledge of respondents about the concept of service related competences

Respondents had to answer a set of questions related to the way of acquisition of service related competences and had to rate the importance of places where service related competences are best acquired related to different educational domains (Table 4). They rated vocational education and training and higher education as very important higher than adult or school education.

**Table 4.** In which formal educational domain service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
School education	38,89	44,44	16,67	0,00
Adult education	57,41	37,04	5,56	0,00
Vocational Education and Training	75,93	18,52	5,56	0,00
Higher education	75,93	24,07	0,00	0,00

Table 5 shows answers regarding the importance of places where service related

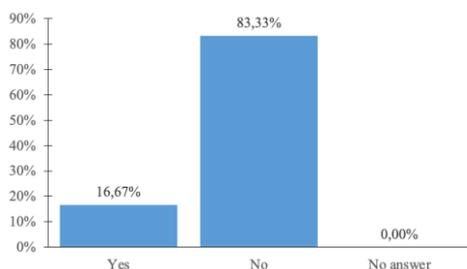
competences are best acquired related to different informal learning contexts.

**Table 5.** In which informal learning context service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
In mobility	37,04	50,00	3,70	9,26
Voluntary work	33,33	51,85	11,11	3,70
At the workplace	81,48	18,52	0,00	0,00
In internships or traineeships	77,78	18,52	0,00	3,70

From Table 5 it can be seen that for the respondents is very important to acquire service related competences at the workplace and during internships or traineeships more than during mobility or voluntary work.

If they are aware about the learning programmes or activities for promoting the acquisition of service related competences (Figure 6), vast majority of the respondents answered No (83,33%).



**Figure 6.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

Last set of questions in online questionnaire was related to the means of validation of service related competences (Table 6). Only 33,33% of respondents answered that they are

somewhat familiar with the concept of validation of these competences, while more than half of them (51,85%) stated that they have no idea about the validation process of these competences, but they find it important (88,89%). Only 1,85% consider it not important and 9,26% answered they didn't know about the validation process. Most indicative was the answer to the question whether the respondents are aware of any approach or tool for validating service related competences. Only 16,67% of them answered that they had some information about approaches for validating service related competences while the majority (83,33%) stated that they never heard of any such approach.

**Table 6.** 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	33,33	88,89	16,67
No	51,85	1,85	83,33
Don't know	14,81	9,26	0,00

### 4.3. Serbia

The research in Serbia was done by University of Niš and University of Novi Sad. In Serbia, graduated students possess mainly theoretical knowledge gained from professional courses, but during the studies they receive very little practical experience, and, at the end, they lack service related skills necessary for modern day jobs. Conducted analysis of all 1201 study programs at all the faculties in the Republic of Serbia (16 Universities with 136 faculties/departments) shows that as many as 47,8% of students do not take any courses during the studies that even partly involves the development of some of the service related skills. The Law on the Foundations of the Education System and the Education Strategy in Serbia until 2025 recognized that problem and, as the basic

goals of education, proclaim the development of personal business skills and imposes them as an obligation to educational institutions as a general learning outcome through modules and courses in newly accredited study programs.

Analysis of the job ads at Serbian most important internet portals devoted to the job search shows that as much as 81% of job ads look for service related skills, while only 19% seek exclusively professional business skills. Most important skills for Serbian companies, by the order of importance, are: oral and written communication, teamwork, dedication, focus on results, self-initiative, negotiation ability, professional ethics, creativity, leadership, stress management, ability to learn, conflict management, flexibility, building connections, cultural adaptability, making decisions, continuous

improvement, customer orientation, adaptability to changes, analytical skills. The polls conducted on small and medium-sized enterprises in Serbia show that more than half of the companies have in their budgets, for the current year, planned funds for the additional education and training of employees, the convincing majority of which implies necessary training in the service related skills. This shows the great need of the economy for educating the labour force through programs tailored to the market.

