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## **The Personnel Capacities and Needs of Small and Medium Trade Companies Seen Through the Traineeship in Republic of Macedonia**

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### **Abstract**

The personnel capacities (the available human resources) in the small and medium businesses have an essential role in any national economy concerning its sustainability, economic growth and development. As a pivotal segment in the sustainability and the progress of the small and medium businesses, the personnel capacities and their proper allocation contributed the enhancement of productivity, innovation capacity and profitability in those businesses. The fact that most of the Macedonian economy is based upon small and medium trade companies, made us believe that the research would be most relevant if conducted on this category of trade subjects. The research aims to determine the real needs and challenges of the Macedonian trade companies on one hand, and their openness and availability related to the trainees on the other hand, as a future perspective for the personnel capacities of the trade companies. This would be done by focusing on the needs of the small and medium trade companies and the position of the trainees regarding the personnel capacity and the human resource management (hereinafter HRM).

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The whole research is based on an analysis of the statutory regulations, the operative plans of the Macedonian government and ministries, the factual condition determined based on the elaborated quantity data in the paper and finally, the close relations among the challenges and the needs of small and medium size entrepreneurs (hereinafter SMSE) versus the status of the trainees in Macedonia.

The economy's needs and challenges that derive from the type, the character and the size of the trade work that is being realized and that is typical for the region that is being analysed. Correspondingly, the research conducted relating this topic shows the same connotation.

**Key words:** voluntarism; traineeship; students; business sector.

## **1. Introduction**

The entrepreneurial growth and development and the economic progress in the business sector is considerably conditioned on the available human resources of the trade companies [1]. In the last decade of the 21<sup>st</sup> century, the influence of the Information Technology, the need for a specialized and competent personnel capacity become essential for the progress of the small and medium businesses. Also, in the same direction are the creation of European development strategies for the personnel capacities, the education of the young and perspective people that have a personnel capacity and the proper management of the available HRM [2].

In the range of EU aims and strategies, the subjects with a trainee or volunteer status become an essential part of the economic field for growth and development, particularly of the human resources allocation process. The traineeship and the voluntarism are two separate concepts of activism with a diametrically heterogeneous base. Voluntarism is work based on one's free will and its essence is in the realization of the human as a person through helping in various spheres of society [3]. In this context, Kempton emphasized in his work "Concepts in volunteer management" that: The volunteer is a person that spends time, ideas and resources in something that he/she believes in. On the other hand, the traineeship is not based on one's free will and opposes it as a concept for employment or first contract that gives the employer the chance to invest in the trainee and create a personnel capacity according to his needs, and at the same time the trainee gains experience and develops his/her competences.

Theory elaborates through the number of researches in the field of traineeship that the traineeship is one of the most suitable models for making specialized and competent personnel suitable for the needs of the small and medium entrepreneurships [4]. The traineeship gives the employers a chance to see the trainees' qualities, and at the same time to create the possibility for future employment. This practice has shown that the status of the trainees is an important part of the European strategy for education, training and teaching of young people [5]. Considering the EU priorities and the need to see the position of the Macedonian economy and the Government's strategy vis-à-vis the status of the trainees, we directed our research toward getting terrain results, analysing and elaborating them so that to put them in relation to the Macedonian statutory frame.

The main idea is directed toward noting the condition of the economy and the trainees' status in Macedonia. The research encompasses 100 enterprises founded on the territory of the four communities in east Macedonia

(Strumica, Shtip, Vinica, and Berovo). The aims of the research are to determine the relation between the private sector and the Higher Education, and the need to intensify the participation of trainees in the business sectors and to create a future perspective for transforming the ad hoc hiring into an employment. These aims will be fulfilled by analysing the current legislature and summarizing the results of the applicative research.

From the practical results and experiences, the theoretical views and the legislative's frame concerning the traineeship appears the question about the status of the volunteers across Macedonia and the need for an intervention in this category of subjects. These were the reasons that led us to approach the analysis and the elaboration of the vounteer according to the Macedonian law and practice. However, the focus will be on the law regiment of the trainees and the needs of the small and medium enterprises in the east region of Macedonia.

## **2. Subject and aim of the research**

The subject for analysis and elaboration with the theme "The traineeship and the needs of the economy" was constructed according to the essential priorities of every national economy and the government strategy of every country: decreasing the unemployment, economic growth and development and social inclusion in the context of integrating the socio-economic relations.

