The Exodus of Skilled Workers from Macedonia – Looking to Bulgaria's Business Process Outsourcing as a Possible Solution

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Abstract

The aim of this paper is to explore the problem of the emigration of young, skilled workers from the Republic of Macedonia and to consider a possible solution, being, to emulate Bulgaria's successful business process outsourcing (BPO) sector. The importance of this issue derives from the notion of the economic development of the Western Balkans as a key component of the European integration process. Yet, challenges to doing business in the region abound, and impede the economic development of these countries. The methodology employed in this paper is chiefly the case study approach, focusing on Macedonia. Quantitative analysis of statistical data was also utilised. This paper considers that whilst Macedonia has seen an increase in foreign investment in the last decade, somewhat reducing unemployment, the private sector will never truly flourish unless certain challenges are overcome. Challenges persist in many areas, including: transport infrastructure, enforcement of contracts, and administrative processes, as well as the availability of a skilled workforce. Employers encounter challenges in finding skilled employees. Macedonia faces the same problem as many other countries in the region, whose talented youth migrate to developed countries seeking well-paid employment. A solution may lie in adopting the success model of another South Eastern European country, Bulgaria. Since the early 2000s, many companies have outsourced business processes to Bulgaria, which has created thousands of well-paid jobs for skilled professionals. Bulgaria offers foreign investors many benefits to doing business, including low overheads and a skilled workforce. Macedonia can provide similar benefits and has much untapped potential in this area. Fostering an improved environment for outsourcing business processes to Macedonia, will boost the number of white-collar jobs, reducing the exodus of skilled workers. This will be an important step to enhancing economic development within Macedonia, thus aiding it on the path to European integration.

Key words: skilled workforce, doing business, challenges, outsourcing.
1. Introduction

One in two young people in the Republic of Macedonia would “…consider a life in another country, mostly due to financial reasons” (Topuzovska Latkovic et al, 2013, p. 66). Many young, skilled workers, disheartened by their employment prospects in Macedonia, are leaving or planning to leave their homeland, seeking a better life and improved career opportunities elsewhere. This continued mass emigration of skilled workers paints a bleak picture for the future of this country’s labour force; in turn raising serious concerns about Macedonia’s economic stability in the mid to long-term.

Similarly to the other Western Balkans countries (namely, Albania, Bosnia and Herzegovina, Kosovo, Montenegro and Serbia), the economic development of Macedonia is an important part of its European integration process. Yet, Macedonia continues to face major challenges in this area, in particular, challenges to doing business, which are hindering its economic development. Foreign companies seeking to establish new or develop existing businesses in Macedonia face obstacles that impede business development and in turn the competitiveness of this country both within Europe and internationally.

In view of the increasing demand for skilled labour, perhaps the greatest challenge for businesses is finding skilled workers (World Bank Group, 2014). However, the continued mass emigration of young, educated workers from Macedonia is a strong indicator that this problem will only worsen in the future, where businesses will encounter even greater difficulties in filling new job vacancies with skilled labour. This presents a critical problem for Macedonian business, and hence the country’s economic development, an issue which must be addressed before it develops into an insurmountable crisis.

This paper will explore the issue of the mass emigration of young, skilled workers from Macedonia and will examine a possible solution, being, to emulate Bulgaria’s approach of developing a successful business process outsourcing (BPO) sector. First, the paper will provide a background, by briefly outlining some key challenges for businesses in Macedonia. Second, the analysis will focus upon what is perhaps the single most significant mid to long-term concern for business, namely the problem of the emigration of skilled workers from Macedonia. Third, the paper will explore, in detail, a possible solution for tackling this growing problem of retaining skilled workers, by investigating the option of adopting the success model of another South Eastern European country, Bulgaria. Since the early 2000s, many companies have outsourced business processes to Bulgaria, creating thousands of well-paid jobs for skilled professionals (InvestAgency Bulgaria, 2017). The analysis will consider the many benefits that Bulgaria offers foreign investors in doing business, including low overheads, low taxes as well as a skilled workforce. Finally, the paper will examine the implications of Bulgaria’s success for Macedonia, and how it could perhaps emulate that success by developing its own sizeable BPO sector, in order to combat the problem of the
mass emigration of skilled workers, which threatens to render a significant shortage in the
country's future workforce. Fostering an improved environment for outsourcing business
processes to Macedonia, would increase the number of higher remunerated jobs, thus
reducing the emigration of skilled workers. This could be an important step to enhancing
economic development within Macedonia, thereby aiding it on the journey to European
integration.