Besides desk research, face-to-face interviews were also conducted at University of Niš, Serbia, with the goal to provide an insight in knowledge and understanding of concept of the service economy and service related competences among different target groups in Serbia (professionals, teachers, students). There were five larger topics (sets of questions) during the interview related to general demand for service related competences, provided support, provision, methodology and validation.

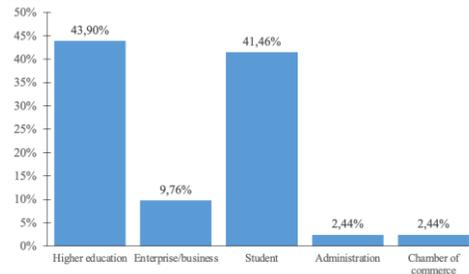
During the interviews, respondents stated that they are mostly familiar with the concept of service related competences. Their opinion was that almost every job ad today has those competences stated as desirable. After hiring, companies hold occasional courses to develop these competences among their employees. This culture was brought to Serbia mostly by foreign companies. With the development of small and medium size enterprises in Serbia, there is a visible deficiency in qualified people both in terms of expertise (demographic problems, young university graduates leaving the country) and possession of service related competences. Entrepreneurs, on the other hand, are very well aware of the importance of these competences and the fact that there is no success in the modern market without considering their importance.

All interviewees agreed that service related competences should be validated in some way and most of them stated that maybe validation

should not be in the form of numerical grades but rather in some descriptive manner.

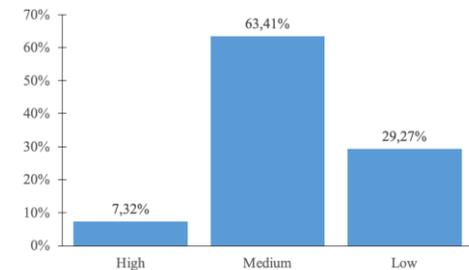
Additional online questionnaire in Serbia was organized with the goal to explore how familiar stakeholders are with the concept of the service economy and service related competences in connection to the web-based learning environments, as well as with approaches and instruments for validation of learning outcomes in their practice.

Respondents were mostly employed at higher education institutions (43,90%) or students (41,46%), while 9,76% were from business sector (9,76%), and only 2,44% working both in administration and the chamber of commerce (Figure 7).



**Figure 7.** Respondents with respect to professional status

Survey respondents rated their knowledge on the concept of service related competences (Figure 8) mostly as medium (63,41%) or low (29,27%), while only 7,32% rated their knowledge as high.



**Figure 8.** Knowledge of respondents about the concept of service related competences

One set of questions was related to the way of acquisition of service related competences. Respondents first had to rate the importance of places where service related competences are best acquired related to different educational domains (Table 7).

They rated vocational education and training and higher education higher than adult or school education. Then respondents also had to rate the importance of places where service related competences are best acquired related to different informal learning contexts (Table 8).

**Table 7.** In which formal educational domain service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
School education	14,63	51,22	29,27	4,88
Adult education	24,39	46,34	19,51	9,76
Vocational Education and Training	53,66	34,15	7,32	4,88
Higher education	41,46	43,90	9,76	4,88

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.

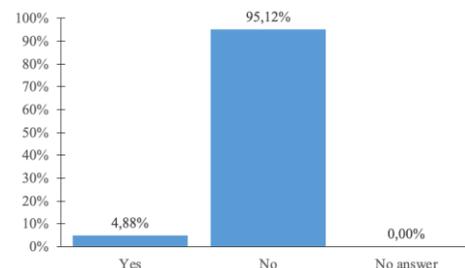
**Table 8.** In which informal learning context service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
In mobility	31,71	53,66	9,76	4,88
Voluntary work	29,27	46,34	17,07	7,32
At the workplace	63,41	17,07	14,63	4,88
In internships or traineeships	56,10	31,71	7,32	4,88

On a question whether they are aware about the learning programmes or activities for promoting the acquisition of service related competences (Figure 9), overwhelming majority respondents answered No (95,12%).

question whether the respondents are aware of any approach or tool for validating service related competences. Overwhelming majority (95,12%) answered that they never heard of any such approach.