In the process of formulating the subject for the research, we were led by its aim which was to determine the needs of the business sector in the east region of Macedonia by including Strumica, Shtip, Vinica, Kocani and Probishtip. The chronology of the legal resolutions that were made in Macedonia will be also part of the subject, so that I will analyse the politics concerning the traineeship and voluntarism.

Finally, by focusing on the operative plans, activities and Government's measures, we will analyse the trainee's status and relate it to the data from the practical research. In the theoretical and practical analysis, it's from essential importance to confirm the primary hypothesis: increasing the number of trainees and improving their status influences the economic performances of the small and medium enterprises in Macedonia.

## **3. The methods of the research**

The methodological framework of the research was set in correlation with its primary aim. We started with the need to determine the factual condition in the fields of traineeship and voluntarism, the current legislature, the programmes and strategies of the Government's organs. In order to achieve this, we used special methods for research which were a questionnaire and an interview.

The aim for collecting, classifying, systemising and summarising of the questionnaire's results was to see the conditions in the practice. The analytic and descriptive method and the method for analysis will help us study the law regiment which is a base that determines the framework for: the personal needs of the business sector, the trainees and volunteers with a status of non-graduate or graduate person in the territory of Macedonia.

In order to illustratively present the parameters of the research, we made tables and pie charts so that we have a simplified representation of our work. In the final comprehension of the research, we used the method of

deduction and induction so that the individual conclusions are summarized in a general hypothetical framework.

#### **4. The Macedonian Educational Policy seen through voluntarism and traineeship**

Studying the question of traineeship has entailed the need for an analysis of the separate types of traineeship, which are regulated with special laws in Macedonia. Knowing that the Law for Higher Education in Macedonia [6] (hereinafter LHE) contains regulations concerning the traineeship, its importance in the European priorities and in the strategy for the development of small and medium businesses can be clearly noted. The LHE in its segment concerning the content of the study programmes presents a new solution that gives maximal support and at the same time emphasises the importance of the traineeship in the collaboration between the trainees and the private sector. In other words, it is estimated in Article 99, point 17 of the LHE that it is obligatory for the student to have traineeship not shorter than 30 days every year and that it's essential for student's ability to proceed into the next year of study. The legislator has obliged the Universities with this resolution to help intensify the collaboration among the private sector, the public organs and the Universities. In this way, the present and the future stakeholders invest into the industry's perspectives or i.e. into the personnel capacities for their own needs.

Although it's about a traineeship diametrically opposite of the Government's plans, measures and programmes for traineeship, this conception contributes to draw the industry and the trainees closer, and it helps future collaboration, economic growth and development. Consequently, the obligation to enable the students to have traineeship at least for 30 days during their studies is in favour of the traineeship as a future form for decreasing unemployment.

The way of organizing the traineeship and its conditions are assigned by the Minister. A trainee is a student in the sense of LHE, but not in the sense of the operative plans, measures and activities related to the LRL. The LHE simply determines the question of the trainees by relating it to the status of students. On the other hand, the Law for Workplace Relations determines "*training period, volunteering period and probation*". The character and the legal basis used to realize the training period, the volunteering period or the probation is diametrically opposite compared to the training according to the Government and the LHE that is seen as a strategy for decreasing the unemployment. However, these types of engagement for gaining experience and competence are in favour of starting a work relation. All these forms are entailed so that certain conditions for employment are fulfilled or as a precondition for independent work [7]. More precisely, the LRL advances the volunteers' status as graduate people and as a precondition for fulfilling their future profession.

Analysing the statutory frame in the field of traineeship and voluntarism, we have found that here isn't a separate law for traineeship in Macedonia. The only law that regulates the activism of a graduated or non-graduated person on a free basis is the Law on volunteering. The statutory framework that regulates practice in Macedonia is present only in the LHE. However, the LHE regulates a practice concept that is seen through the educational policy and the Government's strategy for quality high education. The Government's measures, activities and programmes are valid for a future employment.

#### **4.1. The Volunteering concept in Macedonia, its role and importance**

The first statutory text related to voluntarism in Macedonian was legislated in 2007 [8]. Then it was modified in 2008 so that the food and transport compensations for volunteers were added. Actually, the part 2 of Article 10 was modified concerning the food and transport compensations for volunteers. According to the resolution, the compensation for food and transport can be mostly 15% of the average salary in Macedonia that was paid the previous year, while the amount of the compensation for official trips and traineeships can be the same as that of the employees of the organization that is in charge of that volunteer work.

