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# **PARTNERS FOR ECONOMIC DEVELOPMENT IN MACEDONIA: Final Report**

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## Executive Summary

### A. Summary Project Description

Transition economies, especially those moving out of a centrally planned mode, require a focus on local level measures to help communities assume responsibility to (1) build on local assets creating or expanding new enterprises and jobs; (2) make easier the transition of at-risk workers into new jobs within their company or into the local labor market through training or placement assistance; and (3) provide job specific skill upgrades to help jump-start stagnant firms into becoming more competitive. Worldwide Strategies, Inc., through funding provided by the United States Department of Labor, has developed a model of comprehensive labor redeployment techniques called the Integrated Community Development Program (ICDP) derived from a series of best practices that have evolved in the United States, Canada and Eastern Europe.

Earlier efforts to develop an integrated workforce adjustment model in Eastern Europe led to a WSI's conclusion that "a comprehensive strategy, rather than narrowly focused or piecemeal adjustment approaches, could achieve more successful worker, community and enterprise adjustments in CEE countries undergoing economic restructuring and privatization, and lay the foundation for a permanent adjustment mechanism to deal with these issues in the future." (Gary B. Hansen, Ph.D. 1997) To date, all three of the ICDP's components have been implemented together only in Hungary, the pilot country, and in Macedonia. Other East European countries have focused on specific components of the ICDP.

The comprehensive strategy is embodied in three technical assistance components:

- Local Economic Development (LED) promotes economic revitalization in communities severely impacted by economic dislocation.
- Rapid Response/Worker Adjustment, implemented through Labor Management Adjustment Committees (LMAC), promotes cooperative relationships between labor and management representatives in downsizing enterprises in order to address the employment needs of redundant workers.
- Enterprise Competitiveness (EC) provides training to workers and managers in new technologies in order to assist firms in adjusting to smaller workforces while maintaining productivity. One of the six activities under this component is worker training/ retraining using job site analysis, known as Quick Start (QS).

The Government of the Republic of Macedonia (GOM) initiated the ICDP in 1999 through its Ministry of Labor and Social Policy. It invited a team comprising itself, the Ministry of Economy, the National Employment Bureau, the Chamber of Economy and the Federation of Trade Unions to jointly lead a plan to introduce the ICDP under a project called Partners for Economic Development in Macedonia (PRiSMa), with the objective to "Get Macedonia Back to Work".

WSI formed a Steering Committee composed of partners from the Ministry of Labor and Social Policy, the National Employment Bureau (NEB), the Chamber of Commerce and the Federation of Trade Unions, each of whom signed a Charter of Cooperation on 1 July 1999. The agreement included obligation on the part of the Macedonian partners to support local application of the ICDP. The United States Agency for International Development (USAID) provided funding through the USDOL from Support for East European Democracy (SEED) Act funds. The NEB was to take up a lead responsibility of learning the three component activities so as to facilitate implementation in the future. A delegation of Steering Committee Members visited US programs designed to address worker adjustment issues in July 1999 and identified approaches desirable for Macedonia.

Steering Committee membership expanded as the local teams learned who must be included in order to have appropriate representation. These adjustments were reflected in the national guiding council. In April 2001, the Steering Committee was expanded to include other relevant partners: the Ministry of Education, the Association of Local Self-Governments, and the National Enterprise Competitiveness Agency (NEPA). The Ministry of Local Self Government was added in April 2002, and in September 2003, the final member to be added was the Ministry of Finance.

Networking among local partners was reinforced through a series of regional network days. At the beginning, these were used as information-sharing venues to share experience with project implementation. As the partners became informed about one another's innovations, the network day agendas turned to building knowledge and skills for continued activity: public affairs, local media relations, program monitoring and evaluation, developing local and regional business clusters, alternative forms of financing development, etc. Frameworks for regional organization of ICDP implementation were defined by networks in the spring and fall of 2002. Following passage of the Rapid Response provision in the Worker Relations Law, the Employment Bureau organized regional support teams to assume responsibility. Regional ICDP development plans were drafted in 2003 at Spring and Fall network days. Simultaneously, the Steering Committee defined ways in which the ICDP could be institutionalized through a series of legal and policy reforms in their ministries and local units of government.

All community project implementation activities were completed by December 31, 2003. Regional sustainability projects were under way in early 2004, but not necessarily completed by March 31, 2004. Staff were retained to complete monitoring and evaluation of these projects, and will file final reports to WSI by 30 June 2004.

## **B. Project Results**

Over the 4.5 years of project activity the GOM moved from accepting a donor-driven intervention aimed at addressing the problem of unemployment to initiating strategies to adopt and perpetuate the methods learned through the PRiSMa project. In general, the 3,000 active partners, who were involved variously in the three components of the ICDP in 46 communities saw concrete results in the form of more than 5,000 jobs created or retained. As they became

involved in the processes introduced by PRiSMa, they had experiences that opened their eyes to cooperation, planning, and implementation possibilities not previously envisioned.

By the end of the project, there had been real progress in GOM policy change to support the lessons learned in PRiSMa and there were informal regional structures for carrying on the positive collaborations to improve the economic prospects for Macedonia.

### **C. Sustainability**

Training and facilitation provided by PRiSMa established a set of institutional capacities and assured their distribution throughout the 30 service center communities of Macedonia. Unprecedented multi-sector collaboration was instituted. Direct experience on the part of beneficiaries of demonstration activities created a broader base of popular support. Each of these communities developed a core team of representatives from the local Employment Office, the Ministry of Economy, The Union Federation, the Vocational Schools and the Private Sector. They had learned the steps of specific economic development and labor redeployment programs. Their cross sector cooperation was a new but rewarding experience resulting in the establishment of functioning partnerships.

All partners demonstrated commitment to the terms of the original 1999 Charter of Cooperation insofar as they supported continued implementation and promotion of the ICDP in Macedonia.

In the last year of the project, significant progress had been made to institutionalize its practices. With the change in government in the Fall of 2002, there came a new attention to PRiSMa. The Steering Committee was asked to give specific recommendations for the Macroeconomic Policy for 2003. This policy statement is the annually devised basis for funds disbursement and sets the action priorities. It has the inherent risk of becoming a hollow document. The Steering Committee recommended the following, and all actions had been initiated by the end of 2003, with the exception of item number one. This item was being dealt with in early 2004 and simply had not yet surfaced in the complex series of decisions regarding decentralization that were dealt with in 2003. The actions are involved, and not yet thoroughly completed, but genuine progress is visible in each. Actions for Consideration in the 2003 Macroeconomic Policy of Macedonia that will improve the flexibility of the labor market as proposed by PRiSMa partners include:

1. Provide the institutional framework for local inter-ministry, municipal government, labor and private sector cooperation supporting local demand-driven labor force adjustment planning and action, led by a cross-sector workforce planning commission.
2. Upgrade the National Employment Bureau's active labor market measures such as Job Clubs, lifelong Professional Orientation, Pro-active Mediation services, etc. Make them available to all members of the labor force, whether employed or unemployed.
3. Adopt Rapid Response legislation that requires early warning of large-scale layoffs accompanied by worker-needs-driven pre-layoff transition assistance funded through

- the national budget and facilitated under the direction of the local workforce planning commission.
4. Offer Post-Secondary market-driven vocational training through the Ministry of Education's Regional Centers of Excellence, coordinated with needs identified by the local workforce planning commissions in the region.
  5. Initiate a tri-partite (labor, private sector management and government) dialogue to revise the labor law(s).
  6. Realize the National Policy for Small and Medium Enterprise (SME); back the SME loan guarantee fund intended in this policy to target rural and neglected communities through the use of the PRiSMa LED process, and administered by local banks.
  7. Prepare to establish a Labor Market Data Base to accurately track labor supply and demand by training staff in data collection and analysis methods consistent with international best practices as well as obtaining the necessary electronic system for maintaining such a database.
  8. Separate the health, social welfare and job search support elements of the current unemployment insurance benefit system to keep unemployment insurance benefits focused on job transition.
  9. Relieve small businesses of the tax burdens that are presently a disincentive to their registering legitimately and thus artificially increasing unemployment rolls.

The recommended action items reflect a full understanding of ICDP principles by PRiSMa's partners. The responsibilities for active labor market and economic development measures are widely distributed within the government. The Macroeconomic Policy for 2004 also contains greater commitment of funds to back up the structural changes of 2003.

## Country Background and Project History

### A. Macroeconomic Picture

The Former Yugoslav Republic of Macedonia is land-locked, sharing borders with Albania, Yugoslavia, Bulgaria, and Greece. In 1994, Macedonians (67%) dominated Macedonia's 2,050,000 population; the remainder represented other nationalities: Albanians (23%), Turks (4%), Roma (2%), and Serbs (2%). A revised census, in compliance to international standards, is about to be reported; it may show different proportions. Macedonia's national population growth rate is estimated at 0.43 % per annum (2001), with a net migration of -1.54 migrants per 1,000 people. Life expectancy at birth for the total population is 74 years, although lower among some minority groups. Macedonia's GDP is primarily based on trade and services (63%), followed by industry (25%) and agriculture (12%). In general, industries are concentrated on raw material production (coal, metallic chromium, lead, zinc, and ferro-nickel), textiles, wood products, food processing and tobacco.

Yugoslavia's poorest republic, Macedonia produced only 5% of the total output of goods and services. The 1990 breakup of former Yugoslavia had serious economic consequences in both political and economic terms. There was a sharp drop in GDP accompanied by extremely high inflation rates in the early 1990's. Exports stagnated. Imports have grown steadily, leading to an increasingly widening foreign trade deficit. The 1999 deficit was approximately \$400 million. By 2002, the country had a trade deficit of \$600 million.

Following a serious economic downturn from 1991 to 1996, Macedonia's economy stabilized and was experiencing accelerated real growth, from 1.2% in 1996 to 4.3% in 2000, with a drop in inflation from over 600% in 1992-94 to only 0.6 percent in 1997-99. This growth came to a halt with the Kosovo crisis (in 1999) and was further impacted by the 2001 conflict within Macedonia, which resulted in a negative growth rate of -4.6% (2001).

The Kosovo crisis and the influx of almost 400,000 refugees from Kosovo in 1999, as well as the civil insurgency launched in 2001, significantly damaged the macro-economic prospects of the country. The Gross Domestic Product averaged 1.05% during the 1997 to 2001 period and dropped to -4.60% during the internal civil crisis period 2001/2002. It was up to 3.00% again in 2002.

Nearly half the population live in households with one or more unemployed worker. The majority of the unemployed are young new entrants to the labor force. Unlike many countries in the region, layoffs have comprised only a small proportion of the unemployed due to slow privatisations. As privatisation finally comes about due to more aggressive government action following the 2002 election, older workers make up a larger share of the unemployment rolls. Unemployment has held at a rate above 30% since 1998, with a surge above 40% during 2001. Gradually, the unemployed population is becoming one representing more laid off workers

than new entrants to the labor force. The duration of unemployment is high, although the maximum benefit period was reduced from 18 to 14 months in March 2003.

At present, Macedonia's economic concerns are primarily those typical of a poor and less developed country. The continued political uncertainty and extensive corruption, regional as well as internal, are substantive factors impinging on its development. According to the macro-economic policy, the key operational objectives each year were to increase employment, stimulate greater flexibility of the labour market, and adopt support measures for the export-oriented companies.

The World Bank Poverty Analysis of 1999 described Macedonia at the time the PRiSMa project was launched as one of the poorest Yugoslav Republics, with a weak entry into statehood.

It was burdened by a cradle-to-grave social protection system that provided individuals with full protection against income loss and other lifetime risks: guaranteed employment, child allowances, free education and health care, and pensions upon retirement. However, unemployment was high compared with regional norms, and was concentrated among new entrants to the labor force. The socialist worker management system gave the employed (or insiders) extensive powers to push up wages, restrict hiring and termination practices, and keep out younger and less skilled workers. All of this had been supported by remittances from Belgrade, or internal commerce within Yugoslavia. Upon dissolution of Yugoslavia, expectations remained the same despite the fact that traditional supports had been gutted. Inflation rates soared; real wages declined; unemployment increased. Not surprisingly, poverty increased from 4 percent of the population in 1991 to approximately 20 percent in 1996. Moreover, despite real declines in wages, labor costs (gross wages/GDP as well hiring/firing restrictions, etc.) remain higher than in neighbouring countries with similar levels of income.

In this context Macedonia's Ministry of Labor and Social Policy (MOL) established a relationship with the United States Department of Labor (USDOL) for assistance in modernizing its National Employment Bureau. Material and technical assistance had led to automation of the enrollment system's data processing. Additional technical assistance improved the vocational guidance services offered. Realizing that a more comprehensive approach would be needed to dislodge the dependent ways of thinking that perpetuated high unemployment, MOL embraced the ICDP.

## **B. Project Design and Funding**

The PRiSMa Project officially began in 1999 with USAID's decision to respond to a request from the Government of Macedonia to address labor redeployment issues with an initial investment of \$1.5 million for project start-up and Local economic Development (LED) and Rapid Response/Worker Adjustment (RR/WA) in 6 pilot sites. This was followed by a two-year budget of \$1.25 million for expansion to 12 more sites, as well as a pilot of the Enterprise Competitiveness Quick Start (QS) training method at 4 sites. Local partners were given to understand that, pending pilot and expanded round success, all 30 NEB local office sites would

receive training in the three components of the ICDP. The LED and RR/WA pilots and the first expansion were considered successful and an additional \$1.7 was approved for FY 2002 to provide continued technical support to the first 18 communities, expansion to 12 new communities to establish the ICDP in the 30 key cities, and extension of QS into the remainder of the 18 communities where LED and RR/WA had been introduced. A final \$1.4 million was allocated in FY 2003 and a no-cost time extension was approved through March 31, 2004 to complete project implementation, monitoring and evaluation of the community projects and to move the communities into regional resource units able to mutually support sustainability of the ICDP. A total of \$5.9 million was allocated for the PRiSMa project.

The Steering Committee and USAID selected the six pilot sites in July 1999 with attention to geographic distribution and a balance of socioeconomic issues. The LED component was first to be introduced in Kriva Palanka, Ohrid and Stip. The first phase of activity, the workshop series, began in November 1999 and went through March 2000. The RR/WA component was to be simultaneously introduced in Tetovo, Probistip and Kisela Voda. Under RR/WA, Labor Management Adjustment Committees (LMACs) were organized in February 2000 and completed their action plans by September 2000. The QS pilot was organized in July 2000 with pilot sites chosen based upon responses to public tenders. Sites in Skopje, Struga, and Ohrid were selected according to criteria based on potential for benefit.

Local PRiSMa core teams, usually composed of five representatives of the national partners, were established in each community and trained on the entire ICDP to serve a coordinating function between the LED, RR/WA and EC activities. An Industrial Adjustment Specialist (IAS) was selected by a partner agency, usually the NEB, to receive additional training, to take coordinating responsibility, and to oversee implementation of project activities in the community.

The groups of communities in the pilot round (6), and then the first expansion round (12) and the subsequent second expansion round (12) began activity by learning and applying the process for either LED or RR/WA. Half of the communities in each group were to implement LED while the other half implemented RR/WA. After a six-to nine-month period, the sites would “flip,” i.e. the sites implementing LED would initiate their RR/WA process while those having implemented RR/WA would begin the LED process. In this way, each local team could focus on learning the new methods of each component separately, with the expectation that methods could be applied as needed in the future. QS followed the first two components.

In April 2000 an additional nine communities (Tetovo, Probisip, Kisela Voda, Sveti Nikole, Strumica, Debar, Krusevo, Kavadarci and Struga) started the series of LED workshops. In February 2001 another six communities were included (Delcevo, Bitola, Veles, Gostivar, Kumanovo, Radovis) and in November 2001 another 12 (Demir Hisar, Gevgelija, Kicevo, Kratovo, Makedonski Brod, Negotino, Berovo, Kocani, Prilep, Resen, Valandovo, Vinica), for a total of 30 communities. About 16 LED project ideas were generated in each community and one funded with PRiSMa funds based on a consensus decision-making process.

In September 2000, enterprises in Kriva Palanka, Ohrid, Stip, Bitola, Kumanovo, Veles, Radovis, Gostivar and Delcevo were included in the process of pre-lay off services included

under the RR/WA component. In February 2001, the communities Sv. Nikole, Strumica, Struga, Krusevo, Kavadarci and Debar joined in. The last round starting November 2001 included communities Demir Hisar, Berovo, Gevgelija, Kocani, Kicevo, Prilep, Kratovo, Resen, Makedonski Brod, Valandovo, Negotino and Vinica. These communities turned their attention to LED in September 2002, at the same time Demir Hisar, Gevgelija, Kicevo, Kratovo, Makedonski Brod; Negotino turned their attention to RR/WA.

In September 2001, PRiSMa began implementing the EC component in 15 sites. These are the communities not involved in the EC Pilot that had completed a round of LED and RR/WA. The EC teams are made up of representatives of public vocational schools, the NEB and NEPA where it is present. In September 2002, the remaining 12 communities were brought into the EC program.

In March 2003, preliminary organization of regional institutionalization units began as part of the regular quarterly meeting/network day monitoring activity. By September 2003, each of four regions had developed a plan for action to further stimulate employment opportunities on a sustained basis in their regions. In each case, the vehicle selected was support of a business cluster deemed mutually promising and ready to organize for mutual benefit.

The table in Appendix I sets forth the order in which the three components were introduced in the respective communities.

## **Current Status and Project Results**

### **A. Economic Status 1999-2004**

When PRiSMa began, the structure of the labor force reflected the industrial patterns of the planned economy of old Yugoslavia. The workers who had jobs protected them. As young people entered the labor force, they had increasing difficulty finding jobs. Jobs were viewed as legitimate only if they were in or carried the same conditions as those found in the predominantly state-owned industries. Privatization was at a standstill in large part because the workers in those old industries were being protected. The economic position of the country within the region is quickly perceived by looking at the workforce profile. Nearly half the workforce was involved in extractive or agricultural industries where little value is added before raw materials are exported. When the export markets shriveled with regional political breakdown, employees were nominally retained but with little or no pay. They were waiting for the economic miracle. False hopes and labor force inflexibility kept the skill profile of the labor force static.

**Workforce Profile: Percent Employed by Economic Sector 1999**

Industry and mining	27.7
Agriculture and fishing	20.5
Forestry	0.7

Water management	0.5
Construction	.7
Transport and communications	5.0
Trade	10.1
Catering and tourism	2.7
Crafts and services	2.9
Housing, utilities, public services, landscape and maintenance	1.8
Financial, technical and business services	3.1
Education, science, culture and information	7.4
Health and social security	5.7
Bodies of state administration, local administration, political parties, social organizations and associations	5.9
Other	0.2
<b>TOTAL</b>	<b>100.0</b>

Source: Labor Force Survey Macedonia- State Statistical Office

A bubble of unemployed labor force members was growing among youth. They finished school with no hope and no help to join the active workforce. The resulting restlessness and anger were easily exacerbated in the 2001 Spring offensive that paralyzed the country for a year.

#### Unemployed by Gender and Age: April 1999

<b>Age Range</b>	<b>All</b>	<b>Males</b>	<b>Females</b>
	261,451	158,133	103,319
<b>15-19</b>	20,851	12,617	8,234
<b>20-24</b>	58,090	35,735	22,355
<b>25-29</b>	55,352	35,008	20,343
<b>30-34</b>	40,016	22,564	17,452
<b>35-44</b>	51,359	28,832	22,527
<b>45-54</b>	27,621	16,768	10,854
<b>55-60</b>	6,260	4,916	1,344
<b>60+</b>	1,903	1,695	208

Most of the unemployed population were long-term unemployed (23.8%). Almost 90 percent (89.9%) of the total 261,451,000 unemployed persons had been unemployed more than 6 months. Only 13.5% had been unemployed for less than 6 months, the accepted time limit for ready reentry into the workforce.

Over the life of the PRiSMa project, the unemployment rate changed very little. Structural changes that would be needed to significantly affect the figure were held up by political and social conflict that simmered before and after the eruption in 2001. The political instability prevented adoption of a series of business-friendly policies that would promote economic growth. The violent hiatus discouraged local as well as foreign direct investment.

The following table illustrates a steady to increasing official unemployment rate, as defined by Labor Force Participation over the period PRiSMa operated in Macedonia.

**Macedonia Unemployment Rate: 1999 through 2004**

	1999	2000	2001	2002	2003	2004
Unemployment rate, LFS	32.4	32.2	30.5	31.9	35 est.	34 est.

Although PRiSMa infused practices that contribute to increased labor force flexibility, the structural nature of the problems generating the high unemployment rate is still not thoroughly addressed. Privatization is moving faster, so greater numbers of older workers are being laid off than was true in 1999. Investment and growth stalled out during a civil crisis, and both domestic and international investors have been slow to regain confidence.

By PRiSMa's final conference in February 2004, the Minister of Labor and Social Policy was able to announce that the country was now creating as many jobs as were being lost to privatization and to estimate that the creation figure will overtake the loss figure this year. It is the increased energy and initiative of citizens like those on PRiSMa teams that is turning the tide.