Last set of questions in online questionnaire was related to the means of validation of service related competences (Table 9).



While 46,34% of respondents answered (Table 9) that they are somewhat familiar with the concept of validation of these competences, 53,66% stated that they have no idea.

**Figure 9.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

At the same time, majority of respondents (56,10%) answered that they consider validation important, while only 4,88% consider it not important and 39,02% didn't know. Most indicative was the answer to the

**Table 9.** 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	46,34	56,10	4,88
No	53,66	4,88	95,12
Don't know	0,00	39,02	0,00

**4.4. Kosovo\***

Public University "Kadri Zeka" and Universum College conducted research in Kosovo. In terms of service sector, the marketing can be considered as the key element to reach the client, of course if professional activities are developed competently, it will serve as marketing to achieve the business goals which offer services. Marketing of services is more specific than that of tangible products and it is a little more difficult to do and to be accessible. It should be emphasized that competent marketing services are now developed and independent. The form changes gradually shifting from classic to digital forms.

There is a need for collaboration between universities and businesses to build modules for training and qualification of persons to act competently in any field. The promoter of the work and development of universities is the development of qualified staff who are competently serving to business, whether in services or products. In Kosovo there are companies that provide high quality services and products. There are marketing companies especially that provide high quality and expensive services. In order to develop staff with competences, attractive and modern studies should be developed and traditional approach should be avoided. When there is professional staff, there will be definitely good marketing and the company will succeed in the market. Universities have to adapt to the new era. Another very important characteristic is that very few universities

have paid attention to students' professional practice.

Unfortunately, the new staff that universities produce need to be targeted or oriented at specific segments, for example services, for production, for individual customer service, for industrial client, for manufacturing client and others. This makes the market well-staffed and certainly competent. Also, it is very important that students must be prepared to deal with the latest technology, of course through advanced practice and theoretical part in the course syllabus. In Kosovo there is shortage of trained staff. Companies invest in employee recruitment, almost always providing on-the-job training. This means that young workers gain basic knowledge through trainings. In that aspect, HEI should build institutes, which will offer specific trainings for its staff and others based on modules jointly developed with businesses in order to generate incomes but also to help businesses with appropriate staff. It should be emphasized that "brain drain" is also a problem that needs to be tackled.

It was emphasized that for service and manufacturing companies the client or the customer is the top priority. The companies do not build services or produce products that do not fit the customer. The clients are not connected and are not related to the company's name, or the direct marketing effects. For customers the main factor is the price. The businesses always think for prices, customers and opportunities that are suitable for their customers. In these conditions, the customer's orientation is a big challenge. Also, the businesses in Kosovo are faced with unfair competition, such as businesses that do

not pay any taxes or they are unregistered or operate illegally that provide the same services or products. Entrepreneurial education is directly influenced by competition and customer behavior. The price is determinant of the success of services or products and the focus of companies may not always be on quality.

There are businesses and entrepreneurs in Kosovo that provide services and products with high competence. Also, there are services and manufacturing businesses in Kosovo that operate within traditional organization which is very complicated and is not always efficient. The organization and operation of these businesses is not always competency based, because the businesses are profit oriented only, and they have not priorities in huge, professional and administrative investments. Actions like these are also the result of insufficient knowledge of the law and global functioning of manufacturing and service businesses.

Third parties (Chamber of Commerce, Kosovo Business Agency) have not developed any enterprise to link the market with the providers of higher education in Kosovo. As a result of the lack of involvement of third parties, we also have delays in developing or advancing study programs. Third parties should be more involved in establishing contacts and developing programs, especially with internships for potential students or potential employees of companies.

It is recommended that higher education providers should develop direct contacts with large service or manufacturing businesses in order to build focus groups that can potentially contribute to the development of demand-based or need-based programs.