Analysing the Employment Law (EL) and the part about the compensation for transport and food, we noted that due to the modifications, the employer has started a more rigorous regime toward the status of the volunteers. This understanding is based on the previous resolution of the EL from 2007, according to which *the* expenditures that the volunteer might have during the process of volunteering will be paid with the same amount as the employers of the organization that conducts the volunteering work. Also the EL grants an obligatory writing form in cases when the volunteer is a person from abroad, regardless of the type of volunteering that is being realised. (If the volunteering work is a precondition for taking an exam or for starting independent work, in accordance to a special law, then a contract should be made between the volunteer and the employer. The regulations of this law will be valid during the volunteering work or the training, concerning the working hours, breaks or pauses, restitution responsibility, as well as protection while working according to the law (LRL, 61). The status of the volunteer is arranged only in the EL.EL, article 10/1 from 2007: The volunteer has the right to: a compensation of the previously determined expenditures related to the volunteering (expenditures for food, transport, official trips and training) and with the same amount that is being taken by the employees of the organization that conducts the volunteering work [9].

The EL assigns the way and the conditions in which the volunteering is done, the volunteering contract [10], the organiser and the evidence for the volunteering work. EL anticipates **the writing form as a precondition for** full validity of the volunteering contract, only if the volunteering is done more than 40 hours per month. The voluntarism realised in less than 40 hours per month, the legislature anticipates the possibility (optional) that the organiser makes an employment contract with the volunteer. In this context is the resolution of the EL, article 14 (2) so that: The organiser of the volunteering work can make a volunteering contract with a volunteer whose work takes less than 40 hours per month. The anticipation of the contract provides more legal safety concerning the rights and the obligations of the volunteer. This resolution emphasises how serious the work is compared to obligations of the organiser of the volunteering work. The resolution in the LRL is also identical in article 61 (2) that relates to the special types of volunteering work (that functions as part of the employment or as a condition sine quo none) needed for an employment in accordance to the candidate's education. In this context, (LRL, 61/2) the volunteering work contract must be in writing and a copy of it should be sent to the Labour inspection during three days from the day of the signing.

According to the legal regime of Macedonia, volunteering is an activity for the country's interest that helps improve the quality of life and actively involves people in social life, and it also helps the development of a humane and equal democratic society (EL, article 2). The EL describes voluntarism as making personal favours,

using knowledge and skills to help other people without any compensation. The distinction between voluntarism according to the EL and voluntarism in LRL is anticipated in the EL. In article 3, point 3 it's stated that according to this law, voluntarism is not the process of doing volunteering training.

Although it's done on one's free will, voluntarism helps the volunteers to improve in certain skills. The EL precisely states who can organise a volunteering work, and those are: associations or foundation, religious group, public institution, organ of the local government and the city of Skopje. However, we believe that the EL does not forbid subjects from the private sector to be able to organise volunteering work. Also we believe that the resolution from article 3/2 supports our views. In this article, the possibility for volunteer work that is temporary or accidental, without a compensation and on one's free will is not limited.

The EL predicts an employment contract negotiation and application of the Articles from the Law on Obligatory Relations hereinafter LOR) in those segments where the rights and the obligations are not arranged by the EL. This is completely logical if we consider the fact that the legal nature of the volunteering contract is a part-time contract. EL, Article 15 the articles of the LOR are used for the questions that arise from the volunteering work and which are not arranged by the EL. The EL anticipated the application of the LOR in the segment for damage compensation. – The volunteer that will cause damages on purpose or because of negligence is obliged to compensate it according to the regulations in the LOR. On the other hand, the organiser of the volunteering work is obliged to compensate the volunteer for any damage done during the work or related to the work in accordance with LOR. If the volunteer causes damage to a third person, he/she is obliged to compensate it according to the LOR (EL, Article 12/1/2/3).

Finally, the essence of the research is the need and the participation of the trainees in the industry and the industry's influence in the education, regardless of the fact that it's about a volunteer or a trainee. In the end, this hiring model needs to decrease the unemployment and improve the rentability and the productivity of the small and medium companies.