**B. Government Institutions 1999-2004**

The Government of Macedonia at first retained the basic employment policies of former Yugoslavia. In a full-employment socialist economy, this means "unemployed" status is given any person not currently assigned to a place of employment in a state-run enterprise. There was some leeway in the socialism of Yugoslavia for recognizing private enterprise and, therefore, private employment, but this was very much the exception. For the most part people considered employment to be a job in a large firm or government unit, and without such a job one was considered "unemployed". A gray economy thrived as people supplemented their incomes with entrepreneurial efforts.

In 1997, a major revision of the law on Employment and Unemployment began to bring the definitions and rules into compliance with Western standards. Limits were placed upon entitlement for unemployment insurance benefits, although they were far more generous than found in countries with flexible labor markets. The definition of "unemployed" nominally included the concept of "looking for work," but elsewhere the mechanism for determining eligibility for health benefits forced about 100,000 people into the "unemployed" category even though they were not truly looking for work. The law stated an impressive set of active labor market measures as being within the competencies of the National Employment Bureau and its local offices, but little of this was being done at the time the project started in 1999.

No adult education was available through the Ministry of Education, as the Workers' University system had been privatized. The regional Workers' Universities were struggling to support excess facilities and staff without an adequate market for continuing education. The majority of the population did not grasp the fact that the industries that used their old skill sets were not likely to keep them employed.

The Employment Bureau offered on-the-job “training” to unemployed new hires in the form of three months of subsidized employment. The subsidies had been misused by employers who did not hire the workers at the end, but rather discharged the “trained” worker and took another along with another subsidy. The rules were modified in 2001 to compel employers to retain the trainees once the subsidy was used. In none of this was there a strong set of performance criteria or training goals to which the involved parties could refer to when determining success or failure of training. This subsidy was the single source of adult training or retraining money available in Macedonia.

Economic stimulation was stifled by business-unfriendly regulations, lack of access to capital and an unreliable legal system. During the life of the PRiSMa project, USAID and European donors have worked hard to help Macedonia address these issues but progress is slow.

In the final project year, the European Agency for Reconstruction funded development of a National Action Plan for Employment, which was explicitly to include best practices from PRiSMa. One month before the close of the project that plan was adopted, and does include the recommendations of the Steering Committee plus other active labor market measures directly descended from the PRiSMa project experience.

## **C. Overall Results**

### **1. General Results**

Over the course of the project, learning experiences for community teams were underwritten in 30 communities for each of three component activities. During these experiential learning experiences, more than 3,000 community partners devoted nearly 70,000 hours to design and develop project activities that created or retained more than 6,000 permanent jobs in nearly 300 firms. Their efforts also yielded startup or expansion of 79 businesses and adoption of improvements to the local business climates. Partners observed 176 specific changes in business practice as a result of project activities. The changes also led to more emphasis on cross-sector local strategic planning, with most of the communities having begun strategic plans either under municipal auspices or as members of regional development associations.

Engaging systematically in the component activities made for experiential learning applicable to a local economy. Capacity for replication and innovative reapplication is well established in each community, with a broad spectrum of social partners holding the requisite skills.

Because each local team brought together representatives from public sector, private sector and organized labor, as well as the civil society sector, people unaccustomed to working together for a common goal learned to do so.

The meaning and positive impact of these results were well described by the following external evaluators.

## 2. Independent Evaluation

An interim independent evaluation conducted by Management Systems International (MSI) was commissioned by USDOL from 18 February to 18 March 2002. Data was collected at ten project sites throughout Macedonia, from the central PRiSMa project office in Skopje, and from interviews with stakeholders in the U.S. and Macedonia. It concluded that Macedonia demonstrates the advantages of implementing the ICDP as a coordinated whole in transition economies experiencing massive layoffs. MSI's evaluators also found that LED appears to provide the greatest value added for transition economies, given its proven ability to (1) create new jobs in a cost effective manner; (2) change attitudes within communities so citizens believe they can assume responsibility for their own economic development, and (3) build capacity within community teams to enable them to leverage additional funding for local economic development. The evaluators concluded:

***“PRiSMa, working under very difficult circumstances (e.g., economic and political instability and serious civil disturbances), has created more jobs in less time at a significantly lower cost than any of those three programs. In its first 2 1/2 years of activity, in 15 of the first 18 communities served, PRiSMa helped to create 1,100 permanent and temporary jobs through LED and to retain or reemploy 900 workers through RR/WA. When the last three of the first 18 communities complete their projects by June 2002, those numbers are expected to increase to 2,000 new LED-generated jobs and 1,200 workers retained or reemployed under RR/WA. Quick Start training under the Enterprise Competitiveness component has contributed indirectly to the creation of another 237 jobs. Thus, the total projected number of jobs created or retained for PRiSMa's first 18 communities and 3 pilot Quick Start programs is 3,437. Total estimated costs for the related timeframe are \$2,000,000. This represents a cost of \$582 per job created or retained. This figure is significantly lower than average per job costs for job creation or retention among other donor initiatives and represents estimated annual savings to the state in unemployment benefits for the 3,437 individuals involved of more than \$4 million.”***

The evaluators reached the following key conclusions regarding the strategy, impact, partnerships, synergies and integration of the PRiSMa project in Macedonia:

1. The aggressive, private sector-oriented LED strategy, given the harsh socioeconomic conditions, political instability and climate of crisis in Macedonia, appears to have been the most effective and cost-efficient choice among available options.
2. RR/WA in Macedonia was used primarily for job retention within the parent firm, as opposed to job transition to work outside the firm. Given the dearth of job opportunities for laid off workers in the current economy in Macedonia, the strategy enhanced employment opportunities for threatened workers.
3. The three Quick Start pilots carried out up to the time of the evaluation demonstrated the training methodology's ability to assist firms to increase productivity and enhance competitiveness through cost effective, job specific technical training for target employees. However, expansion of QS implementation in PRiSMa communities was

delayed until October 2002. That circumstance was unfortunate in that it could not be conducted alongside, or within LED or RR/WA interventions.

4. PRiSMa contributed to a significant change in attitude and behavior within the communities and enterprises served. Citizens realized that they have the ability to utilize a democratic and transparent process of consensus decision making to pursue local economic development and worker adjustment initiatives.
5. PRiSMa had developed by that time strong and constructive partnerships with eight national institutions and over 800 local partners.
6. A practical, problem-focused approach to joint project activities had resulted in productive synergies among three USAID projects (PRiSMa, LGRP and CSHI) where expertise, capacity and funding were leveraged for mutual benefit.
7. The ICDP can achieve significant impact in transition economies suffering massive layoffs and social unrest, but benefits are enhanced when there is true integration and blending of the three components under a strategy that allows for concurrent rather than successive implementation of the components.

The MSI evaluators went on to recommend future priorities for the duration of the PRiSMa project beyond the spring of 2002. These were listed as follows, with the ensuing response from PRiSMa denoted in italics:

- **Launch LED Phase 3:** LED communities having completed their PRiSMa project require continued technical assistance and training to consolidate their skills and find ways of working with new partners and funding sources to pursue other local economic development initiatives. This support should be provided as quickly as possible through a LED Phase 3 component including training in community development, long range economic planning, models of cooperation with municipal authorities and advocacy. LED communities should evaluate the feasibility of creating a “pay it forward” program that would encourage successful PRiSMa grantees to work with the community team to stimulate more LED through options such as a LED fund, mentoring of other SMEs, or subcontracting to local enterprises.

*Phase 3 centered around regional networks that were brought together on a quarterly basis. Team representatives worked together on a regional basis to analyze the effectiveness of the three ICDP components in their home communities, propose structures for continuing the effective aspects through the several institutions and private sector entities involved, analyze the economic sectors active in their regions and identify areas for economic development emphasis, and to propose economic cluster-based action plans for carrying forward their efforts. Each region selected its own means of “paying forward” to future economic development effort. Primarily, this was accomplished by encouraging further participation in business cluster development, but in some cases, civic participation was also encouraged.*

- **Facilitate LED Community Team Role in Local Self-Governance Law:** Article 22 of the new Local Self Governance Law provides for the creation of a local

network and partnerships to promote LED. PRiSMa should act proactively to define with its community teams how such a local economic development partnership should function and work with its national partners to encourage adoption of the proposed strategy.

*PRiSMa continued to collaborate on the LED pilot with LGRP. It conducted a round table to clarify local issues regarding decentralization of responsibility for local economic development hosted jointly by PRiSMa, CSHI, LGRP and ISC in September 2002. The Ministry of Local Self Government was added to the Steering Committee. Training on the role of workforce planning in the context of local economic development was provided to the mayors through ZELS in December 2002. Steering Committee planning sessions worked to refine relationships with local governments over the year 2003. National interest is focused on redefinition of municipal boundaries and revenue bases as 2004 begins. The local economic development issues are secondary concerns at the time of project closure. PRiSMa regional teams continue their private sector cluster-based development promotion.*

- **Improve Networking, Advocacy and Public Relations:** Local teams have benefited from networking with each other but recent security concerns hamper national networking meetings. PRiSMa should seek other physical and virtual means to maintain contact such as regional meetings, quarterly newsletters and Internet bulletins. LED team leaders should meet together at least every six months to discuss achievements and possible advocacy for community development initiatives. PRiSMa should work with national partners and USAID to publicize LED, RR/WA and QS success stories.

*Travel safety improved. Local partners began meeting regularly in regional meetings three times per year through December 2003. In those meetings they benefited from information sharing and further training on: planning for full ICDP sustainability based on regional resource units or staff teams; developing alternative financing mechanisms for business; public relations/working with the media; performance monitoring and evaluation; establishing business networks that develop into business cluster; and forming public/private partnerships to support regional ICDP sustainability. The PRiSMa website continued to share information about community accomplishments. The newsletter was revised to reflect local progress on the topics of regional network day trainings and to keep the local partners informed of national level progress with institutionalization. It was distributed electronically through the website as well as in a hard copy version. (Visit the PRiSMa website at [www.w-s-i.net/macedonia](http://www.w-s-i.net/macedonia) )*

- **Expand outreach to rural/mixed communities for LED:** Given the positive feedback from rural/mixed community teams and in view of the continuing socio-economic difficulties in Macedonia, PRiSMa should expand its rural/mixed community outreach program to include an additional 16 communities in 2003. PRiSMa should continue to work with its growing network of national trainers in

this effort and to draw on lessons learned from its 2002 rural/mixed outreach program.

*The rural and mixed community intervention was in response to the civil crisis in Macedonia in 2001-2002. It could not have been accomplished without cooperation with the Community Self-Help Initiatives (CSHI) project, both in terms of local coordination through its regional representatives and through the provision of LED seed monies in the selected communities. Post-crisis, the regional teams had become well organized, and determined that regional development strategies were the better step toward sustainability rather than repetition of the local intervention. Because of the regional nature of this strategy, smaller communities were included.*

- **Implement Rapid Response in a Pilot Loss Maker:** Provided the Ministry of Economy meets the implementation conditions set forth by PRiSMa in its memorandum of January 2002, PRiSMa should work with national partners and the relevant GOM ministries to implement a pilot RR/WA program in one of the major loss making firms facing shutdown. This type of RR/WA initiative more closely parallels the Rapid Response programs in the U.S. and Canada and offers an opportunity to evaluate its applicability for job transition in Macedonia, as compared to the job retention focus of the RR/WA initiatives to date in Macedonia.

*PRiSMa staff had presented the proposal for this intervention to the GOM prior to the MSI evaluation and this recommendation is an endorsement of the concept. The obstacles to RR/WA in loss maker companies, chiefly the ambiguous status of labor and on-site management, did not change. GOM did, however, move to institutionalize the RR/WA method with the adoption of a revised Worker Relations law authorizing pre-layoff interventions and requiring employers to provide early warning of layoffs. The law also organized the NEB into regional resource teams with national team support to establish the capacity to deliver RR/WA services as needed. Loss makers are high on the regional teams' list of intended interventions. With the Macroeconomic Plan of 2004, the budget priority of Active Labor Market Measures is established. As PRiSMa closes, the possibility exists that RR/WA will be continued in firms where restructuring more strongly forces workers to seek work with new employers. The evaluators seemed unaware that standard RR/WA guidelines in the US call for looking first at other employment opportunities with the same employer. These guidelines were given to LMACs and were applied creatively.*

- **Integrate Quick Start in PRiSMa Rounds:** given its proven efficiency and cost effectiveness, Quick Start should be fully integrated into all future PRiSMa program activities.

*At the time of the interim evaluation, the local teams were just beginning to learn the method QS introduces. By the final year, QS was included into the regional*

*resource units' toolkits and cluster-based regional economic development plans were developed that appropriately included the QS method.*

- **Institutionalize Rapid Response and Quick Start within NEB:** NEB should assume the coordination role for the provision of pre-layoff services to dislocated workers and for QS custom fit training for employers hiring new employees or seeking to improve their firms' competitiveness. NEB should create a SWAT team(s) for such services that should work with PRiSMa to develop operational manuals and build team member skills. PRiSMa could also provide support for drafting labor regulations or legislation related to the provision of pre-layoff services and customized short-term training.

*Sustainability planning focused, from the very beginning, on introducing the methods of the ICDP to Macedonia at the local level while simultaneously working to develop support for the necessary administrative and policy changes at the national government level. The project pressed consistently toward institutionalization of all ICDP components. The natural home for RR/WA responsibility is within the NEB. As the responsibilities are laid out in the revised Worker Relations Law, local government, organized labor and the local Employment Office must all be notified of lay offs of more than 50 workers. The Employment Office is authorized to intervene with RR/WA services. Very clearly, the institutionalization has taken place, and it has been done in a spirit that maintains the tripartite nature of the local PRiSMa teams.*

*At the time of project closure, Quick Start's future as a skill upgrade method is assured. Some of the responsibility for its use may rest with the NEB. The final report of the QS program (Appendix IV) shows a clear cost/benefit advantage to using QS as opposed the previous unstructured period of subsidized work termed "training" at the NEB. All local Employment Offices have specialists trained not only to use the training method, but also to survey local labor market training needs, firm level training needs, and to organize public/private partnerships to address these needs using the QS method. The National Employment Action Plan of 2004 charges local Employment Offices to make these assessments and to work with the Vocational Education establishment to meet the demand driven needs they identify. Following the MSI evaluation, the Ministry of Education organized a Working Group to design a system of adult continuing education prepared to meet workforce lifelong learning needs. PRiSMa was invited into the Working Group and substantially influenced the tripartite design and job-requirement-based approach (QS) being proposed for an upcoming revision of the Post-Secondary/Vocational Education legislation.*

The MSI evaluators concluded by noting:

"In sum, given the continuing unrest in Macedonia due to mass layoffs, security concerns and economic decline, PRiSMa has a critical role to play in supporting communities throughout the country to achieve community, worker and enterprise adjustment. The new law on Local Self Governance provides a unique opportunity

to enhance the sustainability of PRiSMa's local teams. These local teams are a pool of competent role models and trainers who can assist in achieving a significant multiplier effect for the project, especially if a means is found of leveraging additional donor and private investment.

“For the reasons cited above, PRiSMa is and should remain a critical part of the USAID Macedonia Mission Strategy. PRiSMa has developed and applied an effective methodology for “getting Macedonia back to work.” The staff has established very effective working relationships with community officials and other local and national stakeholders to focus available resources and expertise on the key problems of local economic development, worker adjustment and enterprise competitiveness. Its activities align directly with the new USAID SO3.4 aimed at further strengthening Macedonia's capacity to deal with its daunting economic challenges. Moreover, PRiSMa is building productive synergies with complementary USAID projects to advance the Mission's overall strategy.

*The project did continue as part of the Macedonia USAID mission strategy through 31 March 2004. The various ways in which the GOM and its social partners have embraced practices based on the best of their PRiSMa experience are set forth in the Sustainability Section of this report.*

### **3. Other Evaluations Remarking PRiSMa Results**

In the Spring of 2002 *Price Waterhouse Coopers* was engaged by the USAID mission to undertake a Macedonia Labor Market Assessment. The draft report delivered in April 2002 gave recognition to the PRiSMa intervention. Particularly valuable, from the point of view of this assessment team, was the local team structure.

*“Responding to the rigidities in the labor market and building mechanisms to improve the supply of labor will have little independent impact on joblessness. Likewise, the full impact of economic growth and new jobs on the social issues facing the country will not be realized without direct attention to the barriers in the labor market and to the distrust in democratic institutions. To have a measurable impact, the labor force development initiatives need to be integrated into the package of USAID programs.*

*“In the discussion, we have identified several existing USAID projects, particularly the PRiSMa program, the Local Government Reform project, and the ACILS project that seem to have direct links to our recommended approach to labor market development. **Both PRiSMa and the Local Government project have existing organizational structures in local communities and have developed successful approaches to stimulating local economic development and job creation.** Job creation at the local level and mechanisms to match people to jobs are key to reducing unemployment and building confidence in the system in the short- to medium-term. The staff of the new ACILS project has begun to move in this same direction by focusing on the potential for unions to*

*play a role in local development through links with the PRiSMa and Local Government teams.*

*“... One part of the task of generating results is to create short-term jobs directly, through infrastructure projects and public works, to put income in people’s pockets and, at the same time, improve conditions in the community. (IR 3.4.4) A second part of the task is to change the communities into places where the residents see growth and opportunities, through local development programs for economic growth, participation, and labor market development. Reform of labor market mechanisms is a necessary part of this community development process but structural reforms alone will not produce the evidence that people need to increase their commitment to the system. **This community development process builds on the Mission strengths at the local level, particularly through PRiSMa.**”*

The local teams also have caught the attention of the *Institute for International Cooperation* of the German Adult Education Association, which published in 2003 an analysis of Adult and Continuing Education in Macedonia. That report features PRiSMa local teams as *“a network empowering the communities involved to enhance local economic development and competitiveness when setting about creating new jobs and saving the existing ones.... **The main added value of the project is the fact that it establishes a broad partnership in the local communities.... This is a great potential that should be tapped by local and national authorities.**”* The report goes on to describe the value of the workplace-based curriculum development with involvement of a broad-based team as a vehicle for Vocational Training reform.

Last but not least are the evaluations of PRiSMa partners. Consistently, over the life of the project, workshop evaluations have rated the content at or above 4.5 on a scale from one to five. Workshop participants responded to questions about their overall evaluation of the workshop, its practical value, increased knowledge, and accomplishment of goals. The relatively highest marks typically went to goal attainment, the implication clearly being that the participants considered their work to be productive.

#### **C.4 Performance Indicators**

Concrete measures of project performance have been tracked through application of a Performance Monitoring Plan (PMP) initiated in late 2002. The PMP was drafted by WSI, USAID and DOL. The following table displays the indicators selected to measure performance of the ICDP in Macedonia. These indicators were relevant during the life of the project and continue to be relevant as the ICDP is institutionalized within the country.