2. The Challenges

Macedonia must overcome a number of challenges in order to build upon its reputation as
an attractive investment destination (PricewaterhouseCoopers International Limited, 2014,
p. 6). According to a PricewaterhouseCoopers (2014) report, challenges to doing business
include day-to-day issues such as the enforcement of contracts, lengthy administrative
processes and transport infrastructure. Challenges in the practical application of financial
reporting laws must also be addressed (p.36). Akin to the rest of Eastern Europe, Macedonia
could benefit from public policy changes that engender "...a more supportive environment for
the growth of good business..." by addressing issues such as “...red tape, transparency, [and]
law enforcement...” (Mirow, 2010). Macedonia has seen marked improvement in these areas,
being cited as one of the top destinations for the ease of doing business, and ranking highly
for indicators such as registering a company (World Bank Group, n.d.).

The political environment in recent years, has been a major impediment to fostering a positive
investment climate and this issue has not gone unnoticed by the business community. The
Balkan Investigative Research Network has emphasised the need for “...political stability
that will attract investors and the jobs that will stop so many young people emigrating”
(Byrne, 2017). Another political challenge, is the ongoing name dispute with Greece, which
is impacting “...Macedonia's international relations...” (PricewaterhouseCoopers, 2014, p.
6), importantly, its EU accession. Yet, these political impediments are diminishing. The
political unrest following the December 2016 parliamentary elections, subsided once the
new Government formed in June 2017, and political stability has been steadily improving
since then. Negotiations on the resolution of the name dispute with Greece are intensifying,
and with key officials such as European Union Enlargement Commissioner, Johannes Hahn
asserting that the EU will recommend the commencement of accession talks for Macedonia
most likely by the 2018 summer (Speciale, 2018); it appears that this country's political future
is beginning to move on a decidedly positive trajectory.

Other challenges to doing business include those identified in a 2018 World Bank Group
report, which concludes that the educated system is inadequate in producing workers with
skills required by the labour market. There is a clear skills mismatch, where many new
businesses cannot find adequate employees for positions requiring higher level and technical
skills, an obstacle to business development (World Bank Group, 2014).
3. The Problem

The mass emigration of young, skilled workers is a problem which is worsening and could pose a serious crisis for the Macedonian economy in the mid to long-term. This is an ever-increasing problem because of the growing demand for skilled labour in Macedonia, where many new jobs created through foreign investment are non-manual, with 51.9 per cent of all employment being in the services sector (World Bank Group, 2014, p.9). So, this country’s economic development and competitiveness depends upon being able to provide current and new businesses investing in Macedonia, with a critical mass of skilled workers both now and in the future.

However, Macedonia shares a similar predicament to many other Eastern European countries, whose talented youth migrate to the West (Mirow, 2010) seeking better remunerated employment. Therefore, these future skilled workers will be unable to fill new job vacancies created through foreign investment, which could be disastrous for the economy in the long-term. Macedonia’s youth are emigrating primarily due to their dissatisfaction with the career opportunities currently available and their pessimistic outlook for their financial and professional future in this country.

3.1 The demand for skilled labour:

According to a recent report, employees with higher level skills are increasingly sought after (World Bank Group, 2014, p. 9).

3.1.1 The Jobs-Skills Mismatch:

However, in Macedonia, businesses express concerns about the availability and quality of employees’ skills (World Bank Group, 2014, p.7), and in particular, difficulties in hiring workers for high to medium-level jobs that have been newly created (p. 8). This country’s skilled labour shortage is a significant impediment for business and Macedonia’s “...overall competitiveness” (World Bank Group, 2014, p. 8). Therefore, to improve both the performance of Macedonia’s labour market and its economic competitiveness, “...will require a more skilled and better educated labor force...” (p. 7).

3.2 The emigrating workforce:

This skills shortage and jobs-skills mismatch will only worsen if young, skilled workers continue to leave Macedonia and this appears highly likely. A comprehensive study conducted by the Friedrich Ebert Stiftung (FES) surveyed young people aged 15 to 29 in Macedonia, on their views, aspirations and future plans. The FES research is based on a German study “which
shows that young people can be an indicator of future trends in society and the long-term prospects of the country” (Topuzovska Latkovic et al, 2013, p.5). Hence, the views expressed in the FES study may foreshadow the long-term future of Macedonia’s workforce. The FES study reveals some alarming data, namely that over half of the respondents intend to leave Macedonia, where 22 per cent have decided to leave the country and another 31 per cent are seriously considering the prospect (Topuzovska Latkovic et al, 2013, p. 56).