## **5. The current conditions in the field of traineeship in Macedonia**

If we look at the traineeship in Macedonia through the prism of the business sector, we will see that it manifests compatibility in accordance with the European and world trends. More precisely, the research shows that the Macedonian business sector has a positive perception about the traineeship and shows a relative openness to accept the trainees. This notion is based on the results from the research which show that 50% of the small and medium companies constitute of trainees. Of course, we must keep in mind that the representative sample is east Macedonia and the fact that the research was done in small or medium business companies.

The positive perception concerning the openness of the business sector is based on the hiring and the participation of trainees in the business activities. On the other hand, we emphasise relativity because we believe that the trainees' participation should be more than 50%. This is in accordance with our belief that the traineeship should be a pivot in the creation of the personnel policy in the business activities of the trade companies, and that the trainees should be mostly people whose work relation is being transformed. As an

addition to our belief is also the notion that: the availability and the openness of the business sector towards the trainees represents a personnel investment through which the business sector gains the chance to pick the best and most perspective subjects in the labour market.

This approach toward the traineeship is confirmed by numerous researches in Europe and rest of the world, in which the traineeship is treated as the most suitable model for acquiring personnel capacities in the small and medium businesses.

From statutory point of view, the trainees in Macedonia do not have a normative framework. On the other hand, the legislator has a separate law that regulates the status of the volunteers in Macedonia. Although, we have separated the terms volunteer and trainee in the text above and noted that the volunteer is not the subject of any kind of analysis in this research, it has been shown that the employers cannot distinguish between this two terms. They consider the work of both to be simply acquiring some techniques and production models in the industry or some operative and administrative work.

Theoretically and legally, the trainee and the volunteer are hired based on different legal rights and have a different status. Even the idea of voluntarism and traineeship is different. Consequently, the employers should take great care when negotiating a contract with a volunteer or a trainee.

Although there isn't a statutory framework in which everything is stated well, we think that Macedonia has shown in the last decade an improvement in the relations between the business sector and the trainees through various activities. Most of the activities were done by the Employment Agency that has shown great logistics in the field of contract negotiation with the tendency to transform the future work relation.

The legal basis for hiring the trainees for business activities is in the Government's operative plans and activities for employment. In this context, subject of a theoretical analysis were the plans from 2007 to 2015: The analysis and the elaboration of the operative plans entailed from the research done in the east region that we used to prove some of our assertions and theoretical deliberations.

Operative plan for current employment policies in 2007,

Operative plan for current programmes and employment measures in 2008,

Operative plan for current programmes and employment measures in 2009,

Operative plan for current programmes and employment measures for 2010,

Operative plan for current programmes and employment measures for 2011,

Operative plan for current programmes and employment measures for 2012 - 2013 – Modifications of the Operative plan for current programmes and employment measures for 2012-2013,

Operative plan for current programmes and employment measures 2013, Operative plan for current programmes

and employment measures 2014 – First modification of the operative plan for current programmes and employment measures for 2014,

The operative plan for the services on the labour market and the active programmes and measures for employment in 2015.

The operative plan for the services on the labour market and the active programmes and measures that are governed by the Ministry for Labour and Social policy. The traineeship is also part of these plans as a component that will decrease the unemployment. Relating the participation of young people with a trainee status in the business sector, the operative plans anticipate the traineeship's aim so that: "the aim of the programme for young and unemployed people is to enable them to have the possibilities for practical study and work experience in the private sector that will also enable them to be ready for the labour market" [11].

Exactly this segment of traineeship reflects the essence of the relations among the business sector, the higher education and the labour market. The programme offers young and unemployed people (to the age of 29) with secondary or higher education to gain some practical skills and experience in the private sector [12]. The trainees negotiate a traineeship contract based on which they gain practical knowledge and skills in the business companies.

According to the contract and the programme of the Ministry for Labour and Social Policy, the trainees get 6.200,00 denars per month, as well as a personal tax and insurance in case of an accident on work or illness. The employer can be only from the private sector. According to the traineeship contract, the employers are obliged to prepare a plan and a programme for the training and to assign a mentor for the trainee. At the end of the programme, the employer will also be obliged to issue a confirmation for the work that was done. Those that use state benefits will keep that right during the training.

This factual condition in the field of traineeship and the relations with the business sector show that the European and the world trends are followed, so that the unemployment is decreased and a quality labour market is being created. This view is based on the current regulation that although is not a law, but points to the activities done by the state for the traineeship. However, in correlation to the data from the research, we think that this field needs a large investment, strategy, growth and development. This would be good not only for the trainees, but also for the business sector as a model for creating its future personnel policy and creating a highly qualified workforce and quality labour market.