Also, the establishment of institutes at HEI is very important, and together with the network of partner businesses of these institutions, could develop training modules that can contribute to the development of new staff. They will be better prepared than in current situation, so any initiative in this regard is

welcome. Through the establishment of institute in these institutions, joint modules can be developed and the training of students and other stakeholders can be developed based on competences. On one side, the university brings the staff for the theoretical part, while businesses offer their qualified staff who should bring the experience and practical work to the candidates. In this way they can develop service or production competences based on the expertise of businesses. Also, based on the needs of businesses, university can develop bachelor or even master study programs that would educate students with respect to a labour market needs.

One of the best examples in Kosovo is University "Kadri Zeka" which in recent years has developed its internal capacities to compete through applications in international programs and projects. International business supports applications for international projects, which are very important for all businesses. There are many opportunities that support grants, donations or even development projects. Our businesses generally do not have the capacity to utilize these funds and as such they are profit oriented only. The business climate is too unstable to build long-term sustainability. Applications for joint venture projects from the University with businesses, whether in the field of technology or in the service or manufacturing sector are very welcome. Also, international projects are wide open and the opportunities are also great. Therefore, focus of businesses should be on future collaboration with HEI to build partnerships to gain and manage international funds. Also, the projects can also be assignments for groups of students with the mentorship of competent professors and can improve these qualities.

It is important to mention that universities in Kosovo do not offer enough entrepreneurship programs. The entrepreneurship course is included in the study programs but not as a separate program. For example, in 2020,

University “Kadri Zeka” has managed to receive the accreditation for a new bachelor program in entrepreneurship. This program is developed based on the needs of the market and businesses. We believe that this program will help to increase the competences of the new staff and serve to businesses. Businesses were open in providing internships and shared assignments for UKZ students and professors.

According to the needs, it is very important to develop the communication and study through challenges for students through engaging businesses as supporters of ideas for development within the universities. Certain tasks should be given to students to develop projects as challenges, especially in IT and computer engineering.

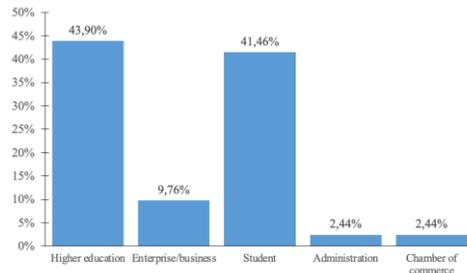
It is also important to develop multidisciplinary staff for any field, based on technology and to develop within it other skills, whether economic, legal or other.

New image should be built for students not only to view studies as an obligation but to experience it as a pleasure, to challenge, develop and achieve results not only domestically, but also internationally. It should be kept in mind that mixed programs (interdisciplinary programs) are very important, all of which may currently need to be based on IT technology, then adapting to other areas, whether marketing, entrepreneurship, management, consulting and many more.

It is extremely important for students to pursue internships in order to develop their professional and practical capacities. It is also very important for students to incorporate non-formal education, based on international cooperation, in order to develop their ideas within this type of education as well. Another important characteristic is that the number of students in the study programs is not high anymore and is in trend of reducing even more in the future. More time to the students should be given by professors and in order to increase students' competences in studies there should be a smaller number of them

It is very important to incorporate learning technologies in competence development. This is because the staff will be prepared well and they will develop their knowledge and be more advanced in service providing. And of course, the internships, projects, training courses, and international exchanges are key elements in this segment.

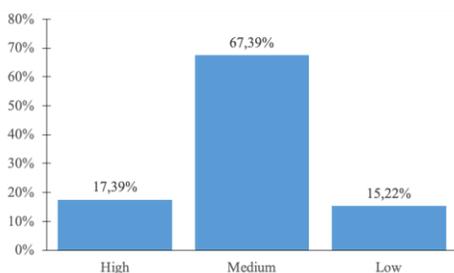
Online questionnaire was filled by respondents who came from various backgrounds with respect to their professional status: 43,9% of respondents came from higher education, 9,76% from enterprises/businesses, 41,46% were students, 2,44% from administration and 2,44% (Figure 10).