3.3 Why they are leaving:

Macedonia’s youth are leaving their country mostly (in 65 per cent of cases) for financial reasons (Topuzovska Latkovic et al, 2013, p. 56). Many believe that the greatest problems in Macedonian society are economic, such as unemployment and poverty (p. 122), and a staggering 71 per cent have a negative assessment of the country’s general economic situation (p. 122).

These concerns are not unfounded. 70 per cent of young people between 15 and 29 years of age, are unemployed (Topuzovska Latkovic et al, 2013, p. 93), and of those who are employed, only 28 per cent are working in the field in which they had completed their education (p. 93). Whilst this unemployment rate is immense, it is also important to consider the fact that a large proportion, that is 56 per cent (Topuzovska Latkovic et al, 2013, p.68) are undertaking some form of education or training, whether that be completing their secondary or tertiary (Bachelors, Masters or Doctoral) studies. This has two positive implications. One, upon completing their education, it will allow them more time to undertake full-time employment, and two, their employment prospects are expected to dramatically improve due to the attainment of formal qualifications, where a World Bank Group (2014) study confirms that skilled workers have a distinct advantage in the workforce.

However, the available data for the general employed population does not indicate a promising economic and professional future for Macedonia’s youth. For example, an assertion that the unemployment rate in Macedonia is concerning, would be a severe understatement. Although it has been reduced from 33.8 per cent in 2008 (PricewaterhouseCoopers, 2014, p. 33), the official unemployment rate is still fairly high overall at 30 per cent (p. 13).

It is a well-known fact that wages in Macedonia are low, particularly in comparison with other European countries. The average net monthly wage in the European Union for 2017 was 1,520 euros (Fischer, 2017), whereas the Macedonian average wage is 24,025 denars (or approximately 390 euros) according to the most recent statistics available (Republic of Macedonia State Statistical Office, 2018). Research shows that differences in wages are crucial in migration decisions (Noja Gratiela & Moroc, 2016), thus it is clear why many young people would be enticed by significantly higher wages in Western Europe.
However, wage comparisons alone cannot provide a holistic representation of the overall financial situation of the typical Macedonian worker. Yet, taking into account the cost of living, as well as Purchasing Power Parity (PPP), allows for a more comprehensive insight. For example, the most recent data as of August 2017 (Faktor, 2018) shows that the average monthly cost of living (excluding rent) in Macedonia was 32,316 denars whereas the average net monthly salary was only 22,912 denars (Vesti, 2018). This is a gap of 9,404 denars, or in other words, the average salary is 29.1% short of the average cost of living.

It must nevertheless be noted that these figures do not take into account the so-called informal economy (PricewaterhouseCoopers, 2014, p. 13) where workers are paid in cash, hence official data thereof is not easily obtainable. Regardless of this, the available employment statistics are unequivocal in attesting to the low standard of living of the average Macedonian household.

The PPP method is another useful method for measuring living standards. To compare the purchasing power of populations in different countries, the gross disposable income of households is calculated using PPP and adjusted to take into account various factors (including taxes). This produces an artificial figure known as the adjusted gross disposable income (or the GDP per capita, PPP). Macedonia’s GDP per capita in 2016 was only 14,942.2 in adjusted $US, lower than the world average (The World Bank, 2016) and only two-thirds of the EU average of 21,903 (Eurostat, 2016).

3.3.1 Pessimistic outlook:

It is therefore no surprise that many young people have a pessimistic outlook for their professional future in Macedonia, where 65 per cent do not expect to be able to find a job after completing their education (Topuzovska Latkovic et al, 2013, p. 79). Further, it is concerning that a high proportion of young people believe that non-merit based factors, such as family or political connections, influence their employability (p.93), alluding to a sense of hopelessness that these young people feel regarding their prospective careers in Macedonia. Current employment opportunities coupled with the general pessimistic outlook of young workers for their future in this country, enhances the likelihood of these workers emigrating in order to seek a better life elsewhere. Yet, without these workers, the private sector cannot fill skilled vacancies, in turn impeding business development, all of which foreshadows a bleak future for Macedonia’s economy.