## **6. The personnel needs of the small and medium trade companies in the east region of Macedonia**

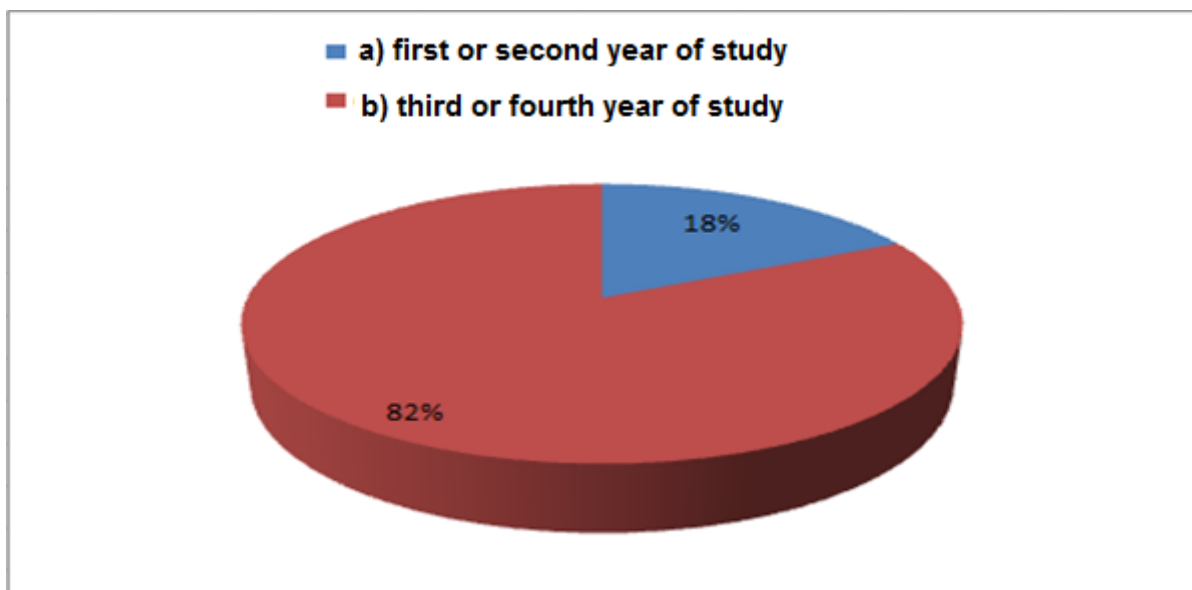
The research done for the aims of this paper introduced us to interesting understandings through which we can point the influence and the importance of the existence or the non-existence of a law that regulates the rights of trainees in small and medium business companies founded in the cities that were examined. From the analysis of the questionnaires and the interviews, it can be seen that it is necessary to hire trainees regardless of their education. The business subjects, do not pay much attention to the formal education, but they value more the gained knowledge and skills or i.e. the power of the people to fulfil the ascribed tasks and be responsible while



doing it. Actually, almost half of the interviewed subject from the east region have the tendency to hire trainees and then employ them. They want to improve the quality of their services, increase their business influence and to improve the environment in which they work. So, by introducing the trainees in their possible future workplace without a considerable wage represents a good base for choosing a future employee. However, what if this is misused so that the trainees are being changed constantly and they are not being employed whether temporarily or permanently? The businesses that strive for an expansion and work to find their suitable place in the market and expand their capital, surely invest in human resources. They give the previously hired trainees an advantage compared to the other candidates that have applied for the available work positions. Some subjects even put out an advertisement for a vacant post especially for their trainees, because they have proved their interest for the given tasks and there was a need for their employment [13].

### **6.1 Personnel needs conditioned by the level of education**

The business subjects, regardless of the amount of work they have, are conscious about the difficulties in the relations among education-business-science-innovations. They carry on a recognizable strategy and hire trainees while they're still being educated, so the students that are studying in higher education have 82% more possibility to become trainees in their third or fourth year of study – see figure 1, and some of the business subjects even offer scholarships to the trainees (see figure 2). When asked if they have the tendency to offer scholarships to the students/trainees, 24% of the subjects gave positive response.