Project Matrix: MACEDONIA USDOL WORKER ADJUSTMENT PROJECT  
Development Objective: Increased employment of workforce in target areas

Objectives and Outputs	Critical Assumptions	Indicators
<p><b>Development Objective:</b></p> <p><b>Increased employment of workforce in target areas*</b></p> <p><i>* areas may include regions, communities, groups, administrative units (cities, counties, municipalities), associations, organizations, enterprises, countries, special populations</i></p>	<ul style="list-style-type: none"> <li>• Political stability</li> <li>• Supportive policy and regulatory environment</li> <li>• Threshold level of central government support</li> <li>• No macroeconomic crises</li> </ul>	<ul style="list-style-type: none"> <li>• Number of permanent, temporary and seasonal jobs created (disaggregated by program-LED/LMAC/EC)</li> <li>• Number of at risk workers retained (disaggregated by program- LED/LMAC/EC)</li> </ul>
<p><b>Immediate Objective 1:</b></p> <p>Increased business sector activity in target areas</p>	<ul style="list-style-type: none"> <li>• Criminal actions do not impede market functioning</li> <li>• Political actions do not impede project activities</li> <li>• Partner commitments hold</li> </ul>	<ul style="list-style-type: none"> <li>• Number of new business starts</li> <li>• Number/percent of firms with expanded business over the past year (disaggregated by LED, LMAC and EC)</li> <li>• \$/% Of new investment leveraged by target LED communities</li> </ul>
<p><b>Sub Immediate Objective 1:</b></p> <p>Increased capacity of target areas to identify and pursue post-project LED, LMAC or EC opportunities</p>		<ul style="list-style-type: none"> <li>• Number/percent of communities with continuing economic development fora</li> <li>• Number/percent of communities with new LED, LMAC or EC initiatives</li> <li>• Number/percent of communities with long term economic development plans operational</li> </ul>

Objectives and Outputs	Critical Assumptions	Indicators
<p><b>Output 1.a:</b>  Citizens, local specialists and community team members trained in ICDP and their respective roles in implementation</p>		<ul style="list-style-type: none"> <li>• Number of citizens participating in training (disaggregated by LED, LMAC and EC)</li> <li>• Number of local specialists and community team members trained in implementation and monitoring (disaggregated by local specialists and community team members)</li> </ul>
<p><b>Sub Immediate Objective 2:</b>  Improved production, management and/or labor/management relations in target firms or areas.</p>		<ul style="list-style-type: none"> <li>• Number/percent of existing firms assisted that implement new production, management and/or labor management relations processes (disaggregated by LED, LMAC and EC)</li> </ul>
<p><b>Output 2.a:</b>  Assistance provided to local businesses in target communities</p>		<ul style="list-style-type: none"> <li>• Number of firms assisted directly or indirectly by project (disaggregated by LED, LMAC and EC)</li> </ul>
<p><b>Sub Immediate Objective 3:</b>  Improved business climate in target areas</p>		<ul style="list-style-type: none"> <li>• Number of project- related local level business climate improvements (disaggregated by type of improvement: financial markets, legal/ regulatory, physical infrastructure and labor/management relations)</li> </ul>
<p><b>Sub Immediate Objective 6:</b>  Maintain or strengthen local partnerships for LED opportunities</p>		<ul style="list-style-type: none"> <li>• Number of LED partners (disaggregated by type of partner)</li> <li>• Average # and value of hours committed by partners per community</li> <li>• Number/percent of LED communities whose partners contribute at least 50% of LED project costs</li> </ul>

Objectives and Outputs	Critical Assumptions	Indicators
<p><b>Immediate Objective 2:</b> Increased worker participation in transition services in target areas</p>	<ul style="list-style-type: none"> <li>• Political actions do not impede project activities</li> <li>• Partner commitments hold</li> </ul>	<ul style="list-style-type: none"> <li>• Number of workers participating in transition services in target areas (disaggregated by LMAC and EC)</li> <li>• Number of firms receiving transition services (disaggregated by LMAC and EC)</li> <li>• % of demand met for transition services (disaggregated by LMAC and EC)</li> </ul>
<p><b>Immediate Objective 3:</b> Institutionalization of ICDP components in target areas</p>	<ul style="list-style-type: none"> <li>• Political actions do not impede project activities</li> <li>• Partners commitments hold</li> </ul>	<ul style="list-style-type: none"> <li>• Number of public/private institutions implementing ICDP worker adjustment components (disaggregated by LED, LMAC and EC)</li> <li>• Number of trained and designated staff assigned to ICDP components (disaggregated by LED, LMAC and EC)</li> <li>• Number of new policies/regulations enacted that are supportive of proactive worker adjustment</li> </ul>
<p><b>Sub Immediate Objective 4:</b> Demonstrated efficiency in delivery of improved worker adjustment components</p>		<ul style="list-style-type: none"> <li>• Cost per job created as compared to other program standards (disaggregated by LED and QS)</li> </ul>
<p><b>Sub Immediate Objective 5:</b> Increased partner and community acceptance of responsibility for proactive pursuit of economic opportunity</p>		<ul style="list-style-type: none"> <li>• Percent of target area community members who accept responsibility for economic renewal of their community</li> </ul>
<p><b>Output 5.a:</b> PRiSMa advocacy action plan operational</p>		<ul style="list-style-type: none"> <li>• Number/percent of planned actions completed</li> </ul>
<p><b>Output 5.b:</b> Partners trained in advocacy</p>		<ul style="list-style-type: none"> <li>• Number of participants trained (disaggregated by type of partner)</li> </ul>

As is evident in the above matrix, the ultimate goal of the ICDP is to increase employment. That comes about when: 1) business sector activity increases, 2) workers become engaged in a transition process, and 3) the methods to encourage both are systematically adopted.

The local specialists in each community where the ICDP was being implemented were trained in a network day meeting on the collection and interpretation of the data in the Summer of 2002. These partners helped to reconstruct data on the indicators for the semesters preceding that time. They gathered and interpreted local data for the following two years. Data have been aggregated at the PRiSMa office. The Steering Committee was trained in the use of the data for driving administrative decisions. No formal mechanism is in place to retain the Performance Monitoring Plan, although it will be considered in the plan proposed as part of the EAR Employment Bureau reorganization.

In Appendix II will be found a detailed list of these indicators with performance data at the close of the project, 31 March 2004. Attachment I, in Excel format, contains all Performance Monitoring Data for the country as a whole, as well as for each community, over the life of the project.

## **Project Implementation – Annual Summaries and Outputs**

The following section outlines in detail each project component, annual activity and yearly outputs including technical assistance provided, training numbers and deliverables produced or utilized in that year. Appendix III includes aggregated annual outputs, quantifiable results and funding summaries, statistics, and project titles related to specific components.

### **A. 1999: Summary of Achievements**

#### ***ICDP Introduction***

The project began in July 1999 with organization of the Steering Committee and the National Team. A National Team composed of NEB central office staff was established and trained in July 1999 to support implementation of the ICDP at the national level. Initial PRiSMa technical activities concentrated on introducing the ICDP and its potential to the Steering Committee. The primary vehicle for this was a study tour in July 1999 to the United States where variations could be viewed. Pilot sites were then selected by USAID, USDOL and the Steering Committee. These were: Kriva Palanka, Ohrid and Stip for LED; Tetovo, Probistip and Kisela Voda (Skopje) for RR/WA.

After the six pilot communities were selected, local specialists were nominated in August 1999 from the local employment offices' staffs. The specialists and local employment office managers received training on the ICDP in August 1999.

In September 1999, National Team members visited Hungary where the ICDP had been effectively adopted and Bulgaria where implementation had been underway for one year. The study tour was immediately followed by selection and training of the NEB national team

(Directors and IASs from all 30 local employment offices as well as national office designees) Training included the principles of the three-component ICDP; Teambuilding (which pertained to formation of this team and all future local teams); Rapid Response techniques including Labor-Management Adjustment Committees (LMACs), psychology of layoffs and change, one-stop shops and active measures program design; and Local Economic Development training introduced a five-workshop series of development steps. Enterprise Competitiveness was introduced in theory, but not specified further at the start.

Workshop delivery and implementation began in the pilot sites in November 1999. Macedonian Law did not require early warning of layoffs, but the local teams were knowledgeable about the situation in their communities and were able to propose a list of firms with impending layoffs. Most of these layoffs were due to privatization related restructuring.

### **1999 Outputs**

Total New Partners Trained: 148  
Total New IASs and Local Team Members Trained: 44

#### Deliverables:

*Teambuilding manual written and translated*  
*Local Economic Development manuals (3volumes) translated*  
*Rapid Response/Worker Adjustment manual translated*

#### Other:

*Steering Committee organized*  
*Original charter signed*  
*National Team organized*  
*Study Tours to USA, Hungary and Bulgaria*

### **2000: Summary of Achievements**

#### ***ICDP Pilots and Expansion***

The three LED pilot sites completed the Phase I cycle of workshops and selected projects for implementation in early 2000. Similarly, the pilot RR/WA sites implemented action plans beginning in early 2000. The response to the pilots was overwhelmingly positive. The Ministry of Labor requested of USAID that the project continue and expand.

In April 2000, the pilot sites “flipped” into the respective alternative component, i.e. those having started with LED moved to RR/WA and vice versa. Six additional communities were added at the same time. Svete Nichole, Debar, Struga, Strumitsa, Krusevo and Kavadarci began with LED. Delcevo, Bitola, Veles, Gostivar, Kumanovo and Radovis started RR/WA activities.

Enterprise Competitiveness activity began in the summer of 2000 when a nationwide tender was let for participation in a pilot of Quick Start. Three firms were selected: two in Skopje and

one in Ohrid. At the request of the U.S. Ambassador to Macedonia, the Customs Service was included; however, this agency elected to drop out of the project before training was delivered.

**2000 Outputs**

Total New Partners Trained	479
Total New IAS and Local Team Members Trained	128

Deliverables:

*Draft Quick Start Manual written and translated*

*Public Affairs Manual written and translated*

Other:

*Eighteen communities become involved in LED and RR/WA processes*

*Quick Start Pilot begun*

*Quarterly meeting cycles initiated for follow-up*

*National Network Day held in July*

**B. 2001: Summary of Achievements**

***Delayed ICDP Implementation***

Fears of a “Spring offensive” materialized in Macedonia in March of 2001. A period of civil strife ensued that had a yearlong direct effect on the country and its peoples’ ability to move forward. The six expansion communities were in the beginning stages of their respective “flip” of program emphasis between LED and RR/WA and were able to complete the Phase I cycle. However, some projects were delayed in Phase II, the project implementation stage. For example, Tetovo’s LED project is still not realized at the close of this project in 2004. It involved construction at the base of the hillside undergoing the most intense fighting and is still not a stable area. Projects in Debar and Gostivar were delayed but completed. Debar’s project languished because export market access was interrupted by a prolonged period of border closing. The remaining projects resumed speed and recovered as the tensions receded.

Based on the success of the first 18 communities, the NEB approached USAID that Spring with the request that the cities with the remaining 12 Employment Offices be included so that the ICDP capacity would be distributed throughout the country. In July, the USAID mission agreed to the plan and in September, U.S. Ambassador Einik launched the fourth round of combined LED and RR/WA activity in Demir Hisar, Gevgelia, Kecevo, Kratovo, Makedonski Brod, Negotino, Berovo, Kocani, Prilep, Resen, Valandovo, and Vinitza. At the same time, to respond to the civil crisis, 16 rural and ethnically mixed smaller communities were added, 4 in each region, to implement LED in with project seed monies from the USAID project, Community Self-Help Initiatives (CSHI). There was delay in the funding decision, postponing the organization required to launch the fourth round of LED and RR/WA until October 2001. In addition, because the stability of the country was not reestablished, no foreign consultants were able to receive clearance to enter the country and USAID required the evacuation of all

expatriate staff, including WSI's project director. Therefore, PRiSMa local staff conducted the workshops based on their training from previous rounds.

In the Fall of 2001, QS teams were organized from the core teams in the first 12 communities with the inclusion of lead teachers from Vocational Schools. These teams began local training needs assessments and selection of local demonstration sites for firm-level QS training.

The Steering Committee was in survival mode and met infrequently from March until October of 2001. Unsure if there would even be a country in a year's time, the members were incapable of engaging in discussions of institutionalization. It was a critical setback, costing a year or more of policy clarification and leaving too short a time for the concrete adjustments to internal procedures that followed subsequent policy commitments.

In spite of pervasive internal helplessness, the Macroeconomic Policy which was published in December for the following year specifically mentioned PRiSMa and referenced an intention to work on policy change supportive of PRiSMa practices. Specifics like Rapid Response were concretely addressed in the subsequent years.

### **2001 Outputs**

Total New Partners Trained: 472  
Total New IAS and Local Team Members Trained: 75

Deliverables:

*Quick Start Manual: Improving Enterprise Competitiveness through Custom Fit Training*

### **2002: Summary of Achievements**

#### ***Resumed ICDP Implementation***

While the project director was eventually allowed to re-enter the country, the ban on U.S. consultant travel continued until April 2002. PRiSMa local staff continued to carry the entire training and coordination burden but little was possible in the way of innovation or adaptation in the 12 new communities. Emphasis was shifted to more youth involvement in LED teams, and hot spots were given extra LED attention from the over-stretched staff.

Communities continued to follow the step-by-step processes offered by the ICDP, but were less able than before to initiate new projects because of the collective retreat into survival mode. Network Days were the vehicle for introducing new ways of thinking to the core teams, but these were suspended for nine months until early 2002. By April, in-country travel resumed somewhat; Network Days were now held regionally so no one was forced to be out on the roads long or late. For the remaining life of the project, Network Days were organized regionally, with the benefit that the people in these groups could make concrete plans to work together in the future.

In January 2002, eleven communities were included in a pilot collaborative project with USAID's Local Government Reform Project with the intent to strengthen the economic development team's planning relationship to local governments in Kriva Palanka, Tetovo, Sv. Nichole, Debar, Krusevo, Struga, Bitola, Kocani, Centar, Kumanovo and Karpos. Although this collaboration had been planned in August 2001, the signing of the Framework Agreement that turned hostilities around also placed greater emphasis on local governance. It was at this point that the participatory contribution of PRiSMa teams was joined with the planning responsibility of local government. In December 2002, PRiSMa worked with LGRP, CSHI and the Institute for Sustainable Communities (ISC) to organize a round table to define the parameters of citizen participation in Local Economic Development planning. Key PRiSMa partners from labor, government and the private sector participated.

September 2002 marked the start of the "flip" of round four. In this fifth round, the communities that had started with LED a year before now began RR/WA and vice versa. The last 12 communities' core teams also received training in Human Resource Assessment, Training Needs Assessment, and the QS process. The 30 designated communities were now all fully engaged.

The April Network Day training that marked resumption of more normal activity was on the subject of attracting post-project investment and donations as well as planning for sustainability. Efforts centered on developing regional resources and capacities. Network Days concentrated on needs assessment and planning for joint regional workforce development efforts that utilized all aspects of the ICDP. At this point, regional teams were receiving little administrative support from their respective parent agencies or ministries. The Government turned its attention to a parliamentary election. Active labor market measures were a low priority, whereas the opportunity to generate short-term voter appreciation from being included on passive measure lists gained priority. Management had changed in the NEB, and IASs were being punished for participating in PRiSMa activities. In this atmosphere, it is remarkable that new partners did enter the process, and that most old ones remained active. From the field, the explanation was simply that PRiSMa kept its promises and the results at the local level were plain to see.

In September, elections were held and the opposition took control. It appointed a new NEB manager in November who had been a PRiSMa core team member throughout implementation of the three components since early 2000 in his home community. The policy support pendulum took a strong swing in favor of institutionalization.

**2002 Outputs**

Total New Partners Trained: 234  
Total New IAS and Local Team Members Trained: 78

**Deliverables:**

*Newsletter: News from PRiSMa Partners (1<sup>st</sup> Quarterly Issue, June 2002)*  
*(Visit [www.w-s-i.net/macedonia](http://www.w-s-i.net/macedonia) for electronic version of all newsletter issues.)*

## C. 2003: Summary of Achievements

### *ICDP Completion and Institutionalization*

This was the completion and sustainability year for communities. It was the institutionalization year for the national partners represented in the Steering Committee. The developments are detailed in the Sustainability Section of this report.

By 31 December 2003, local teams in the communities of Berovo, Kocani, Prilep, Valandovo, Resen and Vinitsa completed their LED project action plans and the communities of Demir Hisar, Gevgelia, Kicevo, Kratovo, Makedonski Brod and Negotino completed their LMAC action plans. The same communities completed their QS action plans. The request by the GOM in 1999 to introduce the ICDP and train 30 local teams to implement it had been fulfilled.

At the regional level, citizen initiative was consolidated into economic development teams selecting and supporting promising business clusters. The teams preserved the public/private partnerships of local teams, diffusing the potential for personal gain or political manipulation of economic development initiatives.

Also at the regional Employment Bureau level, resource units were organized and trained to serve as backstops to local implementation of the new Rapid Response law. In response to this challenge, the NEB requested, and PRiSMa delivered additional capacity building training for field staff in vocational counseling and administration and basic labor market survey (human resource supply and demand) vocabulary and methods. These were capacities the NEB desired in order to deliver better active measure services in general as well as to give RR/WA its due. At the close of 2003, the NEB and its social partners were finalizing a National Employment Plan, consistent with European Union standards and adopting the best practices of PRiSMa.

Further, at the regional level, public/private partnerships had the capacity to deliver fast and efficient demand-driven training for new jobs in a modernizing private sector. These teams were legitimized in the Ministry of Education's Regional Centers of Excellence for adult continuing education as well as in the on-the-job training programs authorized by NEB.

Furthermore, the national partners had taken steps to adopt supporting policies and, by the end of 2003, were at the point of making sure financing was present in the national budget for implementation. Once the Ministry of Finance finally understood the cost effectiveness of the set of active labor market measures, the fiscal mechanisms began to fall into place.

#### **2003 Outputs**

Total New Partners Trained	355
Total New IAS and Local Team Members Trained	95

Deliverables:

*Labor Market Survey Using the O\*NET Database*

*Counseling Program Assistance and Assessment  
Vocational Guidance and Counseling*

Other:

*Amendment of the Law on Worker Relations providing for Rapid Response Intervention as a responsibility of the NEB*

*Enactment of a law authorizing a complex set of supports for SMEs*

*Proposal of a draft law for adult and continuing education incorporating QS methodology*

#### **2004: Summary of Achievements**

##### ***PRiSMa Closeout***

A final conference on 11 February 2004 gave 500 representatives of local teams a report of the progress on institutionalization that had been made by national partners. Ambassador Lawrence Butler opened the conference and the Ministers of Labor and Economy apprised the partners of the immediate plans of the government to strengthen their local initiatives.

Regional institutionalization plans were initiated with plans for first stage completion by 31 March. This first phase will launch what is considered to be an ongoing spiral of development managed independently by regional teams. PRiSMa contracted with key former employees to monitor and report progress to WSI through 30 June 2004 when all seed funds will be expended. The PRiSMa office closed officially on 31 March 2004.

The PRiSMa partnership network carries on the Integrated Community Development Program's activity throughout Macedonia in an ongoing effort to:

***Get Macedonia Back to Work!***

#### **2004 Outputs**

*Nationwide Results Conference*

*Final Conference Report (Visit [www.w-s-i.net/macedonia](http://www.w-s-i.net/macedonia) for electronic version).*

## Lessons Learned and Recommendations

### A. General Project Design and Management

**Communication:** Critical assumptions are factors outside the control of the project that are recognized as having significant bearing on overall success. These include political stability, macroeconomic crises and criminal actions for example. When the standardized system for performance monitoring was developed by USDOL, the project had been underway three years and these sensitive points were known.

Other assumptions can be addressed at design time through careful communication between donor and recipient. These include:

- Supportive policy and regulatory environment
- Threshold level of central government support
- Political actions do not impede project activities
- Partner commitments hold

Commitment is stronger where understanding is deep; hence, it is incumbent on the donor to communicate the necessary conditions for success. If there is inadequate commitment on the part of the recipient government, the chances increase of having a non-supportive regulatory environment, political decisions that undermine progress, and wavering of partner commitment.

All of these happened with PRiSMa, both on the side of the donor as well as the recipient, and posed the more serious threat to success throughout the life of the project. When a powerful donor like the United States is educating a country like Macedonia, habituated to auto-response donor dependence about a new way of doing business, the risks of the parties not knowing what they are bargaining for are very high. Greater patience and communication may well have forestalled the obstructions that arose.

**Donor Commitment:** The funding source, USAID's mission in Macedonia, was never convinced that the ICDP was appropriate and was skeptical of the version instituted in Macedonia. Better collaboration and design consensus at the outset could have made a very strong impact on the integration of the project into the general USAID development strategy for Macedonia. Only with concerted effort was the PRiSMa effort insinuated into that strategy. The opportunity to demonstrate the value of ICDP programming in a larger economic growth strategy was compromised by early contentiousness.

One manifestation of this disconnect was the perpetual threat to cease project funding, which led to piecemeal planning. It was never certain until the last minute whether a resource commitment needed to work with partners toward the next step would come through. Because this project, like all projects with a heavy process aspect, is successful based on increments of commitment on the part of local partners, momentum and involvement were repeatedly interrupted. For example, the GOM representatives who asked for expansion to the remaining 12 of 30 communities did not have a clear answer for five months. Training by former participants is an excellent way to develop capacity and cements a circle of leadership.

Instead, the IAS who would assist in training those 12 communities drifted off. With each fiscal year, this uncertainty was repeated. Most damaging was the final authorization of funds for the regional ICDP institutionalization projects to have begun in FY2003 but held up by the continuing resolution of USDOL's budget.

**Macedonian Government Commitment:** Frequent political upheavals brought reappointments of key team members. More often than not, new representatives of institutions knew nothing of PRiSMa and its activities and an actively hostile IAS would replace a successful IAS. Capacity building was always a “two steps forward, one step back” process. Remarkably, once partners became engaged, they developed tremendous loyalty and would continue to work on teams even when officially reassigned to other duties. It was this loyalty, undoubtedly brought on by the inherent soundness of the ICDP, that allowed PRiSMa to survive the period of active NEB administrative opposition from April 2001 through November 2002.

Macedonia made commitments to work with other donors, principally the World Bank, on related activities that never were properly integrated with PRiSMa activities. Privatizations and Job Clubs ran independently. Many local teams included people involved with both, but at the policy level, little integration could be accomplished. This was not for lack of effort; there simply was no incentive to cooperate by the GOM managers of these programs. That meant LMACs had a narrower view than they could have had of the possible range of active measures, and participants never really had the whole scope of active measures at their disposal.

**Baseline Data:** When the standardized system for performance monitoring was developed by USDOL, the project had been underway three years. In the future, a similar plan can use the basic project matrix to gather baseline data before project launch. The obvious benefit is a more accurate measure of impact. It is also a powerful means of educating both donor and recipient of what will be impacted, as well as giving them a context to buy into the definition of impact. While indicators may be revised as a project matures, the matrix is actually very basic, and will apply in many settings. As a corollary, budget planning should include allowance for data collection and processing as well as training of partners in its use.

**Concurrent or Consecutive Components:** While integration of ICDP components was a design goal for this project, implementation was necessarily structured around limited time and uncertain funding. While a “flip” implementation strategy accommodated a pilot demonstration in a very short timeframe, local partners were unable to mix LED and RR/WA activities. In addition, QS began after the other two components were done or nearly done in the communities. Without an understanding of what each component involves, it is hard for partners grappling with many new things to see how the sum of the parts makes a greater whole. Had they had a final opportunity to experience a mixed approach, the communities would have learned a truly integrated model. As it was, they learned the sum of its parts. The ability to maintain momentum (see Donor Commitment) would have made closer implementation of components, and made easier a view of the potential whole.