4 A Possible Solution

In order to encourage young, skilled workers to stay and pursue their careers in Macedonia, requires the accelerated creation of new jobs. However, it is not merely the quantity, but rather the quality of such employment opportunities, which is gaining in importance, as these
Educated workers seek professional roles in which they can both utilise their skills and where they will be motivated by satisfactory wages.

A possible solution to this problem may lie in increased foreign direct investment (FDI), through business process outsourcing (BPO). The BPO market in Europe is developing rapidly, where nearly one third of the top 100 international outsourcing companies are now located in Central and Eastern Europe (Expo Media Agency, 2018). Central Europe offers a workforce at half the cost of Western Europe and this cost advantage increases further in Eastern Europe, with the Balkan countries becoming an ever more viable outsourcing location (InvestAgency Bulgaria, 2017; Expo Media Agency, 2018).

Bulgaria, has seen remarkable success in the BPO sector and in order to achieve this, political stability, as discussed, is one important factor, however it is insufficient. Macedonia, an EU candidate since 2005 (European Commission, 2016), recently (during the last year) experienced improved political stability. Yet, more must be done to increase FDIs. In the BPO sector, Bulgaria has been attracting FDIs, at least since the early 2000s, long before its EU accession in 2007 (European Union, 2018). Thus, for Macedonia, emulating its neighbour's success in this sector may enable it to curb the emigration of its own young, skilled workers.

**4.1 Bulgaria’s BPO Experience:**

Bulgaria is arguably Eastern Europe's greatest BPO success story. Since the early 2000s, many companies have outsourced business processes to Bulgaria, which has resulted in the creation of thousands of new jobs for skilled professionals. The BPO sector in Bulgaria, which serves clients from Western Europe and North America, grew to over 15,000 employees in 10 years and generates over 200 million euros in revenue (InvestAgency Bulgaria, 2017, p.4, p. 16).

Bulgaria offers a range of benefits to foreign investors seeking to outsource their services. The cost of doing business is low, with special incentives for investors, the rent of prime office space is only 12 euros per square metre (InvestAgency Bulgaria, 2017, p. 35), and corporate tax rates are a favorable 10 per cent (Bulgarian Outsourcing Association, 2015). Bulgaria has a highly efficient internet infrastructure, with download and upload speeds superior to countries such as Germany, Austria, the United Kingdom and the United States (InvestAgency Bulgaria, 2017, p. 38). Its political stability and strategic location are additional factors conducive to the smooth running of business (Bulgarian Outsourcing Association, 2015).

Bulgaria has a highly qualified and cost effective workforce, and is thus particularly well placed for BPO sector growth. The sector already serves clients internationally in over 25 languages, and each year, about 15,000 students commence a university degree in foreign languages (InvestAgency Bulgaria, 2017). Bulgaria became an important outsourcing destination during the early 2000s. Since then, it has attracted numerous multinational companies looking to
Europe and the Balkans

outsourcing their business processes. According to a report by InvestAgency Bulgaria (2017), one of the first BPO companies established in Bulgaria was Data Processing, in 1999, and with 290 employees, it provides knowledge process outsourcing (including information services and data processing). 546 personnel are employed at Sitel, established in 2006, which provides technical support, customer care, finance, administration, and back office services (InvestAgency Bulgaria, 2017).

As set out in the InvestAgency Bulgaria (2017) report, Hewlett Packard opened offices in 2006 in Bulgaria and has over 3,500 staff working on customer interaction services, information technology and software operations. IBM was established a year later, with its 530 workers providing customer relationship management, finance, and administration services, as outlined in the 2017 report. Other companies, include 60K, established in 2008 with 360 employees, who are specialised in customer interaction services and back office transactions, according to InvestAgency Bulgaria (2017). Call Point, opened its Bulgarian offices in 2004, and employs 550 professionals who utilise their multilingual skills to provide services in finance, accounting and transformation solutions (InvestAgency Bulgaria, 2017).

The growing BPO sector in Bulgaria has greatly benefited the country’s skilled workforce, creating a large number of highly remunerated jobs for young professionals as well as opportunities for career development. Many of these jobs are contact or call centre positions that require fluency in at least one foreign language. Salaries in the sector are high, all of them well above Bulgaria’s average of 406 euros per month (Fischer, 2017). The salaries of trained agents working in shared services centres in Sofia, range from around 500 euros per month for English-speaking agents, for agents who speak French, German, Italian, Spanish, Russian or Turkish, up to 800 euros and for agents fluent in Nordic languages, Portuguese, Czech, Romanian, Polish, Hungarian, Greek, or even Mandarin, up to 1000 euros per month (InvestAgency Bulgaria, 2017, p. 31). The sector also stands to benefit from the expected return of 80,000 young Bulgarians undertaking university studies abroad, who intend to pursue their careers in their home country (InvestAgency Bulgaria, 2017).