**Figure 1:** Level of education

### **6.2 The personnel capacities are conditioned by the type of education**

The qualification, specialization and the level of education is no less important to the needs of the small and medium trade enterprises. The analysis of the business market in east Macedonia shows the need for and the deficit of formal education for certain work profiles. When asked if in the regular working of the company arose

the need for a worker that couldn't be found on the market, 22% answered that they have had the need for that kind of workers (see graph 3). It was concluded that the following work profiles are deficit in Macedonia: interior decorators, furniture designers, weaving technician and other workers needed in the clothing production, people that install and maintain machines that produce boxes, schemes, and also cameramen etc.

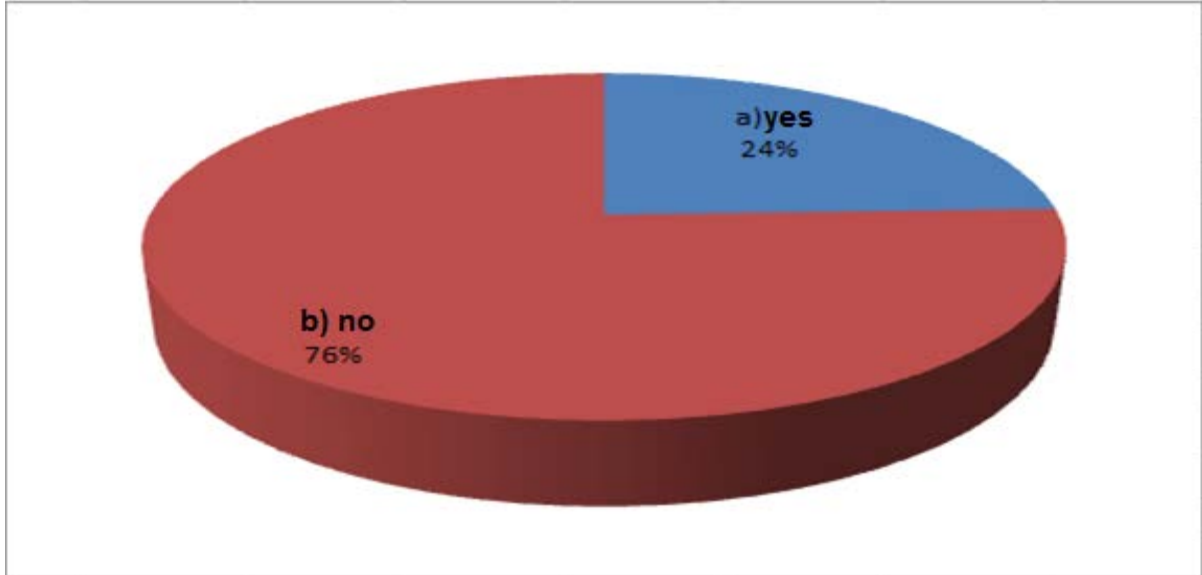


Figure 2: scholarships to the trainees

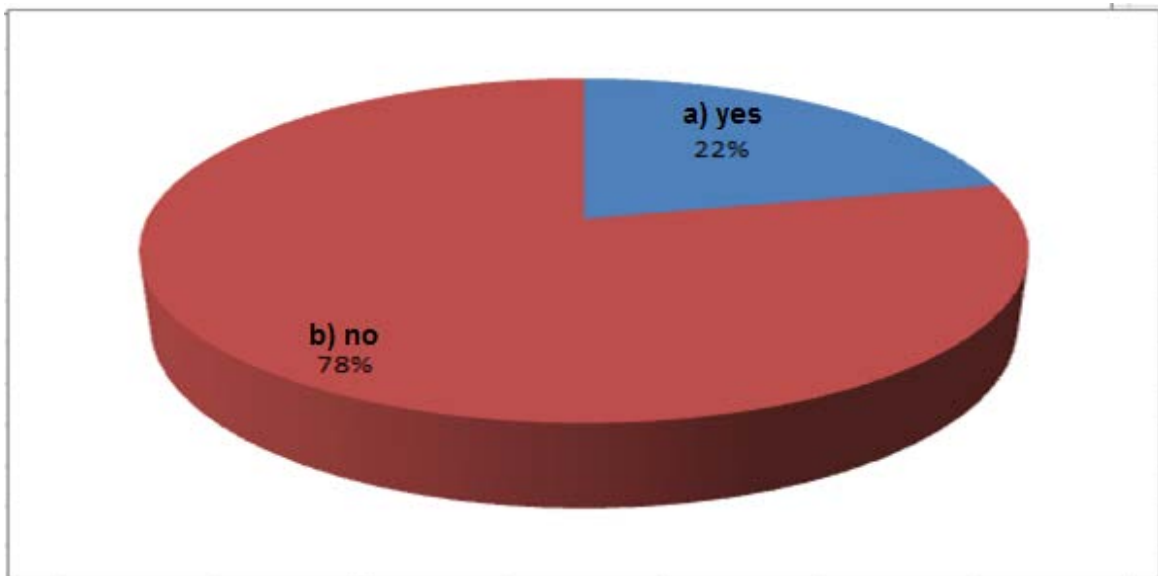
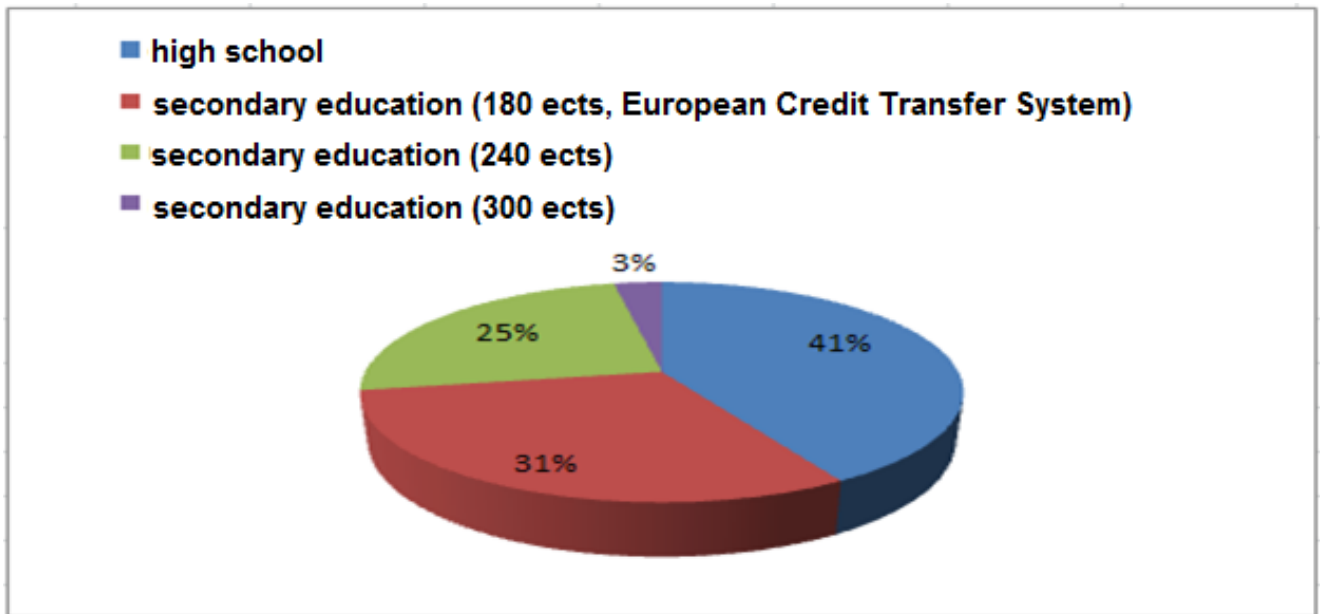


Figure 3

**7. The needs of the personnel capacities conditioned by the level of education**

However, most of the hired volunteers are of people with secondary education (actually 42%; see table 4). This mustn't be understood as an absolute value, because most of the workers in the east region are textile workers or

craftsmen.



**Figure 4:** European Credit Transfer system

#### **8. The legal relations between the volunteer/the trainee and the employer**

Regulating the rights and the obligations of the trainees and the volunteers is important for both subjects that start an obligatory-legal relation. The rights and the obligations are arranged by the appropriate law, but the volunteer can also ask that his/her rights and obligations are put in writing. (See article 61 in the Labour Relation Law, Official Gazette of R. Macedonia no. 158/10). However, what the legislator emphasises and what we want to elaborate is that voluntarism can't be identified with the volunteering work according to LRL, where it is stated that the volunteering work is a precondition for taking an exam or starting independent work. We have no doubts that the traineeship can't be identified with a work probation according to the LRL. Although in both cases there are common elements in the contracts, the employer and the employee can negotiate a contract for 6 months at most and at the same time a precondition is to have an employment contract. On the other hand, when making a traineeship contract, there is no such precondition. (See article 60 in the Labour Relation Law, Official Gazette of R. Macedonia no. 158/10).