For this reason, the regional institutionalization centers (originally posited as “virtual centers”, meaning concentrations of trained leadership rather than offices) came at the final stage because the regional teams knew all the ICDP components by that time. Had go-ahead decisions come closer to the originally planned timeline, more integration would have been evident in the design of the regional centers. Although integration was on the minds of the regional teams, the teams looked at their regions and decided to let LMACs be organized by NEB as it was by then authorized to do, and to concentrate on complex cluster-based LED which would produce a need for QS training. Because all regional teams have NEB members, natural links to timely LMAC organization was assured. As the project closes, integration seems possible, but not yet fully demonstrated.

Fewer pilots and concurrent training for all components would be the alternative means to introduce true integration. With a smaller number of communities, the staff concentration needed to make multiple activities occur simultaneously would have been possible. After demonstration, there would be a local base of leaders to help subsequent communities learn the entire ICDP at once.

**Consultant Integration:** Because Macedonia was the first project with the goal to demonstrate integration of all three ICDP components, consultants who previously trained for each component had no experience integrating with the other. In addition, because of uncontrollable delays in implementation, it was not until design of the FY03 work-plan that the regional “center” concept surfaced and that integration began to take shape.

**War Does not Help:** Just at the time when a better-integrated set of new community interventions was about to start, civil crisis isolated and paralyzed Macedonia. Without the availability of additional technical assistance needed for redesign, local staff could only repeat what they had done in previous rounds.

**Structure.** The step-by step activities of the ICDP are excellent for keeping the focus of people in a period of civic strife. While the ICDP helps keep the peace and maintain hope, the survival mentality during war prevents initiative and entrepreneurial risk-taking that is needed for real economic recovery.

**Natural Leadership vs. Institutionalization:** The design of the PRiSMa project was dictated by a goal to engage representatives of tripartite social partners in local application of the ICDP. In order to give balance and assure ongoing commitment, there was a formula for selecting communities. The 30 communities with NEB offices were selected, and their managers were asked to appoint an IAS. Both the manager and the IAS served on the core team, along with representatives from the local office of the Ministry of Economy, the local Labor Union office, private sector representatives, and usually someone representing the local government. The strength of this formula approach is that it institutionalizes collaborative workforce development among agencies with the responsibility for it. The weakness is that these people may not be the natural local leaders, and thus may be ill-equipped to lead the charge for change and bring along the rest of the community.

**Vertical Integration.** Because the composition of the local teams was replicated in the national level Steering Committee, there was good vertical integration of policy and practice. The base in the communities was widespread and always represented tripartite cooperation, however strong or weak. It was a novelty in 1999; by 2004, everyone was doing it. PRiSMa used structured approaches in the ICDP components that made the collaboration safe, and the country as a whole definitely gained confidence that the various factions could work together. The strength of the policy initiatives is testament to that confidence.

**Public Affairs.** The project was launched in 1999 with good support from the US Ambassador Michael Einik. He gave attention to PRiSMa at a nationwide Network Day in the Summer of 2000, and again at the launch of the final 12 communities. This high profile press event did not recur until PRiSMa's final conference, which was opened by Ambassador Lawrence Butler. Ownership was directed to the hands of national leaders, as well. Members of the National Team were trained at the outset to speak publicly for PRiSMa. The visibility and attention this gave to the project raised its profile, but the credibility PRiSMa earned began in 2001 at regional Network Days when training was provided in press release writing and practice at public speaking for every core team member. Local teams learned to routinely invite local press to events like workshops or openings. A steady stream of positive press coverage followed. The national radio and private radio stations did series on PRiSMa, further spreading a positive image. This was especially important during the low times surrounding the 2001-2002 crisis.

## **B. Integrated Approach of ICDP Components**

Despite the issues referenced above, the natural drift of the core teams in each community did go toward increased integration as they learned the application of each component. The cross sector teams at the local level become very practical when facing workforce challenges and use all the tools they have. Given sustained momentum and adequate reinforcement from GOM, it seems clear that integration will occur. Policy decisions at the national level become more critical when functionaries see this as part of their duties to proceed with innovation. Considerable progress was made in this regard, and more will come as integrated planning is incorporated into the local governance regulations.

The MSI Evaluation recommendation to “pay it forward” (requiring seed fund recipients to direct resources toward community investment) would be unfair to introduce midway during project implementation. Firms that are LMAC recipients would be hard pressed to pay anything forward. Similarly, QS beneficiaries are in poor position to pass on the benefits of what they have reaped. If this concept is considered, the policy will have the subtle effect of treating the direction of funds more like a prize, which is a perception the LED format has to fight. On the other hand, the goodwill and increased employment base is automatically “paid forward” into the community under the present design. This concept has to be dealt with carefully so the job creation focus is maintained, and the seed funds utilized by communities do not become just another donor gift.

## **C. Lessons Learned Per Component**

### **1. Rapid Response/Worker Adjustment (RR/WA)**

Rapid Response in Loss Makers was often not possible because clarity of worker status had not been achieved. By the end of the project, privatization was becoming serious, and the law to permit pre-layoff services was passed. The RR/WA law was not funded when passed in 2003, so a supportive policy environment had not been created. Funding began to show in the national budget in 2004. National and regional teams were still burdened with the perception that a lot of money was needed to conduct RR/WA interventions. This was a result of PRiSMa's having been removed from the delivery of ordinary low-cost active measure services. Furthermore, a plan to introduce peer support methods was thwarted by the conflict of 2001-2002.

### **2. Local Economic Development (LED)**

The LED process can be introduced with an emphasis on public sector community participation, local economic development, or job creation and income generating projects. Depending on which approach is desired by in-country counterparts and donors at the outset, the intended outcomes should be adjusted accordingly. For example, the greater the focus on job or income generation, the more jobs will ultimately be produced. This was the emphasis with PRiSMa. If infrastructure is determined to be the desired outcome, immediate jobs will be fewer. In the final analysis, PRiSMa staff were in agreement with the MSI evaluators that the private sector investment this generated was the most cost effective approach for Macedonia at the time.

When the regional institutionalization projects were being formulated, it had become clear that selecting one firm for support was not an efficient strategy. Economic development was happening based on less extensive research than the teams were capable of. Missing was better analysis of the potential markets. Workshop B homework could attend to this issue. The homework for Workshop D could also have more in-depth and thorough feasibility studies of the proposed projects.

By the end of the project, with the launch of regional institutionalization projects, the teams could see the advantage of working with a larger group of firms organized in a way that maximized business networks with the best long-term prospects for increasing employment. Thus the second-generation projects were aimed at joint marketing and design within a business cluster. The first generation lessons and the subsequent Network Day instruction on clusters combined with regional analysis were all prerequisites to the cluster-based approach. People had gained trust, knew how to work together, brought balanced interests to the table, and knew how the analysis and project administration should be done. The regional teams will most likely select more clusters for future development.

### **3. Enterprise Competitiveness/Quick Start (QS)**

There was an attempt to use the QS method in a public sector context at the pilot stage. It was the idea of the American Ambassador based on an anticipated reform of the Customs Bureau. It was not a successful pilot because the Customs Service was not motivated to standardize. There was a corrupt administration at the time, and much was gained by having an atmosphere of chaos. Customs is an extreme example, but throughout the public sector, there is little incentive to modernize and regularize. The method designed to quickly allow private sector firms to adapt to new technology rarely applies in the public sector.

The late start of Quick Start meant that communities did not fully integrate it into the LED and RR/WA activities. However, by the time the regional teams were designing regional strategies for integrated sustainability, they were able to include QS. PRiSMa staff concluded that, given available time and money, it would have been better to implement all three components, and not designate a separate staff coordinator for the QS component.

## Sustainability

### A. Institutionalization

By sustainable is meant the ability of communities to continue job creation, transition and retention activities in ways suitable to the local economic and social conditions. Such sustainable activities are supported by national and local institutionalization of practices derived from the experience introduced by PRiSMa.

Training and facilitation provided by PRiSMa established a set of institutional capacities and assured their distribution throughout the 30 service center communities of Macedonia. Unprecedented multi-sector collaboration was instituted. Direct experience on the part of beneficiaries of the component demonstration activities created a broader base of popular support. The support proved attractive to politicians, a fact that encouraged institutional change.

Macedonia's Macroeconomic Policy, which defines the allocation of resources for the year, gave specific mention to PRiSMa in 2001 and 2002. The formal recognition of the benefits of the project made possible assigning staff of the NEB and of Ministries to implementation tasks and to be trained to undertake the activities. Authorization to collaborate moves towards, but is not the same as, actual adoption of the program.

By the Spring of 2002, the Steering Committee had determined that it wanted to pursue institutionalization of the entire ICDP in Macedonia. That would mean dividing responsibility for different component activities according to Ministry or agency mission and also ensuring coordination among the implementing partners. Following is the itemization of responsibilities set forth in the revised charter or agreement of cooperation signed by the Steering Committee members upon approval by their various agencies and Ministries on 20 May 2002:

*"All partners confirmed commitment to the terms of the original charter insofar as they supported continued implementation and promotion of the ICDP in Macedonia. They cite positive results from the three program components, the building of partnerships, the training of local and national experts, and cost effectiveness as important positive effects. They note a need to coordinate efforts among many national partners to adopt the ICDP. Each national partner is able at this time to describe a sphere of responsibility it will concentrate on in the near future as the partners further refine their respective long- term responsibilities for institutionalization. The Ministry of Labor and Social Policy is committed to developing national policy that will concretely implement active labor market measures, as introduced by the integrated model of PRiSMa, at the local level throughout Macedonia. This includes continuous job creation and job transition activities in the offices of the National Employment Bureau (NEB), providing market-driven training, and developing action plans including special and vulnerable populations according to local needs, utilizing local economic development teams, in cooperation with other relevant ministries.*

*The Ministry of Education will concentrate on vocational training for young people and adults. It will seek to develop market driven post-secondary courses for adults in the formal and informal labor market. In this regard, it will utilize curriculum design methods from the Custom Fit/Quick Start portion of the Enterprise Competitiveness*

*component of the PRiSMa model. It will continue to seek ways to collaborate with the National Employment Bureau to provide training, and to maximize training capacity in Macedonia using all available resources.*

*The Ministry of Economy is committed to implementing the integrated model throughout Macedonia. It has taken specific responsibility for leading future Local Economic Development in communities. It is also committed to contributing to the Rapid Response/Worker Adjustment component's implementation, with special emphasis on transition services for employees of loss-making enterprises threatened with dislocation. As a principal agent for encouraging small and medium enterprise, development in Macedonia it is committed to institutionalization of enterprise competitiveness initiatives, as well.*

*The National Employment Bureau (NEB) commits its staff at the local office level to participate on local PRiSMa teams, to serve as specialists on those teams and to be trained to take those responsibilities over the long term in all components. It will focus national capacity building on the Rapid Response/Worker Adjustment component. It will continue to develop active measure interventions like the job clubs it now operates, and increasingly efficient short-term requalification training for unemployed members of the labor force moving into new jobs. It will explore methods like the Quick Start training method to improve training cost effectiveness and will collaborate with the Ministry of Education to optimize use of resources for lifelong learning.*

*The National Enterprise Promotion Agency (NEPA) is committed to supporting development of small and medium enterprises in Macedonia through its regional offices. It will cooperate with PRiSMa to mutually define services that promote enterprise competitiveness and to institutionalize those appropriate for delivery through the regional NEPA offices. PRiSMa will provide technical support and input on concrete needs through its network of local economic development teams.*

*The Association of Units of Local Self-Government agrees to promote professional municipal involvement in local economic development and active labor market measures. It will move toward providing an ongoing training and coordination of a network of professional economic development officers committed to working cooperatively with local citizen economic development bodies. It will promote integration of workforce development and active labor market measures into the local economic development strategic plans of municipalities throughout Macedonia.*

*The Confederation of Trade Unions of Macedonia commits to continue its work on behalf of organized labor in Macedonia while supporting use of techniques of labor/management cooperation in dealing with problems of worker dislocation. It will assign staff trained in these techniques to lead and facilitate organization of labor/management committees to provide rapid response/early intervention and worker transition centers where dislocation of workers is threatened.*

*The Chamber of Economy of Macedonia will continue to represent the interests of the private sector. It agrees to include in this function attention to informing the private sector of the benefits of constructive labor management relations and the cost effectiveness of using enterprise competitiveness methods that upgrade the value added by labor through efficient skill improvement.*

*All partners recognize that they have entered into an agreement that will depend upon the good faith contribution of each toward the common end to Get Macedonia Back to Work.*

On 20 June 2002, the Ministry of Foreign Affairs asked the Ministry of Labor and Social Policy to present Macedonia's program for Social Cohesion at the Working Table of the Stability Pact concerned with the issue. The Ministry of Labor presented the PRiSMa project and concluded with a summary that reflected the government and social partner vision for Macedonia in terms related to PRiSMa outcomes:

*The Future in Macedonia*

- *Cross sector partners throughout Macedonia will work together on developing local economies to produce more jobs*
- *They will base their activities on a vision they share of the future for their communities*
- *They will work with their local governments to make local laws, regulations, infrastructure and services that support their vision for local economic development*
- *They will bring the interest of labor, private sector, management and the public sector into proactive collaboration*
- *A service structure will exist in every community to help workers adapt to the shifting labor market demands of a free economy.*
- *A training capacity will exist in every community to respond to market driven needs.*
- *The national and local partners collaborate with one aim in mind: Get Macedonia back to work*

Over the remaining months of the project, partners cooperated at the national level to coordinate a concerted effort to put these promises into concrete action in the Macroeconomic Policy that determines resource allocation each year, in specific enabling legislation where it is required, and in administrative and program policies that put activities in place.

Recommendations for the Macroeconomic Policy 2003 to improve labor market flexibility were introduced by the PRiSMa project according to the conclusions of partners gathered during regional Network Days in late 2002 and early 2003. These were decisions partners expect the government to make to support institutionalization of PRiSMa. A substantial portion of the recommendations was included in the Policy. The verbatim recommendations of the teams are listed below with the responsive extracts from the 2003 Macroeconomic Policy of Macedonia shown in italics:

“1. Prepare and introduce principles of unique national policy implemented by the government institutions that influence the labor market policy. The goal is to form and support teams prepared to make precise diagnostics of the local labor market needs (demand and supply) in the Republic of Macedonia, able to take over appropriate activities. The teams would directly cooperate with NEB and its local employment offices, the Federation of Unions, the Ministry of Labor and Social Policy, the Ministry of Economy and other relevant institutions and agencies in support of the economic development. For these teams it is important to provide institutional framework for action and inter-ministry cooperation, the local authorities, the unions, and the private sector to support the process of planning and organizing the workforce adjustment according to the local needs. Normally, 50% of the local team members are private sector representatives.

*“Platform for revision and upgrade of existing labor legislation will be the tripartite dialogue among representatives of the Trade Union, the Chamber of Commerce and the Government. Beside the social agreement with the Trade Unions, the Government will offer an appropriate agreement to the employers as well since the employment policy could not be implemented without their active participation, consent and support neither can be achieved more flexibility of the labor market.*

2. To upgrade the activities of NEB that would implement active measures such as Job clubs, then life-long for professional orientation, pro-active mediation services on the labor market, etc. These services should be available for all the workers, regardless the fact if they are employed or unemployed.

*“Starting in 2003 the employment policy will be mainly directed toward making labor market active policy... with reduction of unemployment by efficient adaptation of the labor to the requirements of the market... employment clubs will be created...a database of young persons entering the labor market...education and retraining of unemployed persons adapted to the current labor market, and carried out mostly in the local education centers created by the Ministry of Education, a project of this kind has already been initiated in Macedonia in cooperation with PRiSMa...creation of seasonal public works employment for unskilled persons...measures that entitle employers to be exempt from paying contributions for newly employed persons...revision in the length of the period during which financial compensation can be received by the unemployed....*

3. To adopt “Rapid Response” regulations that in cases of massive layoffs the at risk workers would be guaranteed minimum guaranteed transition period when the employees receive appropriate help and support in order to find a new job.

*“The working Relations law shall be reviewed ...in order to prevent shocks or fluctuations on the economy the enterprises have the obligation to announce in advance plans for considerable redundancies...take immediate social action for their transition....*

4. Based on and in coordination with the identified and proposed local labor market needs by the Local Workforce Planning Committee offer post-secondary vocational training through regional centers of excellence at the Ministry of Education.

*“Education and retraining of unemployed persons adapted to the current labor market, and carried out mostly in the local education centers created by the Ministry of Education, a project of this kind has already been initiated in Macedonia in cooperation with PRiSMa*

5. Utilize the tri-partite dialogue among the representatives of the Unions, the private sector, and the government to review and upgrade the existing labor legislation.

*See number 1, above.*

6. Implement the National strategy for SMEs: support the SMEs with a guarantee fund that among other issues will have the rural and economically underdeveloped and neglected communities as a target group through the PRiSMa LED process. Local banks will administer the fund.

*“The government shall provide forms and mechanisms for easement and intensifying the communication between the public and the private sector, as well as the degree of coordination between the parties interested in the support of entrepreneurship and the small and medium size enterprises. ...At least 18million USD will be drawn from the multilateral and bilateral contracts with international financial organizations and the government of other states (many of which target SME lending).*

7. Provide database for the workforce in order to precisely track the supply and demand on the labor market. Appropriate training should be provided for persons responsible for analysis of data through application of internationally acknowledged methods. It is necessary to provide appropriate electronic equipment to keep and maintain the data.

*“Initiate the modernization of the organizational structure and the manner in which the Employment Bureau of the Republic of Macedonia carries out its activities, as the most competent counsel institution for solving problems in the employment process, aiming to become a modern labor service (electronic exchange)...The exchange of labor market statistics ...as well as a complete database register for each employer as well as a list of all vacancies...contribute towards lessening mistreatment of assistance and benefits.*

8. Separate and one by one interpret the health and social welfare insurance from unemployment benefits. The goal is this type of benefit to be focused on job transition and stimulate proactive approach for the unemployed person instead of what it has been used for as substitute for wages, which cannot be by its nature.

*“...The activities for segregating the right to health protection and the right to financial compensation in the case of unemployment shall commence...(enabling) the Employment Bureau to direct its financial assets and human resources toward attaining its key functions: Mediator in the process of employment, training, completing qualification and pre-qualification, counseling and advice and s well as assistance and guidance regarding professional orientation.*

8. Offer small businesses tax relief in order to encourage registering, which will contribute to reduction of the artificially created high number of “unemployed”.

*The government of the Republic of Macedonia will adopt a separate Law to Encourage Employment that will entitle employers to be exempt from paying contributions for newly employed persons within a period of two years.*

Unfortunately, the law had little appeal because the sluggish economy produced too few openings. The Policy response follows:

*“The Government cannot create new working places by force. This Law is in effect only for the private sector and in case there are investments and need for jobs, it could be efficient. However, in case the work place demand is decreased, then it is clear that no other stimulation’s (partial contribution coverage for the newly employed from the State’s Budget, which is the basis of the Branko Law) could give the final result. We continuously emphasize that this Law could not solve the unemployment problem, but could only alleviate it. That is why, it was purposely designed for specific target groups”, Economy Minister Manasievski stated in December 2003.*

The statement that government is sympathetic to the concerns of small business was not lost, although it was insufficient to turn around the economy at the time. It was an attempt to launch a new government with a gesture toward active labor market measures.