**Figure 10.** Respondents with respect to professional status

The majority of the working positions of respondents were specific and required advanced level of service related competences. Regarding the rating of the knowledge of the respondents on the concept of service related competence the findings of the survey were: 17,39% rated the knowledge on the concept of service related competences as high, while 67,39% rated as medium, and surprisingly 15,22% of respondents have rated as low (Figure 11).

With regard to acquisition of the service related competences respondents were asked where the service related competences were best acquired, as well as in which informal learning context service related competences were best acquired.



**Figure 11.** Knowledge of respondents about the concept of service related competences

According to the answers 53,65% indicated that vocational education and training (VET) was very important as formal educational domain for the acquisition of the service related competences, 41,46% indicated higher education as very important, following by adult education with 24,39% and school education with 14,63%. So, respondents highlighted that vocational training education and higher education are the most important levels/form of education where service related competences were best acquired (Table 10).

**Table 10.** In which formal educational domain service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
School education	14,63	51,22	29,27	4,88
Adult education	24,39	46,34	19,51	9,76
Vocational Education and Training	53,65	34,15	7,32	4,88
Higher education	41,46	43,90	9,76	4,88

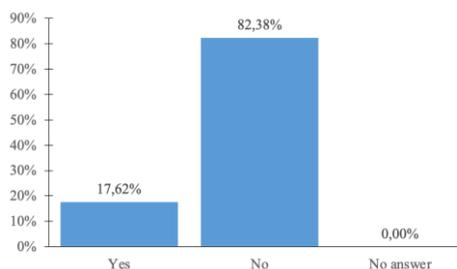
The analysis included a number of informal learning contexts service related competences were best acquired, as presented in the Table 2. The analysis showed that 63,42% of respondents indicated workplace as very important

informal learning contexts where service related competences were best acquired workplace, 56,10% indicated internships or traineeships as very important, following by in mobility with 31,70% and voluntary work with 29,27%.

**Table 11.** In which informal learning context service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
In mobility	31,70	53,66	9,76	4,88
Voluntary work	29,27	46,34	17,07	7,32
At the workplace	63,42	17,07	14,63	4,88
In internships or traineeships	56,10	31,70	7,32	4,88

Regarding awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences 17,62% of respondents answered that they were aware of such programmes or activities, while 82,38% were not aware of the learning programmes or activities for promoting the acquisition of service related competences (Figure 12).



**Figure 12.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

Answers on validation of service related competences are presented in Table 12. The responses showed that 80% had an idea about the validation of these competences, while with no idea was 20% of respondents.

When asked about importance of validation of competences 84% of respondents

considered the validation as important and 16% considered it as not important.

Regarding knowledge about validation approaches 60% answered that they knew the approaches, 25% indicated that they didn't know, while 15% stated that they do not possess any knowledge about approaches for validating service related competences.

**Table 12.** 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	80	84	60
No	20	16	25
Don't know	0	0	15

#### 4.5. Bosnia and Herzegovina

Research in Bosnia and Herzegovina was conducted by the University of Sarajevo and University Sarajevo School of Science and Technology. In general, there is no clearly defined separation of the service economy from good production or economy in general, and there is a perception that some products are transformed into or can be viewed also as services. BiH is a developing country and expression “service economy” is the most conveniently understood as relating to the tourism (all types, including also religious or health-based tourism), craft services, financial services, retail and wholesale, IT services or education. State level ministries having at least limited responsibility regarding the economy are the Ministry of Civil Affairs and the Ministry of Foreign Trade and Economic Relations, which is in charge of SME policy co-ordination in the country. At both BiH entities' level (Federation of Bosnia and Herzegovina, and Republika Srpska) several ministries and agencies have responsibility within the economy sector, including Ministry of Development, Entrepreneurship and Craft in the Federation of BiH, or the Agency for small and medium enterprises development

of Republic Srpska.