The outsourcing industry is playing a key role in strengthening Bulgaria’s economic growth. The vision of the Bulgarian Outsourcing Association (2015), is to make outsourcing the leading industry in Bulgaria. It is succeeding, as the sector has grown for seven consecutive years; in 2014, the sector made up 2.8 per cent of Bulgaria’s gross domestic product (GDP), 3.4 per cent in 2015 and 3.6 per cent in 2016 (Bulgarian Outsourcing Association, 2017). This growth is enabled through a number of factors: the availability of skilled labour, co-operation between business and education institutions, and favourable tax policies (Bulgarian Outsourcing Association, 2017). Bulgaria’s outsourcing sector continues to flourish, with most BPO firms projecting a 100 per cent increase in the market (InvestAgency Bulgaria, 2017). It is predicted that 76 per cent of new contracts will derive from English and German-speaking countries; with the most sought after services expected to be call centre operations, customer support and market research (InvestAgency Bulgaria, 2017).
5 Implications for Macedonia

5.1 Developing its own BPO sector:

Bulgaria’s success in the BPO sector has significant implications for the approach Macedonia should take in addressing its own predicament of the mass emigration of young, skilled workers. Whilst foreign investment in Macedonia has somewhat reduced the unemployment rate over the last decade (PricewaterhouseCoopers, 2014), many of the jobs that have been created provide workers with very low wages. Those wages are not only unsatisfactory in comparison with the average European Union wage, they also fail to cover the average cost of living, as discussed. In this vein, action must be taken in order to effectively curb, what could rightly be described as the exodus of young, skilled workers, who are seeking a better life outside of Macedonia; and this requires a more innovative approach than simply increasing the quantity of low-paid manual jobs. Clearly, as seen with Bulgaria’s success story, developing a sizeable BPO sector could be the most efficient method to generate appropriate employment that will provide educated workers in Macedonia with the opportunities to utilize their skills as well as ensuring higher wages. Consequently, this country will be able to retain these workers for the long-term, thereby fuelling the future development of the economy.

5.2 Benefits Macedonia can offer:

With a “...developing reputation as a new and growing investment destination” (PricewaterhouseCoopers, 2014, p. 6), Macedonia should emulate Bulgaria’s approach in the creation of jobs through the development of a sizeable and successful BPO sector, because Macedonia can offer similar benefits to investors wishing to outsource their services. Some of these advantages include low costs, favourable business conditions, special incentives as well as a skilled workforce.

Macedonia offers investors low business costs. Corporate taxes are only 10 per cent (Byrne, 2017) and the rent of office space in Skopje’s central business district ranges between 5 and 10 euros per square metre (Century 21 Macedonia, 2018). Globally, Macedonia’s favorable business conditions have earned it a World Bank ranking of 11, out of 190 countries on the ease of doing business (The International Bank for Reconstruction and Development, 2011, p. 4). Macedonia performs well based upon all business indicators including starting a business, dealing with construction permits, registering property, getting credit and trading across borders (The International Bank for Reconstruction and Development, 2011). Regionally, out of 22 Balkan cities, Macedonian cities rank highly on all four indicators for ease of doing business. Skopje ranks first in the region for starting a business, and second for ease of dealing with construction permits, whereas Bitola takes third place for ease of
registering a property, as does Tetovo for the ease of enforcing contracts (The International Bank for Reconstruction and Development, 2011, p. 1). Like Bulgaria, Macedonia offers special incentives for investors. For example, eligible companies operating in Technological Industrial Development Zones, which have been established in a number of cities including Skopje, Stip and Tetovo, enjoy special incentives such as a developed infrastructure and significant tax exemptions (Agency for Foreign Investments and Export Promotion of the Republic of Macedonia, 2017, p. 2).