In preparation for the next set of policy reforms, a delegation of government representatives visited the more mature USDOL project in Hungary in September 2003. The purpose was to see institutionalization five years after a project’s closure and, from that example, derive recommendations for adoption in Macedonia. Following is the study tour group’s strategy for the way forward:

*The Study Tour Committee determined a general strategy to propose to the Government of Macedonia, consistent with the Macroeconomic Policy and to be implemented through a series of legal means including, but not limited to: the Law on Worker Relations, the Law on Local Self Government, the Law on Employment and Insurance in case of Unemployment, the National Action Plan for Employment, and the Law on Vocational Education and Training. The group recommends taking more active measures for overall future improvement. To this end, an action is to take place by all relevant ministries and institutions with allocated responsibilities.*

*What Macedonia has in place that could accelerate the general process are the Regional Centers of Excellence, the Regional centers for entrepreneurship and the regional employment offices. All of these should function in coordination. Plans for decentralization are underway; however, there are no firm plans for coordination, which is consistent with EU recommendations in organizing a country. It has been Hungarian and PRiSMa*

*experience that employment and economic crisis are dealt with on local and regional levels. All in all, material support exists, but activities are to be developed and taken. What Macedonia lacks, is overwriting policy to legitimize coordination designed at local level. Aside from the regional centers, the NEB is rethinking to use its resources to employ active measures (development sector, labor market, and sector for training preparation, mediation and retraining) in terms of:*

- a) Support the unemployed to gain work experience through encouraging entrepreneurship and volunteer work. Thus, the unemployed will contact employers and integrate them in the “world of work” and their opportunities to find regular job.*
- b) Providing pecuniary and technical support for the unemployed who want to start new businesses.*
- c) Assist the transition processes and job retention for workers from companies with financial difficulty*
- d) Participation in employer’s expenses for on-the-job training of their employees due to providing continuing education of the workforce. This policy is part of a broader policy on encouraging life-long learning.*

*Initial ideas about financing such efforts already exist; further elaboration of the ideas is necessary. According to the Hungarian experience adjusted to Macedonian conditions, we propose forming Education and Training Fund (in terms of financial resources, not an institution) to be managed by the Minister of Labor and Social Policy, and the Minister of Education, the Minister of Finance, the Minister of Economy, representatives of the Chamber of Commerce and the Unions as members. The Council will decide upon distribution of funds for the above-mentioned needs based on applications of interested parties, in cooperation with the sectors of the employment office responsible for this part.*

*The initial estimate is that this Fund could be financed from contribution of the employees’ net salary for the purpose of education and training in order not to burden employers. However, we find it necessary to further analyze this part in order to reach and determine the best solution.*

- e) High expenses of employers related to laying off workers in terms of severance pay and similar tools, as well as the inability to get a perfect information about opportunities for workers prior to employment, make the employers indecisive and unsure when making a decision to lay off workers during poor economic conditions, as well as on employing new workers when there is economic growth. Therefore, the economy shows signs of rigidity and inaptitude for rapid response and adjustment to the newly created conditions. One of the possible solutions to overcome such a problem is returning the institute of trial work with maximum duration of 60 days in the Worker Relations Law. This regulation will enable employers, the legal way, not the black market way, learn better about the workers abilities and more easily decide if they meet the needs of the job. At the same time, employers will become less skeptical when making a decision whether to employ new workers because unless the workers are eligible for the job, employers will not have any sanctions when laying off workers after the period of 60*

*days. There are other alternatives, of course, such as broader implementation of the institute beginning worker, contracts for part-time job, or temporary job, etc.*

- f) Successful functioning of a market economy implies existence of a “modern” Employment Office. It means that beside benefits for the unemployed, the Employment Office will constantly do labor market research, learn which are the future needs of certain professions, design and conduct active measures (in cooperation with other educational institutions and training providers), i.e. training for the unemployed. In this respect, the Employment Office, based on prior analyses and contacts with employers, should start offering training for unknown employer, i.e. according to the needs and trends in the economy.*

*To ease this kind of function of the Employment Office, we suggest introduction of the obligation (return the old practice) on the part of employers to announce planned need of workers (available jobs) for the coming period (next year). Based on these announcements, NEB will easily monitor the future labor needs and can timely act in terms of retraining and additional training of the unemployed if the labor market shows demand in deficitary vocations.*

- g) Preparation of employment program by the Ministry of Labor, NEB and the Ministry of Finance in order to plan additional funds.*

*In addition to the existing Art. Nine of the Worker Relations Law and organizational support of active measures, the experience of USA, Canada, Great Britain, and Hungary is significant. In these countries there are local Rapid Response teams (within NEB) consisting of one member from the local employment office, the national employment office and union representative. This three-member team acts preventively in companies that show certain signs of difficulties or undergo changes. Based on the needs, the local team submits a proposal to Workforce Board whose role is to approve the proposal and oversee the funds if granted by the Ministry of Labor or other government institution in order to put the Rapid Response team into function. The Workforce Board consists of many partners and makers of the overall development: the private sector-50%, unions-17%, vocational education, local government, NGOs, chamber of commerce, and consulting companies. The tendency is to increase the participation of the private sector. The Ministry of Labor funds approved for Rapid Response implementation is up to 4,000 Euro per company per year in Hungary, or up to \$7,000 per Workforce Board per year in USA. One of the possible solutions for Macedonia is to organize Workforce Boards within the local government, considering the new decentralization law and the establishment of economic development sector within the local government.*

*The Ministry of Economy is taking more active support of SMEs with the Entrepreneurship Agency, EURO Info Centers, the Competitiveness Council, and the Agency for attracting foreign direct investments. At the moment, attention should be paid to developing plans to increase incentives both for domestic and foreign investment. National and local development plans should be turned to human resources development, which has to be in coordination with the education and employment services. Local government units are not clearly thinking about human resources either. Strategic plans of municipalities are important and those should be developed not only within the local government unit but also in coordination and with support of other institutions. With designed local development plan, the municipality will invest*

*accordingly and it will define its priorities for improvement in order to attract investors. In addition, promotional aspect is quite significant. Awareness of responsibility of local government and individuals as well is necessary to take issues in their hands. As there is much to be done, it is obvious that everything cannot be done with the existing resources; however, careful prioritization to issues needs to be done and make a good start.*

## **B. Regional Initiatives**

With organization of regional task forces in late 2002 as part of the regional Network Days, partners began evolving strategies suited to their own regions for preserving the components of the ICDP. This effort informed the Steering Committee's policy discussions, but it also led to independent action.

The final sustainability round of PRiSMa activities are thus founded on the results of regional team meetings that began with a request in April 2002 for Regional Institutionalization Centers in four geographic areas of Macedonia. The center concept received examination by the regional teams over the course of the following year. Each ICDP component received attention. They conveyed policy recommendations to the Steering Committee and to their respective Ministries. The National Employment Bureau organized regional resource teams to implement Rapid Response when the Worker Relations Law was amended in March 2003 to include Rapid Response as an NEB responsibility. Quick Start was adopted as a teaching method for Lifelong Learning under the Ministry of Education and responsibility for it was delegated to Regional Centers of Excellence in that Ministry.

The Regional teams were able to concentrate on job creation by the Summer of 2003. Each developed a strategy for systematically stimulating job growth by choosing an industrial cluster in which: 1) there was entrepreneurial leadership present, 2) there was promise of sound economic growth, including increasing exports, and 3) there was a local labor force prepared for employment within the cluster with little further training. The respective cluster choices were: Western Region - Building Materials, Southwest Region - Construction, Southeast Region - Textiles, and Northeast Region - Footwear. These were not seen as singular clusters, but rather as timely ones given the criteria.

Each team identified or helped to organize a trade association related to the cluster of its choice by 10 December 2003. Plans of action were developed for each region that emphasized economic development of a specific cluster. Plans were also developed at the request of the USAID mission for involvement of youth volunteers (Mac Action) in economic and quality of life activities as well as a training program for youth in computer-assisted animation to support the countrywide IT cluster. A PRiSMa staff member was assigned to each of these six projects. The project designs were brought into conformance with USDOL procurement and action plans were approved by USDOL and USAID.

Each team has selected a cluster for emphasis, invited cluster members to join the team, identified a formally-registered nonprofit membership-based trade association to work with, jointly developed an action plan for cluster development appropriate to the timing and locale,

opened a separate bank account for disbursement of project-related funds that requires multiple regional team signatures, and has agreed to report to a PRiSMa consultant on progress toward the approved action plan. Before 31 March 2004, each team's bank account received the funds. The monitoring plan is based on a basic formula of regional public-private partnership team responsibility. The PRiSMa consultant is retained on a contract for the purpose of reporting progress through 30 June 2004 to WSI and DOL.

The regional projects represented autonomous decisions and awareness of an integrated approach to local workforce development. The emphasis was on job creation because the teams recognized that LED was the component most in need of community initiative, whereas formal institutionalization would carry forward RR/WA and QS. It is a set of initiatives base on community goals rather than on personal motives. It represents a true maturing of the philosophy and practice introduced by PRiSMa.

### **C. Conclusions**

While the PRiSMa project had its share of challenges, what is apparent at the end is that the ICDP, with its several variations of individual and local responsibility for economic destiny, has had a very strong, positive impact in Macedonia. The network of local partners includes more than 3,000 Macedonians who have participated in structured activities to bring one or more ICDP component to their communities. The number of beneficiaries is uncountable. It includes people who have benefited from training or economic development. Future beneficiaries are even harder to identify. But that is the point. The methods have been thoroughly adopted into the fabric of local life.

The GOM has taken steps to adopt the laws that give those working at the local level the permission and resources to carry out integrated programming. Rapid Response, SME Support Active Labor Market Measures and Lifelong Learning are the key national policy changes. Each one of these brings cross sector teams into the picture, so the adjustments attend to the specifics of the local situation. With this start from PRiSMa, Macedonia will continue to shape policies that create a context for flexible movement of the labor force in an always-changing marketplace.

## Appendix I: PRiSMa Community Rounds by Component

Start Date	LED	RR/WA	EC	Rural/Mixed (CSHI)
11.99	Round 1:	Round 1:		
	Kriva Palanka <sup>LGRP</sup>	Tetovo		
	Ohrid	Probistip		
	Stip	K. Voda		
05.00	Round 2:	Round 2:		
	Tetovo <sup>LGRP</sup>	Kriva Palanka		
	Probistip	Ohrid		
	K. Voda	Stip		
	S. Nikole <sup>LGRP</sup>	Delcevo		
	Strumica	Bitola		
	Debar <sup>LGRP</sup>	Veles		
	Krusevo <sup>LGRP</sup>	Gostivar		
	Kavadarci	Kumanovo		
	Struga <sup>LGRP</sup>	Radovis	Round 1, 09.00	
			Skopje	
02.01	Round 3:	Round 3:	Ohrid	
	Delcevo	Sv. Nikole	Struga	
	Bitola <sup>LGRP</sup>	Strumica		
	Veles	Debar	Strumica	
	Gostivar	Krusevo	Probistip	
	Kumanovo <sup>LGRP</sup>	Kavadarci		
	Radovis	Struga		
11.01	Round 4:	Round 4	Round 2, 09.01	
	Demir Hisar	Berovo	Tetovo	Jegunovce NW
	Gevgelija	Kocani	Gostivar	Brvenica NW
	Kicevo	Prilep	Debar	Zelino NW
	Kratovo	Resen	Krusevo	Tetovo NW
	Mak. Brod	Valandovo	Kumanovo	Centar <sup>LGRP</sup> NE
	Negotino <sup>LGRP</sup>	Vinica	Bitola	Karpos <sup>LGRP</sup> NE
			Sveti Nikole	German NE
09.02	Round 5	Round 5	Veles	Rankovce NE
	Berovo	Demir Hisar	Kavadarci	Podares SE
	Kocani <sup>LGRP</sup>	Gevgelija	Radovis	Konce SE
	Prilep	Kicevo	Stip	Bogdanci SE
	Resen	Kratovo	Delcevo	Vasilevo SE
	Valandovo	Mak. Brod	K. Palanka	Dolneni SW
	Vinica	Negotino		Vitoliste SW
			Round 3, 10.02	Topolcani SW
			Demir Hisar	Krivogastani SW
			Gevgelija	
			Kicevo	
			Kratovo	
			Mak. Brod	
			Negotino	
			Berovo	
			Kocani	
			Prilep	
			Resen	
			Valandovo	
			Vinica	

LGRP designates community teams participating in a local governance economic development strategic planning pilot project in cooperation with the USAID Local Government Reform Project.

## Appendix II: Final Performance Monitoring Data

### Total 30 Macedonia Communities: Summary Performance Indicator data 2000-2004

	INDICATOR	
1.	# Permanent jobs created	<b>3092</b>
2.	# of retained jobs	<b>2798</b>
3.	# of new business starts	<b>13</b>
4.	# of expanded businesses over past year	<b>79</b>
5.	\$ of new invest. leveraged by community	<b>\$2,656,600</b>
6.	# of comm. with econ. development fora	<b>34</b>
7.	# of comm. with new initiatives	<b>162</b>
8.	# of comm. with long term Econ. Dev. Plans	<b>27</b>
9.	# of trained citizens in full ICDP	<b>1668</b>
10.	# of IASs trained in full ICDP and monitoring	<b>420</b>
11.	# of firms assisted that implement new prod., management, LM relations processes	<b>111</b>
12.	# of firms assisted directly/indirectly by project	<b>295</b>
13.	# of local bus. climate improvement	<b>139</b>
14.	financial market	<b>58</b>
15.	legal/regulatory	<b>6</b>
16.	physical infrastructure	<b>15</b>
17.	labor management relations	<b>60</b>
18.	# of LED/EC partners	<b>1340</b>
19.	# and value of hours committed by partners	<b>69101</b>
20.	(Macedonian minimum wage)	<b>\$62,924.30</b>
21.	# comm. whose partners contribute at least 50% of average project cost	<b>26</b>
22.	# of workers participating in transition services	<b>3495</b>
23.	# of firms receiving transition services	<b>70</b>
24.	% of demand met for transition services (firms receiving vs. firms requesting trans. serv.)	<b>37.57</b>
25.	# of public/priv. intstit. implementing WA model	<b>341</b>
26.	# of trained staff assigned to ICDP	<b>622</b>
27.	# of new adopted policies/regulations (national)	<b>7</b>
28.	Cost per job created	<b>\$451.52</b>
29.	% of comm. members that accept responsibility for economic renewal	<b>29.23</b>

### Appendix III: Inputs and Outcomes by Community

#### LED ROUND 1 (PILOT COMMUNITIES)

Community	Kriva Palanka						Ohrid						Stip					
<b>Selected project idea</b>	Milk and Dairy Production Males Company						Tourism and Economy Promotional Center Project Entry: VIZIJA						BEAS-S Textile Company Extension					
<b>Type of business</b>	Start up						Start up						Extention					
<b>Coordinator</b>	Maja Jakimovska						Filip Pashu						Goran Ivanov					
<b>NEB/PRISMa Specialist</b>	Dragan Ilievski						Tanja Kljajik						Lena Taskova					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	10/11 1999	7/12 1999	20/01 2000	15/02 2000	13/03 2000	09/05 2000	10/11 1999	9/12 1999	18/01 2000	16/02 2000	16/03 2000	9/05 2000	9/11 1999	18/12 1999	19/01 2000	17/02 2000	15/03 2000	9/05 2000
<b># Team members</b>	38	38	29	29	32	8	25	34	34	34	34	10	33	30	30	29	33	8
<b># Men</b>	28	28	21	21	23	7	18	22	22	22	22	6	19	18	18	17	19	5
<b># Women</b>	10	10	8	8	9	1	7	12	12	12	12	4	14	12	12	12	14	3
<b>Team In kind Hrs.</b>	228	228	174	174	192	96	150	204	204	204	204	120	198	180	180	174	198	96
<b>\$ Value (MKmin)</b>	\$ 205	\$205	\$ 156	\$ 156	\$ 172	\$ 86	\$ 135	\$183	\$ 183	\$ 183	\$ 183	\$ 108	\$178	\$ 162	\$ 162	\$ 156	\$ 178	\$ 86
<b>Project entity Contribution</b>	130,000 DM from Males Company Road Construction												200,000 DM own funds					
<b>USDOL funds</b>	\$ 24,999.38						\$ 25,000						\$ 25,075					
<b>Community contributions</b>	Two rooms and community yard												Community land					
<b>Other Contributions</b>													NEB, NEPA training subsidies					
<b>Collateral Community Benefit</b>	New employment, Cooperation, Plug the leaks Support Family Business						Tourist industry and association enterprises, increased economic activity, cooperation and partnership						New employment Cooperation on future development community projects					
<b>Number of jobs created</b>	4 Full time 8 Part time 14 Retained						3						200					

**LED ROUND 2 (FLIP PILOT COMMUNITIES)**

<b>Community</b>	<b>Tetovo</b>						<b>Probistip</b>						<b>Kisela Voda</b>					
<b>Selected project idea</b>	Fish Pond Construction						Shoe Industry, MAKO Still						Graphic Industry, Svetlost Grafika					
<b>Type of business</b>	Start up						Extention						Extention					
<b>Coordinator</b>	Agron Alimi						Goran Ivanov						Maja Jakimovska					
<b>NEB/PRiSMa Specialist</b>	Svetlana Bapska						Stojan Naskovski						Dragica Pandilovska					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	27/04 2000	23/05 2000	29/06 2000	22/09 2000	20/10 2000	30/11 2000	25/04 2000	25/05 2000	28/06 2000	21/09 2000	20/10 2000	29/11 2000	4/04 2000	22/05 2000	27/06 2000	18/09 2000	17/10 2000	28/11 2000
<b># People in teams</b>	42	30	33	32	25	10	40	30	22	18	20	10	39	32	20	20	26	9
<b># Men</b>	36	23	26	25	18	8	30	23	17	14	15	8	27	21	13	13	17	6
<b># Women</b>	6	7	7	7	7	2	10	7	5	4	5	2	12	11	7	7	9	3
<b>Team In kind Hrs</b>	252	180	198	192	150	120	240	180	132	108	120	120	234	192	120	120	156	114
<b>\$Value (MKmin)</b>	\$ 226	\$162	\$ 178	\$172	\$135	\$108	\$ 216	\$ 162	\$ 118	\$ 97	\$ 108	\$ 108	\$ 210	\$ 172	\$ 107	\$ 107	\$ 140	\$ 102
<b>Project Entity Contribution</b>	210,000 DM from Phoenix Private Company						166,000 DM						32,000 DM from Svetlost Grafika					
<b>Community contributions</b>	Construction land						Business space from TIPO Department Store						Gazi Baba Community offices					
<b>USDOL Funds</b>	\$ 25,130.43						\$ 24,950.64						\$ 25,000					
<b>Other Contributions</b>																		
<b>Collateral Community Benefit</b>	New employment Cooperation on future economic development projects						Plug the leaks New employment Cooperation						New employment Cooperation					
<b>Number of jobs created</b>	26						120						6 retained 3 new jobs					

**LED ROUND 2**

<b>Community</b>	<b>Sveti Nikole</b>						<b>Strumica</b>						<b>Debar</b>					
<b>Selected project idea</b>	Expansion of LION Chocolate and Candy Producer						Expansion of Kemadono Textiles						Restart Carpet Plant at Novost Company					
<b>Extention</b>	Extention						New											
<b>Coordinator</b>	Maja Jakimovska						Goran Ivanov						Agron Alimi					
<b>NEB/PRiSMa Specialist</b>	Blagica Popovska						Aleksandar Dedejski						Beqir Lata					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	26/04 2000	26/05 2000	26/06 2000	19/09 2000	18/10 2000	29/11 2000	27/04 2000	26/05 2000	29/06 2000	22/09 2000	19/10 2000	29/11 2000	25/04 2000	25/05 2000	30/06 2000	21/10 2000	13/10 2000	30/11 2000
<b># People in teams</b>	40	29	26	25	32	10	39	24	20	20	19	10	26	26	22	24	22	7
<b># Men</b>	26	19	17	17	21	5	27	16	14	14	13	7	24	22	18	20	18	5
<b># Women</b>	14	10	9	8	11	5	12	8	6	6	6	3	2	4	4	4	4	2
<b>Team In kind Hrs</b>	240	174	156	150	192	120	234	144	120	120	114	120	156	156	132	144	132	102
<b>\$ Value(MK min)</b>	\$ 216	\$ 156	\$ 140	\$ 135	\$ 172	\$ 108	\$210	\$129	\$108	\$108	\$102	\$108	\$ 140	\$ 140	\$ 118	\$ 129	\$118	\$ 92
<b>Project Entity Contribution</b>	52,000 DM own funds						22,200 DM						39,000 DM own funds					
<b>USDOL Funds</b>	\$ 25,000						25,059.70						\$ 25,154.12					
<b>Other contributions</b>																		
<b>Community contributions</b>							Jugopromet Company business space											
<b>Collateral Community Benefit</b>	New employment Cooperation						New employment Cooperation						Plug leaks New employment Cooperation					
<b>Number of jobs created</b>	10 direct 10 indirect						60						14					

**LED ROUND 2**

<b>Community</b>	<b>Krusevo</b>						<b>Kavadarci</b>						<b>Struga</b>					
<b>Selected project idea</b>	Snow Plough (funded by CSHI) <b>Briquette Factory</b>						Vineyard Stock Propagation Center						Town Morgue					
<b>Type of business</b>	Start up						Start up						Start up					
<b>Coordinator</b>	Filip Pashu						Filip Pashu						Agron Alimi					
<b>NEB/PRiSMa Specialist</b>	Trajko Soleski						Valentina Malinkova						Stefan Golabovski					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	26/04 2000	23/05 2000	26/06 2000	20/09 2000	18/10 2000	28/11 2000	25/04 2000	24/05 2000	27/06 2000	21/09 2000	17/10 2000	28/11 2000	04/04 2000	24/05 2000	28/06 2000	20/09 2000	20/10 2000	30/11 2000
<b># People in teams</b>	28	28	28	28	28	8	33	33	33	33	33	10	36	37	32	30	26	12
<b># Men</b>	25	22	22	22	22	6	18	17	17	17	17	6	25	27	22	20	16	10
<b># Women</b>	3	6	6	6	6	2	15	16	16	16	16	4	11	10	10	10	10	2
<b>Team In kind Hrs</b>	168	168	168	168	168	96	198	198	198	198	198	120	216	222	192	180	156	144
<b>\$ Value (MKmin)</b>	\$ 151	\$151	\$151	\$151	\$151	\$ 86	\$178	\$ 178	\$178	\$178	\$178	\$108	\$194	\$ 200	\$ 172	\$ 162	\$ 140	\$ 130
<b>Project Entity Contribution</b>	Building, land, raw materials						\$ 4,100 Land, Building						171,000 DM from the Communal Enterprise					
<b>USDOL funds</b>	\$ 24,633.68						\$ 23,931.97						\$ 25,123.46					
<b>Other contributions</b>													Struga Council: 49,000 DM Other donations: 28,000 DM					
<b>Community contributions</b>	Increased economic activity Decrease community leaks												Construction land Tax Exemption					
<b>Collateral Community Benefit</b>	Improved living and working conditions Team involved in municipal decisions						Stop leaks of funds on importing such materials Cooperation, new community leaders						Improve Tourism					
<b>Number of jobs created</b>	8 + 200 part time during the season when collecting wood remains fro the forest						15 + 150 part time seasonal jobs by contracting						15-20					