The Foreign Trade Chamber of Bosnia and Herzegovina also supports economy, including service economy, development. The Chamber of commerce and industry of Republic of Srpska, with its Regional Chambers in Banja Luka, Bijeljina, Doboj, East Sarajevo and Trebinje, makes a unique Chamber System of Republic of Srpska. Chamber of Economy of the Federation of Bosnia and Herzegovina and ten cantonal chambers provide services for enterprises in the Federation of BiH. Besides that, five regional agencies for economic development (SERDA, NERDA, REDAH, REZ, ARDA) operate in the Bosnia and Herzegovina. BiH service provision enterprises benefit from presence of technology and innovation centres like the INTERA technology Park, the Business innovation and technology Park Tuzla, Technology park in Zenica, or the Innovation centre Banja Luka.

However, direct and visible support from public or other parties to promote the acquisition and validation of service- related competences is not visible. Nevertheless, taking into the account that there is increasing participation in the job ads of requests for applicants to have good communication and negotiation competences, are able to

contribute to effective teamwork, feel fully comfortable in the multicultural environment, have developed critical thinking and problem solving competences, have strong client orientation and similar, this can also be considered as a kind of indirect promotion of acquisition of these competences.

Beside desk research, face-to-face interviews and focus group discussions were also conducted at University of Sarajevo – Mechanical Engineering Faculty and University Sarajevo School of Science and Technology, BiH with different target groups (businesses, higher education institutions, chamber of commerce and students).

During the interviews, respondents concluded that there was a lack of entrepreneurs (business owners) in general, but the shortage in the service economy was much greater. Higher education institutions emphasized that few universities offered education in entrepreneurship as core study programs. Focus group members also stated that everyone should act in their scope and in their own personal approach when it came to raising attention to importance of this topic: those who teach should expect and ask students not only to make a product, but also to present it nicely and sell it, same as those who employ should expect and ask employees for service related (SR) competences.

Businesses emphasized that the 3rd parties (e.g. chambers of commerce, „real economy“ representatives) could contribute to implement service related competences in the HE if they promoted enrolment policy at the HE that was in line with market needs and that businesses had to find interest to involve students in practice in more adequate way.

It was noticed that, since the BiH structure is very complicated and complex, and one cannot rely on it, it is important to invest in technology infrastructures at universities which then can aid in competence learning, a unified system where the resources are available. This might represent a concrete investment opportunity.

Students pointed that businesses could contribute to the implementation of competences related to services by showing the importance of these competences in the real sector and trying to point people to these competences as well as emphasizing the need for people with these competences.

Furthermore, businesses thought that education on service related competences should be provided dually, through learning at universities as well as through having students obtain real life service providing experiences by working in the tertiary sector as part of their grades at the university. It was quite important for students to acquire practical skills, but this could also be achieved through the implementation of learning technologies. The best locations to learn service related competences were both classroom as well as real business processes and real business projects. The best way was the blend (mix) of different learning modalities. Students should be encouraged to start with their own business. HEI should be providing mentoring by professors and by people from real business sectors.

On the question of validation of service related competences businesses thought that the three most important aspects from EntreComp list for service economy were: taking the initiative, vision and mobilizing others. The three least important aspects from EntreComp list for service economy were: ethical & sustainable thinking, financial & economic literacy, coping with uncertainty, ambiguity & risk. The only known approaches for competency assessment were grades, diplomas or certificates. The term “competency” applies to knowledge, skills and attitude and the question is, how do we rate and validate competency? This can be done through feedback interviews, questionnaires etc. Students taking courses in providing services should have tests which are specifically designed to assess the level of their knowledge of service providing through questions applying to real life service providing situations. Assessment of their

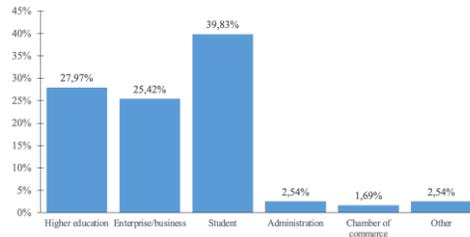
practical skills and attitudes could be achieved by observing students in companies and then grading / evaluating them based on feedback from the employer's observation and the professor's observation into one whole assessment.