Similar to its neighbor, Macedonia, can still offer BPO investors a skilled labor force. The proportion of young people between 20 and 24 years old that have an upper secondary level of education or higher is 86.4 per cent, above the EU average (Eurostat – Enlargement countries, 2016). Additionally, over 41 per cent of the Macedonian population is enrolled in tertiary studies (The World Bank, 2015). Data concerning the language proficiency of the population is scarce. However, it is known that a vast majority of the population speak English, with many also fluent in German and French (Agency for Foreign Investments and Export Promotion of the Republic of Macedonia, 2017), language skills are highly sought after by businesses. Clearly, Macedonia is well placed to provide services for a sizeable BPO sector.

5.3 Recommendations:

Considering the many benefits that Macedonia could provide to prospective BPO investors, the question that inevitably arises is, what should be done to realize BPO success? Macedonia must target companies that are specifically interested in investing in service industries, rather than manual labor or production. This is because, as seen with Bulgaria, BPO jobs provide higher wages and better career opportunities, and are thus more likely to curb workforce emigration.

There has already been some outsourcing success in the information technology (IT) industry, with the creation of 20,000 jobs in this sector (Byrne, 2017). Wages are high, with the average IT professionals earning 52,908 denars (Republic of Macedonia State Statistical Office, 2018), well above Macedonia’s current overall average wage of 24,025 denars. Nevertheless, IT is only one industry and Macedonia has the capacity to provide a vast range of business services for companies seeking a potential outsourcing destination. The author can vouch from her own professional experience that there are a number of small companies, which are already beginning to provide a variety of services for the Western European market in German, French, English and Spanish. These services include executive search and recruitment, contact centre services, marketing, market research and sales. However, many of these companies struggle to secure long-term projects (and hence to guarantee a stable stream of income) for their employees and therefore experience a high level of staff turnover.
Yet, as noted, these assertions are based upon the author’s own experience; thus, in order to provide thorough, comprehensive, and unbiased data on the current situation, a large-scale research study (which would require significant resources, both in terms of funding and personnel) is necessary. Such research would provide a solid basis for developing a strategic and detailed approach as to the precise steps that must be taken to develop a successful BPO sector. In any case, it is essential that Macedonia adopts a co-ordinated and systematic approach to actively target BPO investors.

There are a few bodies that promote investment. One example is Outsource to Macedonia (2018), which, despite its name, operates as more of an employment agency, whereas axeltra (2018) focuses only on outsourcing in the IT industry. The Invest in Macedonia campaign (Agency for Foreign Investments and Export Promotion of the Republic of Macedonia, 2017) has also made concerted efforts to attract foreign investment.

However, what is required is one body specifically targeting BPO investors, with a comprehensive approach that promotes the outsourcing of services in a range of industries. This body must be adequately resourced, through support from the Macedonian Government, the private sector and preferably the European Union. What is envisioned is a co-ordinated and systematic body similar to the Bulgarian Outsourcing Association (BOA). The BOA is an association funded by the Bulgarian Government and the European Union, whose members comprise a range of multinational corporations including Hewlett Packard, universities, and strategic partners such as Colliers, an international real estate company (Bulgarian Outsourcing Association, 2015). The BOA actively networks, organising a range of regular conferences and events as well as initiatives such as working groups on business ethics and human resources for its members (Bulgarian Outsourcing Association, 2015). In this way, the BOA constantly strengthens ties with its existing contacts and continually forms business relationships with new companies, thereby expanding its contact base; all of which improves opportunities for attracting new investment in the BPO sector. Perhaps a Macedonian Outsourcing Association could be the first step toward the development of a successful BPO sector in Macedonia.

Conclusion

Macedonia’s young, skilled workers are continuing to emigrate en masse, seeking better job opportunities elsewhere, which is hindering this country’s economic development. Yet, an important part of Macedonia’s European integration, is overcoming challenges to economic development, in particular, challenges to doing business. Whilst many of these obstacles, including those of a regulatory, administrative and political nature, have already seen significant improvement or appear very likely to be resolved, the same cannot be said for the emigrating workforce, a problem which is worsening.
Businesses in Macedonia encounter great difficulties in finding skilled workers. Many of these workers, disillusioned by their unsatisfactory employment conditions and prospects in Macedonia, aspire to a better life in the West. If this emigration trend continues, employers will be unable to fill new vacancies with the required skilled labour, which seriously threatens Macedonia’s economic development and competitiveness. Perhaps developing a successful BPO sector, as Bulgaria has done, could be the solution to retaining these workers, offering them improved career opportunities and better remunerated employment. A co-ordinated and systematic approach is required to target investors in order to develop a sizeable BPO sector that will retain Macedonia’s skilled workforce for the future.

References


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