**LED ROUND 3**

<b>Community</b>	<b>Delcevo</b>						<b>Bitola</b>						<b>Veles</b>					
<b>Selected project idea</b>	Extend the light textile production facility "Idnina", Makedonska Kamenica						Restart part of the Graphic Industry production facility "Socijalen borec"						Expand the production of MI-GO TEKS textile producer.					
<b>Type of business</b>	Extention						Start up						Extention					
<b>Coordinator</b>	Goran Ivanov						Filip Pashu						Filip Pashu					
<b>NEB/PRiSMa Specialist</b>	Zlatko Zlatkovski						Pandora Delovska						Todorka Patkovska					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	23/02 2001	22/03 2001	26/04 2001	29/05 2001	06/07 2001	20/09 2001	21/02 2001	<b>21/03 2001</b>	25/04 2001	30/05 2001	4/06 2001	12/09/ 2001	20/02 2001	20/03 2001	24/04 2001	29/05 2001	28/06 2001	11/09 2001
<b># People in teams</b>	33	20	20	27	23	12	29	25	21	20	19	8	28	30	20	25	23	9
<b># Men</b>	22	13	13	18	16	6	12	10	6	9	8	6	11	15	9	11	13	6
<b># Women</b>	11	7	7	9	7	6	17	15	15	11	11	2	17	15	11	14	10	3
<b>Team In kind Hrs</b>	198	120	120	162	138	144	174	150	126	120	114	96	168	180	120	150	138	114
<b>\$ Value (MKmin)</b>	\$178	\$108	\$108	\$146	\$124	\$130	\$156	\$135	\$113	\$108	\$102	\$86	\$151	\$162	\$108	\$135	\$124	\$132
<b>Project Entity Contribution</b>	\$17,890						Building equipment						Production facility, infrastructure					
<b>Community contributions</b>	Qualified work force																	
<b>USDOL funds</b>	\$ 25,000						\$ 25,000						\$ 24,800					
<b>Other Contributions</b>																		
<b>Collateral Comm. Benefit</b>	New business, new employment in conditions of mass lay offs from the mining industry						Reduced number of unemployed in the community by 60, with 25 being disabled.						Production increase, for the Italian high fashion market and employment of another 100 workers immediately, mostly women					
<b>Number of jobs created</b>	35						60						120					

**LED ROUND 3**

<b>Community</b>	<b>Gostivar</b>						<b>Kumanovo</b>						<b>Radovis</b>					
<b>Selected project idea</b>	Improve the wood processing and furniture production.						New Shoe Production Line for soles and heels at Tusevski Company						Support the etheric oil production from forest plants					
<b>Type of business</b>	Extention						Extention						Start up					
<b>Coordinator</b>	Agron Alimi						Maja Jakimovska						Goran Ivanov					
<b>NEB/PRISMa Specialist</b>	Ivica Damjanovski						Milka Georgievska						Julijana Janceva					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	22/02 2001	22/03 2001	24/04 2001	31/05 2001	26/06 2001	13/09 2001	28/02 2001	21/03 2001	25/04 2001	31/05 2001	27/06 2001	20/09 2001	20/02 2001	20/03 2001	24/04 2001	25/05 2001	05/07 2001	20/09 2001
<b># People in teams</b>	27	30	21	22	24	8	28	25	23	22	24	10	30	25	21	20	23	10
<b># Men</b>	21	22	17	18	20	8	16	10	13	11	13	6	20	10	11	10	13	5
<b># Women</b>	6	8	4	4	4	0	12	15	10	11	11	4	10	15	10	10	10	5
<b>Team In kind Hrs</b>	162	180	126	132	144	96	168	150	138	132	144	120	180	150	126	120	138	120
<b>\$Value (MKmin)</b>	\$146	\$162	\$113	\$118	\$129	\$ 86	\$151	\$135	\$124	\$118	\$129	\$ 108	\$162	\$135	\$113	\$108	\$124	\$ 108
<b>Project Entity Contribution</b>	\$ 558,000						\$ 22,000						\$ 600,000					
<b>Community contributions</b>													Quality work force					
<b>USDOL funds</b>	\$ 25,000						\$ 25,000						\$ 24,194.83					
<b>Other Contributions</b>	New style of working												Connections to neighbouring regions, natural resource utilization					
<b>Collateral Community Benefit</b>	Reduce the number of unemployed in the community and encourage new businesses						New employment, support for other shoe producers, cooperation and business environment enhancement						New competitive business, new production activity in the community.					
<b>Number of jobs created</b>	187 seasonal						40						25 + 500 seasonal					

**LED ROUND 4**

Community	Demir Hisar						Gevgelija						Kicevo					
<b>Selected project idea</b>	Small hydroelectric power station Project Entity: VOLAN, Ltd						Extention line for drop-by-drop irrigation pipe production						A. Becaton tiles production , GUD Tehnika B. Honey production and packaging , DPTU BONKO					
<b>Type of business</b>	Start-up						Start up						Start-up					
<b>Coordinator</b>	Filip Pashu						Goran Ivanov						Agron Alimi					
<b>NEB/PRiSMa Specialist</b>	Mile Bozinovski						Elena Hadzicanova						Radojka Damjanovska					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	07/11 2001	12/12/ 2001	24/01 2002	19/03 2002	23/04 2002		09/11 2001	14/12 2001	18/01 2002	20/03 2002	26/04 2002		08/11 2001	14/12 2201	25/01 2002	22/03 2002	26/04 2002	
<b># People in teams</b>	30	26	24	24	23	12	29	25	23	26	27	8	30	22	21	18	17	8
<b># Men</b>	18	16	16	16	15	6	20	15	16	16	17	6	25	18	17	14	14	7
<b># Women</b>	12	10	8	8	8	2	9	10	7	10	10	2	5	4	4	4	3	1
<b>Team In kind Hrs</b>	180	156	144	144	138	144	174	150	138	156	162	96	180	132	126	108	102	96
<b>\$Value (MKmin)</b>	\$ 162	\$ 140	\$ 129	\$ 129	\$ 124	\$ 129	\$156	\$ 135	\$ 124	\$ 140	\$ 164	\$ 86	\$162	\$ 119	\$ 113	\$97.2	\$91.8	\$ 86
<b>Project Entity Contribution</b>	\$ 5,000						\$ 10,475											
<b>Community contributions</b>							Cooperation with other projects on infrastructure which need this kind of product											
<b>USDOL funds</b>	\$ 25,000						\$ 25,000.00						\$ 15,000					
<b>Other Contributions</b>							The product is used by other communities for agricultural needs											
<b>Collateral Community Benefit</b>	Water concession						Extended business; production modernization to enhance agricultural product placement on the market						New employment					
<b>Number of jobs created</b>	5						8						9					

**LED ROUND 4**

<b>Community</b>	<b>Kratovo</b>						<b>Makedonski Brod</b>						<b>Negotino</b>					
<b>Selected project idea</b>	Floor and wall wood furnishings, parquet and ship floor wood						Town Market						Extention of textile plant					
<b>Type of business</b>	Wood processing												textile					
<b>Coordinator</b>	Maja Jakimovska						Agron Alimi						Filip Pashu					
<b>NEB/PRISMa Specialist</b>	Suncica Todosovska						Dragisa Zlateski						Gordana Tolova					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	08/11 2001	12/12 2001	16/01 2002	14/03 2002	25/04 2002	30/05 2002	09/11 2001	13/12 2001	24/01 2002	21/03 2002	25/04 2002	24/05 2002	06/11 2001	11/12 2001	23/01 2002	21/03 2002	25/04 2002	21/05 2002
<b># People in teams</b>	30	38	30	27	27	10	30	27	29	27	27	8	36	34	27	22	31	10
<b># Men</b>	21	30	25	27	27	6	20	15	17	19	19	5	13	16	11	12	12	4
<b># Women</b>	9	8	5	5	5	4	10	12	12	8	8	3	23	18	16	10	19	6
<b>Team In kind Hrs</b>	180	228	180	162	162	120	180	162	174	162	162	96	216	204	162	132	186	120
<b>\$Value (MKmin)</b>	\$162	\$ 205	162	\$ 145	\$ 145	\$ 108	\$162	\$ 146	\$ 156	\$ 145	\$145	\$ 86	\$ 194	\$184	\$ 145	\$ 120	\$ 167	\$ 108
<b>Project Entity Contribution</b>	\$ 47,000						\$ 15,000						\$ 5,000					
<b>Community contributions</b>																		
<b>USDOL funds</b>	\$ 25.000						\$ 25,000						\$ 25.000					
<b>Other Contributions</b>													Foreign capital					
<b>Collateral Community Benefit</b>	Support for existing businesses in the field of wood industry						Enhanced business environment in the community, better organization of agricultural product selling						Increased employment, ensured product placement on the international market, Better standard of living					
<b>Number of jobs created</b>	7-15						5 direct + 60-70 indirect						70					

**LED ROUND 5**

<b>Community</b>	<b>Berovo</b>						<b>Kocani</b>						<b>Prilep</b>					
<b>Selected project idea</b>	Agriculture, cattle breeding and food processing: Vado Trans, Meat drying facility						Textile expansion, Project entity: Daniteks, doo						Purchase of power supply unit for the industrial zone Project implementor: Lirna Ltd; Korvin ston Ltd					
<b>Type of business</b>	Extention						Extention						Start up					
<b>Coordinator</b>	Goran Ivanov						Maja Jakimovska						Filip Pashu					
<b>NEB/PRiSMa Specialist</b>	Simeon Bakalovski						Stanka Angelova						Zivko Naumovski					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	15/11 2002	13/12 2002	07/02 2003	17/03 2003	11/04 06/06 2003	18/06/ 2003	26/11 2002	11/12 2002	29/01 2003	05/03 2003	09/04 2003	22/05 2003	07/11 2002	17/12 2002	29/01 2003	27/02 2003	26/03 2003	27/04 2003
<b># People in teams</b>	31	19	20	20	15/19	10	34	23	26	29	29	10	38	31	33	31	34	10
<b># Men</b>	26	16	17	17	12/16	8	26	18	18	21	21	6	27	22	23	22	25	6
<b># Women</b>	5	3	3	3	3/3	2	8	5	8	8	8	4	11	9	10	9	9	4
<b>Team In kind Hrs</b>	186	114	120	120	204	120	204	138	154	174	174	120	228	186	198	186	204	120
<b>\$Value (MKmin)</b>	\$ 167	\$ 92	\$ 108	\$ 108	\$ 184	\$ 108	\$ 184	\$124	\$140	\$ 156	\$ 156	\$ 108	\$ 205	\$ 167	\$ 156	\$ 167	\$ 184	\$ 108
<b>Project Entity Contribution</b>	\$ 900,000						\$ 50,000						\$ 5,000					
<b>Community contributions</b>	Enterprise support																	
<b>USDOL funds</b>	\$ 25.000						\$ 25.000						\$ 25.000					
<b>Other Contributions</b>	Production standardization by assistance from other projects and donors																	
<b>Collateral Community Benefit</b>	Intense cattle production and high quality milk and meat processing						New employment, support for existing businesses and encouragement for new businesses, increased standard of living						New jobs and improved infrastructure					
<b>Number of jobs created</b>	15						50						12					

**LED ROUND 5**

<b>Community</b>	<b>Resen</b>						<b>Valandovo</b>						<b>Vinica</b>					
<b>Selected project idea</b>	Expansion of production of wooden crates for apple packaging and other wooden products Project implementer: SZD ANDRUS						Long life bakery production Project implementer: BIOPRIN - Valandovo						Purchase of multi purpose vehicle for public use Project implementers: Local Government and Public Enterprise "Solidarnost"					
<b>Type of business</b>	Extension						Extension						Extension					
<b>Coordinator</b>	Agron Alimi						Goran Ivanov						Maja Jakimovska					
<b>NEB/PRiSMa Specialist</b>	Kostovska Silvana						Ilija Rizov						Emil Mitev					
<b>Workshops</b>	0	A	B	C	D	E	0	A	B	C	D	E	0	A	B	C	D	E
<b>Date</b>	14/11 2002	12/12 2002	31/01 2003	06/03 2003	10/04 2003	22/05 2003	14/11 2002	12/12 2002	06/02 2003	06/03 2003	10/04 2003	18/06 2003	12/11 2002	10/12 2002	28/01 2003	04/03 2003	21/04 2003	22/05 2003
<b># People in teams</b>	23	19	19	19	19	19	35	30	26	28	29	10	41	30	30	31	33	10
<b># Men</b>	14	10	10	10	10	10	26	21	17	19	20	8	30	24	24	24	26	8
<b># Women</b>	9	9	9	9	9	9	9	9	9	9	9	9	11	6	6	7	7	2
<b>Team In kind Hrs</b>	138	114	114	114	114	114	210	180	156	168	168	120	246	180	180	186	189	120
<b>\$Value (MKmin)</b>	\$ 124	\$ 92	\$ 92	\$ 92	\$ 92	\$ 92	\$ 189	\$ 162	\$ 140	\$ 153	\$ 153	\$ 108	\$ 221	\$ 162	\$ 162	\$ 167	\$ 156	\$ 108
<b>Project Entity Contribution</b>	\$ 11,000						26,000						With solidarity and local self contribution raised \$ 45,000					
<b>Community contributions</b>							Land, site and old and abandoned production facility for reconstruction						Funds from the local government for purchase of vehicles					
<b>USDOL funds</b>	\$ 25,000						\$ 25,000						\$ 25,000					
<b>Other Contributions</b>																		
<b>Collateral Community Benefit</b>	New employment						The abandoned and ruined old facility was reconstructed, the business extended and a new production line built for food processing						Improved quality of life, healthy and clean environment					
<b>Number of jobs created</b>	25						18						2					

**RR/WA ROUND 1 (PILOT COMMUNITIES)**

COMMUNITY	Probistip - pilot	Tetovo - pilot	Kisela Voda-pilot
<b>Coordinator</b>	Goran Ivanov	Agron Alimi	Maja Jakimovska
<b>NEB/PRIStMa Specialist</b>	Stojan Naskovski	Svetlana Bapska	Dragica Pandilovska
<b>Enterprise</b>	Zletovo Mines	Nemetali, Tetovo	Rade Koncar,AT
<b>Industry</b>	Lead and zinc	Marble/stone cutting	Electrical appliances
<b># Employees</b>	1.200	127	78
<b># Possible layoffs</b>	300	60	35 + 43
<b>LMAC name</b>	Zletovo Mines LMAC	Hope and Prospect Committee	Novi Moznosti LMAC
<b>Team Build.</b>	27 Jan, 2000	28 Jan., 2000	17 Jan, 2000
<b>Est. in kind contribution</b>	\$ 776	\$ 972	\$ 734
<b># Workers</b>	4	5	4
<b># Management</b>	4	5	4
<b>Neutral Chair</b>	Svetlana Maksimovska	Nebojsa Ilievski	Lidija Zorba
<b>Date of survey</b>	2 March 2000	4 February 2000	1 February 2000
<b># Surveyed</b>	290	78	53
<b>Plan date</b>	27 March, 2001	26 April, 2000	22 Feb. 2000
<b>Services, #</b>	Software for 108	Accounting 15 Stone cutting 15 Software 15	Software 53 Small Business 25 English 9,
<b>Other services</b>	Peer Support	Peer Support	Counseling
<b>Training costs</b>	Computer course (108)      \$ 3,426.33	Accounting (13)      \$ 1,253.70 Stone cutting (15)      \$ 2,230.88 Software (15)      \$ 603,78	Basic computer skills (43)      \$ 3,902,49 Small Business (25)      \$ 6,804.82 English (9)      \$ 1,001.48 Excel & Word (11)      \$ 837.08
<b>Estimated # working</b>	300	45	41 new jobs 25 retired 8 retrained

**RR/WA ROUND 2 (FLIP PILOT COMMUNITIES)**

COMMUNITY	Stip	Kriva Palanka	Ohrid
<b>Coordinator</b>	Goran Ivanov	Maja Jakimovska	Filip Pashu
<b>NEB/PRiSMa Specialist</b>	Lena Trajkova	Dragan Ilievski	Tanja Kljajik
<b>Enterprise</b>	Metalna	Bentomak Pelagonija	Ezerka
<b>Industry</b>	Heavy equipment	Mining, construction	Marble/stone cutting
<b># Employees</b>	161	121 + 340 = 461	140
<b># Possible layoffs</b>	100	51 + 30 = 81	50
<b>LMAC name</b>	Nadez 2000	Ben-Pel LMAC	Perspektiva
<b>Team Build.</b>	18 May, 2000	17 May, 2000	16 May, 2000
<b>Est. inkind contribution</b>	\$ 648	\$ 691	\$ 635
<b># Workers</b>	4	4	3
<b># Managemt</b>	4	4	3
<b>Neutral Chair</b>	Saso Apostolov / Danka Nakova	Goranco Kolevski	Natasa Paloska
<b>Date of survey</b>	11 Sep.2000	12 September2000	1 Feb. 2001
<b># Surveyed</b>	130	88 + 197 = 285	72
<b>Plan date</b>	1 November, 2000	25 October, 2000	6 March, 2000
<b>Services provided, #</b>	Metal workers 63 Heating servicing 14 Metal process. 17 Welders 11 Metal cutters 7 Fork lift oper. 4 Electricians 10	Software 87 Crane operators 20 Drivers 20	Software 1 16 Bakers 3 English lang. 9 Drivers 26 Heating 3
<b>Other services</b>	Peer Support		Peer Support
<b>Training costs</b>	Metal workers (73) \$ 15,158.20 Painters (8), Electricians (10) Welders (10) \$ 6,420.90  Total \$ 21,579.10	Software manuals (87) \$ 865.06 Software (82) \$ 5,290.36 Constr. Mach.oper. (20) \$ 2,671.33 Electricians (20) \$ 2,439.73 Drivers (24) \$ 3,035.23 Computer Acc. (12+15) \$ 2,795.64 Steam boiler oper. (13) \$ 1,763.48 Total \$20,390,58	Computer soft. (25) \$ 629.42 Drivers (38) \$ 7,306.21 Drivers (11) \$ 1,930.09 Computers & English (11) \$ 799.35  Total \$ 11,067,66
<b>Estimated # working</b>	100	Pelagonija: Retained 55, new 30, new employed: 1 full, 30 part time Bentomak: retained 53, new 8, part time 30	50

**RR/WA ROUND 2**

COMMUNITY	Delcevo	Radovis	Gostivar
<b>Coordinator</b>	Goran Ivanov	Goran Ivanov	Agron Alimi
<b>NEB/PRiSMa Specialist</b>	Zlatko Zlatkovski	Julijana Janceva	Ivica Damjanovski
<b>Enterprise</b>	Frotirka & Godel	Beton, AD	OHIS-GES
<b>Industry</b>	textiles	Construction	Chemical
<b># Employees</b>	520 + 330 = 850 total both comp.	152	317
<b># Possible layoffs</b>	154 + 53 = 207	40	60
<b>LMAC name</b>	Perspektiva	Worker Adjustment Team Beton	OHIS-GES HOPE
<b>Team Build.</b>	18 May, 2000	18 May, 2000	17 May
<b>Est. inkind contribution</b>	\$ 691	\$ 734	\$ 518
<b># Workers</b>	4	4	3
<b># Managemt</b>	4	4	3
<b>Neutral Chair</b>	Sanja Trajkovska	Violeta Eftimova	Hidajet Elmazi
<b>Date of survey</b>	5-6 Nov. 2000	10 Nov. 2000	6 Nov. 2000
<b># Surveyed</b>	69 + 61 = 130	106	46
<b>Plan date</b>	31 October, 2000	10 October, 2000	12 Jan. 2001
<b>Services provided, #</b>	Safety Shoes Production Courses 30	Welders 12 Software 14 Drivers 33 Tile fixers 16	Driving 22 Hairdressers 8 Accounting 7 Electrical servicing 6 TV repairing 3 Cooking 1 Brick laying 2 Fabric cutting 9 Software 49
<b>Other services</b>		Peer Support	
<b>Training costs (# trainees)</b>	Shoe production (30) \$ 6,917.45 Mechanics (20) + Tinsmiths (5) \$ 10,397.76 Total \$ 17,315.21	Metal workers (12) \$ 1,252.12 Drivers (33) \$ 931.16 Tile fixers (16) \$ 1,397.50 Driving (30) \$ 3,800.19 Administration (11) \$ 1,024.66 Total \$ 8,405.64	Driving (26) \$ 4,793.64 Misc (33) \$ 3,272.11 English (26) \$ 2,554.51 Hairdresser, tailor, bricklayers (20) \$ 2,272.73 IT; household apparel. (54) \$ 3,544.45 Total \$16,437/44
<b>Estimated # working</b>	60	40	80 trained and replaced in the same company 15 found jobs in the private sector