Additional online questionnaire in Bosnia and Herzegovina was organized to further explore this topic. Analysis of data obtained through 118 questionnaires from Bosnia and Herzegovina provides many important and valuable information. The demographic data showed that age, gender and employment/organization of respondents were well balanced. Of great importance for the development of the eViva project was the fact that the respondents were mostly familiar with service related competences and consider them as very important. On the other hand, they were mostly unaware and unfamiliar with programmes that promoted their acquisition and validation, which might ultimately increase their chances of finding a job.

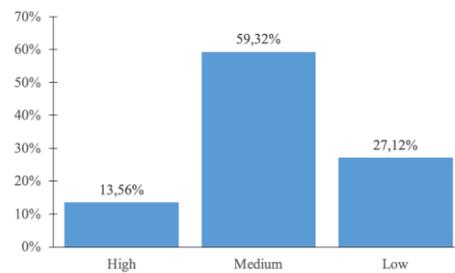
28% of respondents worked in higher education sector, 25% in business sector, 40% were students and 8% of respondents worked in other sectors (Figure 13).

72,88% of respondents self-evaluated their knowledge of service related competences as

high or average, while 27,12% as little or low knowledge (Figure 14).



**Figure 13.** Respondents with respect to professional status



**Figure 14.** Knowledge of respondents about the concept of service related competences

Furthermore, according to the respondents, best service related competences in formal education could be acquired in vocational and higher education domain, then in adult and regular education (Table 13).

**Table 13.** In which formal educational domain service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
School education	32,00	45,76	18,64	3,39
Adult education	40,68	44,07	12,71	2,54
Vocational Education and Training	60,17	35,59	3,39	0,85
Higher education	57,63	36,44	5,08	0,85

In non-formal education domain respondents consider that best service related competences could be acquired in working place and on internship (Table 14). However,

by respondents' opinion, service related competences could be acquired in both formal and non-formal education domain and in all available programs.

**Table 14.** In which informal learning context service related competences are best acquired

	Very important (%)	Medium important (%)	Less important (%)	Don't know (%)
In mobility	38,14	45,76	11,02	5,08
Voluntary work	29,66	48,31	18,64	3,39
At the workplace	62,71	34,75	0,85	1,69
In internships or traineeships	57,63	33,90	6,78	1,69

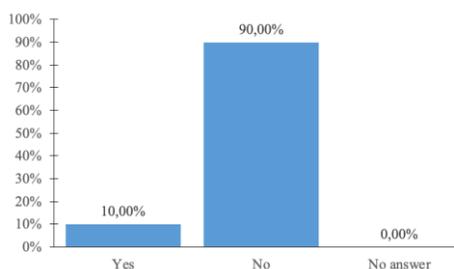
90% of respondents were unfamiliar with programs or courses that promote acquisition of service related competences and its validation (Figure 15). In addition to this, 91,53% of respondents were unfamiliar with

service related competences validation approach while 61,86% of respondents considered validation of service related competences as important (Table 15).

**Table 15.** 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	10,17	61,86	8,47
No	89,83	8,47	91,53
Don't know	0,00	29,66	0,00

Finally, it could be concluded that stakeholders were aware of importance and benefits of service related competences. They considered that these competences could benefit individuals in many ways including personal, career and professional development and can significantly help in job finding. Stakeholders believed that service related competences could be acquired in formal as well as non-formal education domain, however they were not familiar with programs or courses that promoted acquisition of service related competences and its validation. A very high percentage of respondents were not familiar with the validation of service related competences, but they considered validation as an important and necessary step for the formal recognition of service related competences.



**Figure 15.** Awareness of respondents about the learning programmes or activities for promoting the acquisition of service related competences

Furthermore, it can be concluded from respondent's answers that they still favoured classical learning system over the new digital learning platforms/system. Additional efforts should be made in order to introduce potential users to the benefits of digital learning platforms/systems.

## 5. Conclusion

After a thorough 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 regional level shall be presented in this section.

The following issues have been observed in all West Balkan Countries' contexts scrutinized by our paper:

- Vocational Education and Training (VET) institutions have demonstrated superior 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, hindrances have been identified with regards to mechanisms fostering knowledge retention and validation of service related competences. Therefore, in all countries observed there are problems with institutionalization and sustainability of service related competences.