**RR/WA ROUND 2**

<b>COMMUNITY</b>	<b>Bitola</b>	<b>Veles</b>	<b>Kumanovo</b>
<b>Coordinator</b>	Filip Pashu	Filip Pashu	Maja Jakimovska
<b>NEB/PRiSMa Specialist</b>	Pandora Todorovska	Todorka Petkovska	Milka Georgievska
<b>Enterprise</b>	Plam Bit	Dimko Mitrev	Iskra, A.D.
<b>Industry</b>	Metal fabrication	Leather & fur	Steel fabrication
<b># Employees</b>	260	450	560
<b># Possible layoffs</b>	100	50	50
<b>LMAC name</b>	Opstanok 2000	Alternativni Moznosti	Iskra Nadez
<b>Team Build.</b>	16 May, 2000	16 May, 2000	17 May, 2000
<b>Est. inkind contribution</b>	\$ 691	\$ 583	\$ 648
<b># Workers</b>	4	3	4
<b># Management</b>	4	3	4
<b>Neutral Chair</b>	Petar Kuzmanov	Nadica Ambarkova	Kire Velickovski
<b>Date of survey</b>	10 September 2000	4 October 2000	29 Sept. 2000
<b># Surveyed</b>	212	265	270
<b>Plan date</b>	16 October, 2000	12 October, 2000	13 November, 2000
<b>Services, #</b>	Software courses 35 Servicing, sewing 30 Arrangement 5 Hairdressing and cosmetics 5 English lang. 27    Accounting 8 Greek 4    German 3 Fabric Cutting 5	Driving courses 67 Software courses 52 English Lang. 25 Sewing courses 54 Total 198	Accounting 11 AutoCAD I 9 + 6 English 17 German 6 Software 42 Agron welding 29 Forwarding 10
<b>Other services</b>			Peer support
<b>Training costs</b>	Software (30) \$ 5,570.62 Misc. (31) \$ 3,002.90 English (17) \$ 1,135.72 Accounting (10), excel (14), internet (4), comp.design (5) \$ 7,331.20 Total \$ 17,014.44	English (19) \$ 1,112.91 Software (49) \$ 2,700.85 Drivers (87) \$ 11,509.24 Cutting & sewing (13) \$ 1,061.22 Sewing (advanced) (13) \$ 1,139.44 Total \$ 17,523.66	Argon welding (29) \$ 9,283.79 Autocad II (25) \$ 3,115.59 Software (36) \$ 1,721.03 Computer accounting (9) \$ 356.25 Forwarding (10) \$ 2,271.02 Languages (20) \$ 2,079.52 Total \$18,827.20
<b>Estimated # working</b>	70 - 80	50	50

RR/WA ROUND 3

COMMUNITIES	Kavadarci	Krusevo	Sveti Nikole
<b>Coordinator</b>	Filip Pashu	Filip Pashu	Maja Jakimovska
<b>NEB/PRIStMa Special.</b>	Valentina Malinkova	Trajko Soleski	Blagica Popovska
<b>Enterprise</b>	Metaleks	Hotel Montana	14 Septemvri
<b>Industry</b>	Metal production	Tourism	Agriculture
<b># Employees</b>	199	42	258
<b># Possible layoffs</b>	20	42	40
<b>LMAC name</b>	Partner	Prospect	Izgrev 2001
<b>Team Build.</b>	17 April, 2001	5 April, 2001	16 May, 2001
<b>Est. inkind contrib.</b>	\$ 486	\$ 518	\$ 648
<b># Workers</b>	3	3	4
<b># Management</b>	3	3	4
<b>Neutral Chair</b>	Riste Mitrev	Aco Milosevski	Katerina Efremova-Vladeva
<b>Date of survey</b>	14 September, 2001	05 July, 2001	12 September, 2001
<b># Surveyed</b>	116	45	124
<b>Plan date</b>			07 November, 2001
<b>Services, #</b>	Foreign languages 41 Software courses 23 Professional driving 36	English 32 Software courses 26 Electricians 5 Professional driving 20	Foreign languages Software training Security/ guards Professional driving
<b>Other services</b>	October 2001	October 2001	
<b>Training costs</b>	Drivers (50) \$ 8,907.74 Languages (54) \$ 7,143.98 Computers (24) \$ 2,589.23 Total \$ 22,885.71	Security (20) \$ 6,358.26 English & computers (34) \$ 2,227.38 Misc. (23) \$ 3,297.39 Drivers (4) \$ 696.87 Total \$ 15,160.10	Drivers (79) \$ 10,713.34 Computers (22) \$ 2,784.79 English 1,2,3 (12) \$ 2,821.65 Grafting (4) \$ 4,068.99 Security (10) \$ 2,470.33 Auditing (1) \$ 756.40 Auto body repair (3) \$ 649.49 Total \$ 24,234.91
<b>Estimated # working</b>	90	42	40

**RR/WA ROUND 4**

<b>FLIP EXPANSION COMMUNITIES</b>	<b>Berovo</b>	<b>Kocani</b>	<b>Prilep</b>
<b>Coordinator</b>	Goran Ivanov	Maja Jakimovska	Filip Pashu
<b>NEB/PRIStMa Specialist</b>	Dimitar Pecinski	Ivanka Lickova	Zivko Naumoski
<b>Enterprise</b>	Ishrana, Berovo/ Mleko Mes, Pehcevo	Feniks, Kocani	Makstoun, Metalec, Nemetali
<b>Industry</b>	Food industry	Machine Industry (Vehicle parts)	Metal industry
<b># Employees</b>	66 +30 = 96	1400	500
<b># Possible layoffs</b>	21 + 10 = 31	50	100
<b>LMAC name</b>	Perspektiva 2002	Feniks	Nadez
<b>Team Build.</b>	21 December 2001	10 January 2002	15 January 2002
<b>Est. inkind contribut.</b>	\$ 648	\$ 750	\$ 648
<b># Workers</b>	4	5	3
<b># Management</b>	4	5	3
<b>Neutral Chair</b>	Tatjana Murtovska	Zaklina Filipova-Svekarovska	Rubin Todorovski
<b>Date of survey</b>	25 March, 2002	17 April, 2002	25 March 2002
<b># Surveyed</b>	31	987	212
<b>Plan date</b>	May 20, 2002	May 20, 2002	April 2002
<b>Services, #</b>	Training for bakers, meat processing, milk processing, leather processing	Computers, Autocad, Hydraulic operation	Security, drivers, computers
<b>Other services</b>	Peer Support		
<b>Training costs</b>	Bakers (10) \$ 3,465.13 Meat processing (9) \$ 7,661.93 Milk processing 10 \$ 10,733.50 Leather processing (2) \$ 730.93 Total \$ 22,591.40	Computer software (124) \$ 5,181.78 Autocad (53) \$ 3,473.02 \$ 1,930.07 + \$ 2,949.57 NUMA Hydraulics (21) \$ 11,362.31 Total \$ 21,947.18	Security (39) \$ 5,240.91 Driving (72) \$ 1,140.16 Computers (45) \$ 2,286.42 Total \$ 25,768.46
<b>Estimated # working</b>	31	50	100

RR/WA ROUND 4

FLIP EXPANSION COMMUNITIES	Resen	Valandovo	Vinica
<b>Coordinator</b>	Agron Alimi	Goran Ivanov	Maja Jakimovska
<b>NEB/PriSMa Specialist</b>	Kostovska Silvana	Violeta Nedik	Aleksandar Kostov
<b>Enterprise</b>	Prespateks	6-ti noemvri	Zemjodelska Mehanizacija
<b>Industry</b>	Textile industry	Food industry	Farm equipment manufacturing
<b># Employees</b>	51	91	198
<b># Possible layoffs</b>	20	15	30 – 40
<b>LMAC name</b>	Komisija za podobra idnina	Nasa Idnina	Iskra
<b>Team Build.</b>	7 December 2001	13. December 2001	10 January 2002
<b>Est. in kind contribution</b>	\$ 486	\$ 320	\$ 486
<b># Workers</b>	3	2	3
<b># Management</b>	3	2	3
<b>Neutral Chair</b>	Carovski Metodija	Tihomir Andonov	Olivera Trajanovska
<b>Date of survey</b>	26 December 2001	29 March 2002	18 April 2002
<b># Surveyed</b>	20	64	164
<b>Plan date</b>	29 January, .2002	April 2002	May 10,2002
<b>Services, #</b>	Metalworks and steam heating system maintenance		Computers, Co2, Argon welding, English, Electrical appliance servicing, drivers, air-condition maintenance
<b>Other services</b>		Peer Support	
<b>Training costs</b>	Tailors (12) + Steam boiler operat. (8)      \$ 3,795,60 Total                                      \$ 3,795,60	Mushroom production (40)    \$ 12,490.01 Mushroom production (30)    \$ 10,191.64  Total                                      \$ 22,681,65	English & computers              \$ 3,159.67 REL, MAC, CO2, + Welding                                \$ 7,927.21 Miscellaneous (12)                \$ 1,054.48 REL, CO2, Mag                        \$ 5,632.96 Household appliances (31)      \$ 4,428.57 Drivers (40)                            \$ 840,00 Drivers (40)                            \$ 1,960.00 Total                                        \$ 21,487,05
<b>Estimated # working</b>	20	30	40

RR/WA ROUND 5

<b>FLIP EXPANSION COMMUNITIES</b>	<b>Demir Hisar</b>	<b>Gevgelija</b>	<b>Kicevo</b>
<b>Coordinator</b>	Filip Pashu	Goran Ivanov	Agron Alimi
<b>NEB/PRiSMa Specialist</b>	Mile Bozinovski	Biljana Petrussevska	Radojka Damjanovska
<b>Enterprise</b>	Toplica Mine Sacmara Factory	7-mi Noemvri	Screw producer Tane Canevski
<b>Industry</b>	Mine and metal	PVC packaginh	Metal
<b># Employees</b>	200	60	205
<b># Possible layoffs</b>	50	20	105
<b>LMAC name</b>	Zeleznik	LMAC 7th November	LMAC for New Prospects
<b>Team Build.</b>	Feb 2003	28 Feb 2003	25 Feb 2003
<b>Est. inkind contribution</b>	\$486	\$ 486	\$ 648
<b># Workers</b>	3	3	4
<b># Management</b>	3	3	4
<b>Neutral Chair</b>	Zoran Rutevski		Bajram Fejza
<b>Date of survey</b>	18 March 2003	4 April 2003	20 March 2003
<b># Surveyed</b>	62	20	105
<b>Plan date</b>	April 2003	May 2003	April 2003
<b>Services, #</b>	Security, computers, drivers, welders	8 – computer press printing 8 – computerized plastics injection 2 – PVC welding	IT, C and D category driving license, security, electric appliances servicing, cooks
<b>Other services</b>			
<b>Training costs</b>	25 security manuals \$ 327.41 Driver (23) \$ 872.87 Safeguards (22) \$ 6,308.50 Total 4 15.937,83	Computer press printing (8) Computerized plastics injection (8) PVC welding (2) Total \$ 23.808,93	Drivers (9) \$ 390.93 16 security manuals \$ 209,54 Health tests for 30 drivers \$ 954,16 Safeguards (15) \$ 4,301.50 Total \$ 22.384,82
<b>Estimated # working</b>	20	20	105

**RR/WA ROUND 4**

<b>FLIP EXPANSION COMMUNITIES</b>	<b>Kratovo</b>	<b>Makedonski Brod</b>	<b>Negotino</b>
<b>Coordinator</b>	Maja Blazev	Agron Alimi	Filip Pashu
<b>NEB/PRiSMa Specialist</b>		Dragisa Zlateski	Gordana Tolovska
<b>Enterprise</b>	Not selected	Silika - Mineral	Makedonija, Povardarie, Venec
<b>Industry</b>		stone	Fruit and vegetable processing
<b># Employees</b>		61	340
<b># Possible layoffs</b>		36	100
<b>LMAC name</b>		Silika – PRiSMa - Renewal	Agroidnina
<b>Team Build.</b>		28 January 2003	21 January 2003
<b>Est. inkind contribution</b>		\$ 414	\$813
<b># Workers</b>		2	3
<b># Management</b>		2	3
<b>Neutral Chair</b>		Dragisa Zlateski	Olgica Siskova
<b>Date of survey</b>		25 March 2003	27 March 2003
<b># Surveyed</b>		40	197
<b>Plan date</b>		April 2003	April 2003
<b>Services, #</b>		Drillers, compressor operators, explosive starters and warehouse managers, drivers D category and IT	Computers, English, drivers, hygiene, security, electricity
<b>Other services</b>			
<b>Training costs</b>		Safeguard manuals (6)      \$ 78.58 Safeguard (6)                \$ 1,720.69 Total                                \$ 9.727,14	Drivers (29)                    \$ 4,379.70 Total                                \$ 23.973,56
<b>Estimated # working</b>		25	25

## Quick Start PILOT COMMUNITIES

Communities	Ohrid	Struga	Skopje
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Trajkova	Romela Popovic Trajkova
<b>EC Assistant</b>	Slavco Kujumdziev	Slavco Kujumdziev	Slavco Kujumdziev
<b>Quick Start specialist in the company</b>	Pavel Kovacevski - Zastava inzenjering	Tena Dimitrievska– Kimiko, engineer	Beti Timiovska – Vest Editor
<b>Training of Trainers</b>	TOT Vodno - Skopje	TOT Vodno - Skopje	TOT Vodno - Skopje
<b>Date</b>	25-29. 09.2000	25-29. 09.2000	25-29. 09.2000
<b># Team</b>	3	2	2
<b># NEB and local gov. units</b>	4	4	4
<b># Company reps</b>	3	2	2
<b># Vocational school and education representatives</b>	1	3	2
<b># Men</b>	3		
<b># Women</b>		2	2
<b># In kind hours</b>	156	156	156
<b>Value in \$ (MK min)</b>	140.4	140.4	140.4
<b>Enterprise selected</b>	AGP Zastava	“Kimiko” Struga	Vest, newspaper, Skopje
<b>Industry</b>	Safety belts	Textile	Mediumi
<b># employees</b>	800	450	40
<b># potential workers for training</b>	20	300	30
<b>Job analysis done on</b>	Individual project design, Auto Cad	Sewing machine operator	Editor/Journalist Page Layout
<b># trained workers</b>	15	49 ( additional 136 rabotnici were later trained using Quick Start)	28
<b>Training contractor</b>	Enter-Ohrid	Workers University, Skopje	Motiva Skopje
<b>Training costs</b>	\$459.35	\$ 4,315.76	\$ 3,106.48
<b># Created jobs</b>	15	185	28
<b>Community benefit</b>	New employment	New employment	New employment

**Quick Start PILOT COMMUNITIES**

Communities	Strumica	Bitola	Debar
<b>Coordinator</b>	Romela Popovic Trajkova	Romela Popovic Trajkova	Romela Popovic Trajkova
<b>EC Assistant</b>	Slavco Kujumdziev	Slavco Kujumdziev	Slavco Kujumdziev
<b>Quick Start specialist in the company</b>	Aleksandar Dedejski	Pandora Delovska	Bekir Lata
<b>Training of Trainers</b>	TOT Kontinental - Skopje	TOT Kontinental - Skopje	TOT Kontinental - Skopje
<b>Date</b>	2-3.10.2001 TOT/Job analysis 20.02.2002-Action Plan	2-3.10.2001 TOT/ Job analysis 20.02.2002-Action plan	2-3.10.2001 TOT/ Job analysis 20.02.2002-Action plan
<b># Team</b>	4	5	2
<b># NEB and local gov. units</b>	1	1	1
<b># Company reps</b>	2		
<b># Vocational school and education representatives</b>	2	3	
<b># Men</b>	NEPA – 1	Lokalna uprava - 1	Lokalna uprava - 1
<b># Women</b>	4	3	2
<b># In kind hours</b>	480	568	304
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Superra - Strumica	TV TERA	VS Medika
<b>Industry</b>	^evlarska industrija	Medium	Veterinarstvo
<b># employees</b>	180		
<b># potential workers for training</b>	130	21	7
<b>Job analysis done on</b>	Operator na masina za siewe cevli. Finalizacija	Miks-tehnicar TV Prezenter Kamerman	Kasap Laboratoriski Tehnicar
<b># trained workers</b>	30	21	5
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 2,500	
<b># Created jobs</b>	30	21	5
<b>Community benefit</b>	New employment	New employment	New employment

**1st Round Communities , Quick Start**

<b>Communities</b>	<b>Delcevo</b>	<b>Gostivar</b>	<b>Kriva Palanka</b>
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Zlatko Zlatkovski	Ivica Damjanovski	Dragan Ilievski
<b>Training of Trainers</b>	TOT Kontinental - Skopje	TOT Kontinental - Skopje	TOT Kontinental - Skopje
<b>Date</b>	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan
<b># Team</b>	4	6	5
<b># NEB and local gov. units</b>	1	2	2
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	2	2	2
<b># Men</b>	Private Sector – 1	Local government – 1 Private sector -1	Local government - 1
<b># Women</b>	2	5	2
<b># In kind hours</b>	480	656	568
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Biljana 2002 i Idnina dooel	Radio Gostivar i S Petrol dooel	Vanila 1 dooel
<b>Industry</b>	Textile, Textile	Media, catering	Food processing
<b># employees</b>			
<b># potential workers for training</b>	70	65	8
<b>Job analysis done on</b>	Iberdeck operator Overlock operator Sewing machine operator	Mix technician TV Presenter	Baker Sweet bakery producer
<b># trained workers</b>	60	61	
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5000	\$ 5,000	\$ 5,000
<b># Created jobs</b>	60	61	5
<b>Community benefit</b>	New employment	New employment	New employment

**1st Round Communities , Quick Start**

Communities	Krusevo	Kumanovo	Probistip
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Trajko Soleski	Milka Georgievska	Stojan Naskovski
<b>Training of Trainers</b>	TOT Kontinental - Skopje	TOT Kontinental - Skopje	TOT Kontinental - Skopje
<b>Date</b>	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan
<b># Team</b>	3	4	4
<b># NEB and local gov. units</b>	2	1	2
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>		2	2
<b># Men</b>	Ministry of Economy – 1	Unions – 1	
<b># Women</b>	2	3	4
<b># In kind hours</b>	392	480	480
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Ilinden-Montana Krusevo Zito Krusevo	Nas Vesnik,	SAP dooel
<b>Industry</b>	Catreing	Media	Automobile industry
<b># employees</b>			
<b># potential workers for training</b>	15	8	15
<b>Job analysis done on</b>	Baker, Waiter, Receptionist, Cook	Journalist	Car enamel painting
<b># trained workers</b>	18	8	20
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 5,000	\$ 2,500
<b># Created jobs</b>	18	8	14
<b>Community benefit</b>	New employment	New employment	New employment

**1st Round Communities , Quick Start**

<b>Communities</b>	<b>Radovis</b>	<b>Stip</b>	<b>Sveti Nikola</b>
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Julijana Janceva	Lena Taskova	^edo Mitkovski
<b>Training of Trainers</b>	TOT Kontinental - Skopje	TOT Kontinental - Skopje	TOT Kontinental - Skopje
<b>Date</b>	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan
<b># Team</b>	4	5	6
<b># NEB and local gov. units</b>	1	2	2
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	2	3	3
<b># Men</b>	Ministry of Economy – 1		Workers University - 1
<b># Women</b>	2	1	4
<b># In kind hours</b>	480	568	656
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Markos JTD	Gemateks dooel	Milko dooel
<b>Industry</b>	Textile	Textile	Milk industry
<b># employees</b>			
<b># potential workers for training</b>	30	60	10
<b>Job analysis done on</b>	Iberdeck operator Overlock operator Sewing machine operator	Iberdeck operator Overlock operator Sewing machine operator	Cheese and yoghurt processing worker, laboratory tecnician and milk machine operator
<b># trained workers</b>	23	30	9
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 5,000	\$ 5,000
<b># Created jobs</b>	23	30	9
<b>Community benefit</b>	New employment	New employment	New employment

## 2nd Round Communities , Quick Start

Communities	Tetovo	Veles	Kavadarci
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Svetlana Vapska	Todorka Petkovska	Valentina Malinkova
<b>Training of Trainers</b>	TOT Kontinental - Skopje	TOT Kontinental - Skopje	TOT Kontinental - Skopje
<b>Date</b>	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan	2-3.10.2001 TOT/Job Analysis. 20.02.2002-Action plan
<b># Team</b>	6	4	5
<b># NEB and local gov. units</b>	1	1	2
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	4	2	3
<b># Men</b>	Private Sector – 1	Private Sector - 1	
<b># Women</b>	2	2	4
<b># In kind hours</b>	656	480	568
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Radio Tetovo i TV Kis Tetovo	Dinamo Hit	Urban Invest doo Kavadarci
<b>Industry</b>	Media	Metal industry	Construction
<b># employees</b>	15	15	10
<b># potential workers for training</b>			
<b>Job analysis done on</b>	Mix-technician TV Prezenter	Iberdeck operator Overlock operator Sewing machine operator	Artificial granite machine operator
<b># trained workers</b>	15	12	10
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 2,500	\$ 4,999.32
<b># Created jobs</b>	15	12	10
<b>Community benefit</b>	New employment	New employment	New employment