Competences and the validation process are emphasized not only in academic settings, but also when the private sector and the public/civil sector are involved. In this context, since 2015 Western Balkan Countries have signalled progress in enforcing new and updating existing field-relevant legislation, producing and introducing numerous regulations, laws and strategies to enhance service related competences development in the business sector.

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 WB countries observed, local and central government focus has shifted into nurturing the development of service related competences, specifically targeting HR competences, technology, and innovation.

For instance, Bosnia and Herzegovina has marked significant progress – with particular focus on education – according to the European Training Foundation, including through the adoption of a VET Strategy (2015-2020) and the development of a National Qualifications Framework (NQF), assisted by its participation in the European Qualification Framework (EQF) advisory group. In this context, representatives from various entities drafted a comprehensive skills development policy strategy in 2015, which shall serve as a guide towards achieving sustainability goals set forth.

Moreover, validation is viewed as a key opportunity in the new framework and is included in the action plan, although there is no national mechanism in place. There are no agreed-upon validation criteria for qualifications in either VET or higher education, which would enable quality assurance and levelling of qualifications in the NQF (ETF, 2016).

Conversely, in Albania the framework under which VET competences' development is foreseen has been recently updated after a piece of legislation was approved by the national legislature, namely the law no. 15/2017, as amended. Moreover, in May 2018, several amendments to the AQF law were passed.

Additionally, the new VET reform aims to bring all VET providers under one legal framework, creating the opportunity for better coordination of public VET provision in schools and vocational training centres, based on the ETF report "Albania country strategy paper 2017-20", which analyses the country's progress related to NESS 2014-20. (VTCs).

The most significant point is that this progress must be turned from an ad-hoc or piloting

instance to a systemic strategy, which will necessitate further modifications to the current legal framework that will allow for work-based learning (dual approach) in vocational education.

Comparable to the other countries analysed in this paper, graduate students in Serbia also face difficulties in applying theoretical VET competences earned in practical settings (i.e., in the workplace, as employees or business managers, etc.). Such issues arise due to the lack of a strong connection between the professional courses they follow, and business sector needs. As such, educational institutions responsible for offering VET qualification need to develop more vigorous collaboration mechanisms with business sector representatives and R&D institutions alike.

According to a research conducted in all 1,201 study programs, at all faculties in the Republic of Serbia (16 universities with 136 faculties/departments), 47.8% of students do not take any courses during their studies that at least partially include the development of service related abilities.

The Law on the Foundations of the Education System and the Education Strategy in Serbia until 2025 recognizes this issue and declares the development of personal business skills as one of the basic goals of education, imposing them as a general learning outcome on educational institutions through modules and courses in recently-accredited study programs.

According to an analysis of job advertisements on Serbia's most prominent internet employment sites/search engines,

81% of job advertising want service related abilities, while only 19% seek only professional business skills.

On the other hand of the spectrum, Montenegro seems to be performing better compared to the rest of the Western Balkan Countries with regards to competences development for VET students in service-intensive/oriented sectors. According to the findings, this may partly be due to the country's exclusive and extensive focus on tourism sector development and promotion.

Additionally, the country's business sector has frequently served as a catalyst for the development of a specific education-related field/component, such as educational programs. These are the levels of required knowledge, competences, and skills, thus the learning goals students ought to master. This is crucial to boosting service-intensive industries.

Furthermore, business entities were heavily involved in the educational process at the higher education level, more specifically in study programs, in order to develop students' competences.

In this context, the legislative framework has also been very effective at instilling such cooperation mechanisms. For instance, the Law on Higher Education establishes a requirement for all study programs in Montenegrin Higher Education Institutions to give 25% practice at program and/or study program through collaboration with what are known as "the basics for organizing practical lectures".

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\* This designation is without prejudice to positions on status, and is in line with UNSC 1244 and the ICJ Opinion on the Kosovo Declaration of Independence