**2nd Round Communities , Quick Start**

Communities	Prilep	Gevgelija	Negotino
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Zivko Naumovski	Biljana Petruseva	Gordana Pavlovska
<b>Training of Trainers</b>	TOT Vodno	TOT Vodno	TOT Vodno
<b>Date</b>	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003
<b># Team</b>	5	5	5
<b># NEB and local gov. units</b>	4	4	4
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	3	2	2
<b># Men</b>	1		1
<b># Women</b>	4		3
<b># In kind hours</b>			
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Turbo Impeks	Nikolfert, s Nikolic	Zdenka
<b>Industry</b>	food	machinery	Electrical cable production
<b># employees</b>			
<b># potential workers for training</b>	8	9	20
<b>Job analysis done on</b>	Bakery producer	Hot concrete iron rolling operator	Coating, wiring and insulation operator
<b># trained workers</b>	8	9	20
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 5,000	\$ 5,000
<b># Created jobs</b>	8	9	20
<b>Community benefit</b>	New employment	New employment	New employment

## 2nd Round Communities , Quick Start

Communities	Demir Hisar	Berovo	Kicevo
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Tihomir Paunovski	Dimitar Pecinski	Radojka Damjanovska
<b>Training of Trainers</b>	TOT Vodno	TOT Vodno	TOT Vodno
<b>Date</b>	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003
<b># Team</b>	6	6	4
<b># NEB and local gov. units</b>	4	4	4
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	2	2	2
<b># Men</b>	4	3	3
<b># Women</b>	2	3	1
<b># In kind hours</b>			
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	AD Pruzini i tekstil	AD Ograzden	K Union
<b>Industry</b>	textile	wood	Catering
<b># employees</b>			
<b># potential workers for training</b>	17	8	8
<b>Job analysis done on</b>	Weaving operator, spinning operator, thermofixer	Construction wood wash operation leader	Cook, Sweet bakery producer, waiter and agency worker
<b># trained workers</b>	17	8	8
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 5,000	\$ 5,000
<b># Created jobs</b>	17	8	8
<b>Community benefit</b>	New employment	New employment	New employment

**Second Round Communities, Quick Start**

<b>Communities</b>	<b>Resen</b>	<b>Valandovo</b>	<b>Vinica</b>
<b>Coordinator</b>	Romela Popovic Tajkova	Romela Popovic Tajkova	Romela Popovic Tajkova
<b>EC Assistant</b>	Slanco Kujumdziev	Slanco Kujumdziev	Slanco Kujumdziev
<b>Quick Start specialist in the company</b>	Gjulsima Kazimi	Violeta Nedic	Dragi Stoilovski
<b>Training of Trainers</b>	TOT Vodno	TOT Vodno	TOT Vodno
<b>Date</b>	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003	23-25.10.2002 and 16-18.04.2003
<b># Team</b>	5	4	4
<b># NEB and local gov. units</b>	4	4	4
<b># Company reps</b>	1	1	1
<b># Vocational school and education representatives</b>	2	1	2
<b># Men</b>	2	3	4
<b># Women</b>	3	1	0
<b># In kind hours</b>			
<b>Value in \$ (MK min)</b>			
<b>Enterprise selected</b>	Zito Resen	Agripro	Stefi Kompani
<b>Industry</b>	Food processing	Poultry Fram	Textile
<b># employees</b>			
<b># potential workers for training</b>	5	8	12
<b>Job analysis done on</b>	Bakery producer	Cattle food preparation	Sewing machine operator: overlock, iberdeck and step
<b># trained workers</b>	5	8	8
<b>Training contractor</b>			
<b>Training costs</b>	\$ 5,000	\$ 5,000	\$ 5,000
<b># Created jobs</b>	5	8	8
<b>Community benefit</b>	New employment	New employment	New employment

## **Appendix IV: Quick Start Final Report**

Quick Start Training, or Custom Fit Training as it is sometimes called in the U. S., is used as part of enterprise adjustment by providing short-term customized training to workers in new businesses, expanding businesses, or businesses needing to be revitalized—such as businesses that are in danger of losing their competitive edge because of outdated equipment, technology, or worker skills and knowledge.

In Macedonia, the implementation of this component started in October 2001. The attention focuses on labor market assessment and introducing a fast and market responsive skill training method termed Quick Start (QS). QS Training is based on a job analysis, which describes the essential functions of a job and defines performance standards for recognizing successful work.

For the first time in the country a model has been created and tested that deals with labor market flexibility and workforce development as a premise to begin the process of assisting Macedonia in revitalizing its economy through improvement of the existing NEB training system and developing a demand-driven secondary vocational school system, capable of responding to the future needs of the production sector.

In each community PRiSMa's local core teams were established, composed of representatives from Ministry of Education and Science, Ministry of Labor and Social Policy, and the National and Local Employment Offices, in order to upgrade publicly funded skills training through the design and implementation of demand-driven training programs. The core teams were tasked to prepare labor market assessments and training need assessments, select the company for implementation, conduct job analysis and curriculum development for pilot site enterprises, and conduct on-the-job training in accordance with the QS methodology. The results of the project activity is joint effort of all involved partners on the local and national level in Macedonia to establish organizational, legal, methodical and staff development for a broad base implementation of a flexible modular vocational training system for the unemployed population.

### **National and Local employment offices performance**

A workforce responsive to the shifts in labor market demand stemming from economic development will enable Macedonia to continue to build a stronger nation. The National Employment Bureau (NEB) is continuously making improvements to the current system used to conduct its business. With overseas study tours by employees of NEB, recommendations from experts in the field of training and employment, and specific donor assistance programs, NEB is evolving to become a major force in training and employing a modern labor force. This section is a brief background of current NEB training activities.

#### *Current Training System*

The National Employment Bureau (NEB) is involved in the current training system that exists in the country regulated under the Law on Employment & Unemployment Insurance (1997).

Under this law, training is organized for skilled and unskilled workers for re-employment and pre-employment entities in the country.

Giving the general overview of the current available adult training system in the country we can say that is consisting of the following three types:

- a) Training under the Law on Employment & Unemployment Insurance
- b) Vocational School training
- c) Private Enterprise training

#### Law on Employment & Unemployment Insurance:

The government of Macedonia conducts training under the Law on Employment & Unemployment Insurance (1997). In accordance to this law the NEB uses a “book of rules“ “Regulations Book for training, retraining of unemployed workers”, to direct companies as to the process necessary to participate in the program of workforce training and receive funding. The current process consists of:

- 1 A company makes a decision that it needs new workers because of expanding work within the organization.
- 2 The company applies to NEB for training assistance by filling out the required forms. These forms include information regarding the number of new workers needed, type of training required, skills and qualifications of the worker, salary structure of trainee, and length of training. The current NEB system allows for 3 months of training with an additional month available if necessary to successfully complete the training.
- 3 After NEB receives a request from the company for training, a representative from NEB visits the company to verify that the information given is valid and the NEB representative fills out verification forms.
- 4 Once verification of the need for training and all forms are filled out, NEB and the company discuss how the training process will be structured. This includes the needed qualifications of the trainee.
- 5 Once both parties have accepted the process of training and qualifications of trainee, a job announcement is placed through NEB.
- 6 Candidates for training are then selected from a qualified pool of applicants by NEB.
- 7 The company then selects trainees from the qualified pool of applicants
- 8 Training is conducted. NEB supplies 2000 Denar to the company and 4000 Denar to the trainee for a total of 6000 Denar for each trainee. Also, NEB pays health insurance for each trainee during the training period.
- 9 During the entire training, evaluation is conducted by a brigadier. If trainees progress quickly during the training, they will be placed into the workforce when ready. They will then be paid at the regular worker rate. Trainees that do not progress quickly will be kept on as a trainee until the end of the training. Any trainees that do not successfully complete the training are not employed after the training ends. There can be a contract set up between the company and NEB that

all or a large percentage of the trainees will be put into the workforce once the training is complete.

#### Vocational Schools:

In April-May 2002, USAID Macedonia engaged an Education Assessment Team consisted of local experts on the field of education to conduct research as a basis for a respective action plan for the USAID Mission. The report from Velkovski, et al. (2002) includes recommendations for the key intervention in the educational system in the Republic of Macedonia in order to have the Macedonian youth better prepared for employment. The Team primarily assesses the secondary education (general and vocational) and assesses the factors, which affect how it suits the labor market needs. The assessment shows that the current vocational schools have limited funding and are currently not able to provide the training companies need because equipment and facilities are outdated and obsolete to meet the needs of the various industries. The instruction methods used in the vocational schools are mostly theory and very little practical. The instructors in the vocational schools are also not up-to-date on current practices in the industries, which compound the ineffectiveness of the current system. Graduates from the vocational training schools are not prepared to go to work in industry thus companies are forced to conduct their own training.

Upgrading the vocational schools to meet the needs of industry would require substantial funds for facilities and instructor improvements. The current NEB funding structure would not make this possible.

#### Private Enterprise Training:

Companies that specialize in training to meet a particular need provide Private Enterprise training. Funding for private enterprise training institutions is not supplied by the State but through client fees. Another type of private enterprise training falls under private funding using State owned facilities. These organizations were State owned and are now in transition to become private companies. They use State owned facilities with all operational costs collected from client fees. Examples of these private enterprise institutions are the Workers University and The Center for Foreign Languages.

#### Problems with the current training systems:

At present, the most effective types of training are conducted under the Law on Employment & Unemployment Insurance (1997) and Private Enterprise Training. These two provide the training required by companies to meet their needs. Companies that cannot get the type of training they require from private enterprise must train their own employees. They conduct training under the Law on Employment & Unemployment Insurance. These companies receive a substantial subsidy from the State to conduct their own training.

There are observable problems with the current system in place within NEB. These include: The system is inefficient. Having a set three-month period for informal training is not the best use of training funds.

The selection process to identify qualified trainees needs changing so the clients that are selected for training are the best applicants.

There is not a process of occupational orientation in place.

There is not a system in place to determine interests, skills, and natural abilities of clients. Such a system facilitates that clients are better placed into suitable career occupations.

#### Intervention with Quick Start Training Implementation:

The PRiSMa project in Macedonia and the Enterprise Competitiveness component has a task order to introduce and implement an efficient and successful training for workers to enable them to use new production technology in small and medium size enterprises. It is expected that this will provide better enterprise productivity and quality, which also means better competitiveness on the market. The involvement of the secondary vocational schools in the worker training process, based on the workplace needs and the curricula design based on the needs in the industry, will have a large contribution in the workforce adjustment on the basis of the labor market needs and the constant technological changes in the modern economy. In the future, this method is expected to be used by the secondary vocational schools while designing curricula based on the market needs.

The objective of the EC Component of the project is to assist Macedonia in the development of a national capacity to implement active labor market programs and introduce flexible modular vocational training technology (QS) developed by USDOL. The project activities reflect important priorities of the Macedonia Government in the sphere on labor market active policy implementation and in the sphere of vocational training, retraining and upgrading the unemployed population skills.

#### *Characteristics of a Quick Start (QS) program*

The following paragraphs explain the major characteristics of a QS program defined by Becker and Scott (2000). It should be noted that a program would probably not have all of these characteristics but may have modifications of them especially in the transition economies.

- Training content is determined in advance of Training through a job and task analysis. The purpose of the job and task analysis is to focus on the specific tasks and steps performed by the workers on the job. The analysis will separate the “need to know” from the “nice to know.”
- Performance objectives are stated in observable and measurable terms. Objectives are developed directly from the job analysis. The conditions and performance level under which an objective is to be completed is representative of the job.
- Trainee achievement is based on performance. A trainee is evaluated according to predetermined performance standards rather than by a comparison with other trainees. Performance standards in the classroom are taken directly from the standards required on the job.
- Learning is guided by feedback. Feedback plays an important part in a QS program. Frequent and immediate feedback is provided to the trainee. The trainee’s progress is monitored closely in relation to the stated objectives in order to provide reinforcement and motivation for learning.

- The trainee and trainer are more accountable for performance. The trainee, as well as the trainer, can be held more accountable for their performance in a QS program. The trainees know what they are expected to demonstrate and must accept the responsibility, along with the teacher, for meeting the identified performance standards.
- The trainer is a manager and facilitator of Training. The trainer and trainee's roles in a QS program are different from in a traditional program. The teacher is more of a manager, facilitator, and motivator in the training process. In addition, the trainee becomes more involved in the teaching and learning process.
- Learning time is flexible. Time may vary among trainees to accomplish the objectives. Slower trainees may require more time to meet the specified performance standards; faster trainees, after mastering performance objectives, may continue on to the next objective.
- Training is individualized. Opportunity exists to provide for differences among trainees with respect to the objectives they pursue at a given time, the mode or methods of Training, and the materials used for learning. Training can be self-paced and learning activities can vary.
- An open entry/open exit program is possible. The concept of an open entry/open exit program is possible in QS. When a trainee has achieved the required competencies, the individual should receive credit for the work and move onto advanced training or the job market. Many entry and exit points throughout the training program may exist, reflecting different job and skill levels within an occupation.

#### *NEB Implementation of a Demonstration Project*

In order to deliver the Demonstration Project the USAID and the DOL funds are put on disposal to be used in order to support the pilot community implementation of a QS training. This demonstration project in 30 communities enabled PRiSMa project to test the QS model in Macedonia and collect data during the process in order to compare it with the existing system currently in place.

The implementation of the demonstration project was divided into three sections that consist of:

- Initial Preparation of the Demonstration Project
- Delivery of the Demonstration Project
- Evaluation of the Demonstration Project

#### *Initial Preparation of the Demonstration Project*

### **Organize NEB working group for Quick Start**

1. Select the participants for the committee or QS teams on the local level in each community (minimum of 4 on committee)
2. Permanent Positions
3. QS teams creates an Implementation Plan or an Action Plans consisted of:
4. Process to be used for Demonstration Project
5. Timeline for Demonstration Project
6. Quick Start Process Training Plan
  - Determine the type of company to be used for the initial Demonstration Project
  - Determine the post vocational centers to be used in the Quick Start training

7. Select relevant existing vocational schools in accordance with the community that QS training will be implemented
8. Select teachers and conduct “train of trainers” for Job Analysis and curriculum development
9. Develop the New Forms and Contracts that will be required to make outcome-based training arrangements with representative parties involved.
  - NEB
  - Company
  - Post-vocational training centers
  - Develop Job Analysis documentation
  - Develop curriculums and conduct the training

*Delivery of NEB Demonstration Project*

1. A Company applies to NEB for training support.
2. NEB personnel visit the company to discuss training.
3. NEB, the vocational training center and company (together) meet to discuss the training needs. They jointly develop the training materials and conduct the training to maximize the training experience.
4. NEB, the vocational training center and company (together) conduct a job analysis.
5. Through the job analysis, the length and of training is determined according the complexity of the tasks to be learned.
6. Trainee qualifications are also determined from job analysis.
7. The trainee evaluation process is determined from the job analysis.
8. The vocational training center develops training materials.
9. NEB, the vocational training center and company determine the cost of a training and a payment structure.
10. A contract is established between NEB, the vocational training center and the company for training.
11. Training is conducted for the predetermined time and trainees are evaluated during and at the end of the training.
12. Final payment is upon successful completion of training and may be linked to employment of trainees.

*Evaluation of NEB Demonstration Project*

1. Develop Forms – A series of data collection forms will be developed to enable complete evaluation during and after the training.
2. Data Collection – During the training data, collection will be continuous to provide feedback for the training. The information is used to determine if the trainees are receiving proper training and their level of performance.
3. Compare results of improved system vs. old system  
In order for NEB to determine if the demonstration project was a success or not their must be a method of comparing the old system of training to the updated system of training. Comparisons are made on cost effectiveness and efficiency of training.

As the preliminary plan was designed, the project will include all 30 communities in which

*There are local representative offices of the ministries, our partners which we cooperate with, i.e. the Ministry of Labor and Social Policy, Ministry of Economy, Ministry of Education, the Association of Local Government Units, the National Employment Office, the Federation of the Trade Unions in Macedonia, the Chamber of Commerce and NEPA, the Agency for Small and Medium Size Enterprise Promotion.*

Table 1 shows the economic indicators that have been developed for monitoring and measuring the performance. The summary of the results of implementation of the QS or Custom Fit Training within 30 communities are presented in the following performance monitoring and evaluation table:

**Table 1: Custom Fit Training implementation in 30 communities**

Number of trained workers during the demonstration of QS training in 30 communities	642
Total Number of permanent and seasonal jobs created with the demonstration of QS training in 30 communities	617
Percentage of employed workers after the training and retraining program	96.10%
Total Training Costs during the demonstration of QS training in 30 communities	\$150000.00
Training costs per employee with the QS training methodology	\$243.11
Instructors and trainers engaged	113
Formal training organized	31
Curricula developed - Performance objectives accomplished	39

**Table 2: Statistical Data from National Employment Office Macedonia during the period of 01.01-31.10.2001**

Number of trained workers under the projects for training and retraining from local employment offices	4098
Total Number of permanent and seasonal jobs created	3491
Percentage of employed workers after the training and retraining program	85.18%
Training costs per employee in accordance to the NEB "Regulations Book for training, retraining of unemployed workers", (6000.00 denars, for 3 m. per employee)	\$376.83
Professional instructors and trainers engaged in the company	No data
Formal training organized	No data
Curricula developed - Performance objectives accomplished	No data

**Comparative analyses of improved training method or Quick Start training method versus training method used by NEB**

	<b>Quick Start training method</b>	<b>If the existing training method by NEB was used</b>
Number of trained workers	642	642
Percentage of employed workers after the training and retraining program	96.10%	85.18%
Total Number of permanent and seasonal jobs created	617	547
Total Training Costs for 642 workers	\$150000.00	\$241.924.86
Training costs per employee	\$243.11	\$376.83
Instructors and trainers engaged	113	No data
Formal training organized	31	No data
Curricula developed - Performance objectives accomplished	39	No data

As we can see from the performance monitoring and evaluation results table, impressive results are accomplished from the implementation of QS training. The most tangible result is that 617 trainees got new jobs under the direct cost of \$150,000.00. Training cost is important to deciding on approach. If the existing NEB training system had been implemented to train 642 workers, the training costs would have been \$241,924.86. NEB institutional savings are 91924.86 (in absolute figures compared QS training cost vs. Old NEB existing of training). We can all agree that time is money in industry and in public service programs. Implementing QS training for the period of approximately 30-45 days of actual on-job training is much efficient and effective in terms of cost and duration. The comparison with the existing National Employment Offices' system of training and the Quick Start Training gives us a very good base for measuring success. Comparing training costs of NEB existing training system for the training with the QS training the result show that costs are reduced by 60%. That means that with this kind of training there is 40% training cost savings.

From the reports of the teams and the companies, all workers that are trained have accomplished their required performance objectives and the required daily productivity. One of the preconditions or characteristic of Custom Fit Training Method is developing curricula and designing training on the base of performance objectives. Performance objectives are stated in observable and measurable terms. Objectives are developed directly from the job analysis. The conditions and performance level under which an objective is to be completed is representative of the job. Trainee achievement is based on performance. Performance of skills is of prime importance in a QS program. A trainee is evaluated according to predetermined

performance standards rather than by a comparison with other trainees. Performance standards in the classroom are taken directly from the standards required on the job. Evaluation of trainee performance is one of the most critical steps in the training process. As such, the evaluation of programs and their related tasks should include means of assessing trainee mastery of the knowledge, attitudes, and skills outlined in the task analysis and regarded as essential for completion of the task, and also, trainee performance of the task to the performance standard.

On the other hand, employer satisfaction is the ultimate test of training effectiveness. This can be measured by employee retention rates post training. The 96.1% of workers trained with the QS method was employed versus 85.18%-employed workers after the NEB training and retraining program. As NEB start to make improvements to the existing training system under the Law on Employment and Unemployment Insurance a logical next step is to use the recommendations and the results from the PRiSMa Quick Start Pilots implemented in the country. It is critical that such support services for improvement of the existing NEB training system and developing a demand-driven secondary vocational school system, to be implemented as soon as possible so that communities do not lose momentum. The State guidelines should be developed under the direction of NEB to govern the disbursement of the funds. These guidelines define the responsibilities of the post vocational centers and the company, and include the documentation requirements. Employees must be registered with the State. All business and industry firms that qualify are eligible. The Quick Start Training Department should be established in NEB in order to assists in development of a job analysis and post-vocational training centers develop customized curricula and perform the training to meet the company's needs. The focus is on firms that engage in manufacturing, services, or information technology. It is also recommended that the NEB works directly with the involved parties in carrying out the contract. Contributions by NEB include making the employing firm aware of the availability of funds, providing assistance with the application paperwork, and maintaining all appropriate documents and reporting information. The transition-training center is frequently the first contact a business has with NEB.

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## **Attachment I:**

**Complete Performance Monitoring Data** (Separate File Excel Document)