Also we can talk about one's free will in both cases, and about the previously stated rights and obligations of both sides, but the training is under no special legal obligation so that the rights and the obligations of the trainee are arranged in accordance with a previously determined programme made by the subject that needs trainees, or it can be arranged based on written collaboration between the business enterprises and the Institutions for higher Education. This is completely well-founded concerning the mechanisms and the capacities for strategic planning and public policies. One of the most difficult balancing segments might be to continuously sustain the collaboration between the private and the public sector, as well as to encourage the economy based on

knowledge. It is very clear that the affirmation of the activities and the authorization as well as standardizing the rules, the contracts and the laws is of vital importance.

### **9. The compatibility of the needs of the small and medium businesses with the policies of High Education in Macedonia (seen through traineeship)**

In order to elaborate the compatibility of the needs of small and medium business enterprises with the and the personnel capacities of the subjects with defined education (secondary or high), it is essential to make an applicative analysis through which we will go through the real needs of the labour market or i.e. the needs of the small and medium business enterprises.

The results from the applicative research (elaborated above) helped us note that the participation of the subjects that are open toward trainees is 54%. Following the world trends and the expansion of the traineeship concept as a modus for gaining professional qualification, we think that this concept can be treated as a relative participation of the trainees in the business sector. On the other, if we look at the theoretical analysis (operative plans, programmes and activities chronologically noted down since 2007), it seems that the country is taken the appropriate measures with the interest to 'mature' the trainees in a professional and competent sense.

The Intervention in the traineeship is essential in the private sector. This is confirmed with the assertion that only 22% of the interviewed people said that there is no need for an investment in new profiles of educational personnel. Actually 78% of the interviewed people think that those works that are on the labour market are compatible to their needs.

Our belief is that even when the labour market is compatible with the needs, there is a problem with the participation of 50% of the trainees in the business sector. We think that better collaboration and greater openness of the private sector is essential. Also, the research shows that the private sector gets the most appropriate model to create its personal human resources through the traineeships. [14] This model for the selection of future employees by the private sector helps to create a double beneficiary concept for the interested stakeholders – unemployed people and the private sector.

Outside the private sector, there is a need for an implementation of a legal framework about certain questions concerning the status of the trainee. It concerns the arrangement of the corpus rights and obligations of the trainee, the negotiation of a traineeship contract and satisfying the needs of the economy.

Based on the results from the research, we can say that it is a fact that the private sector needs trainees, but at the same time the private sector is not able to differentiate between a trainee and a volunteer. The legal framework is completely unarranged concerning the possibility for a traineeship and the basis for that traineeship. If add the importance of this question for EU, it is clear that it is of primary importance to intervene in the field of training and voluntarism. We think that these modification will improve the trainees' status, and help the socio-economies performances, the economic progress, and the country's policies for the employment process (developing a labour and legal dimension for this problem). It was not an accident that we put the question in the questionnaire about the volunteers' status and the tendency to transform their relation into a work relation. The

results showed that the percent of hired trainees and volunteers is almost the same. This also shows us that a distinction between a trainee and a volunteer is not made in the private sector.

The small economy and the existence of a large personnel capacities led us believe that there is no barrier that will disable the involvement of voluntarism in the creation of professional workers on the labour market. This assertion, whether it refers to a volunteer or a trainee, is in correlation with the European policies and it seems right to say that Macedonia as a country needs to arrange the relations through implementing the appropriate statutory framework. This does not exclude the possibility to expand the resolution from the EL which states that the subjects can be organisers of the volunteering work.

It is true that many changes have been made in the statutory regulative, but the best strategy for a long term would be to create legal basis for the hiring of people during their studies (we think that the LHE contains very few regulations concerning this. There are so few that we think that hiring of the trainees and gaining the experience in the private sector is a pro form. However, this view is emphasised as a supposition which cannot be confirmed at this moment with the results.)and to expand the voluntarism concept or to arrange a traineeship after the studies. In this way, it seems that the labour dimension of this problematic would be improved and on the other hand, the needs of the economy for its growth and development would be satisfied as well. However, it should be intervened with the appropriate statutory framework in which the status of the trainee will be clearly stated (the rights, the obligations, the responsibility and the ways to stop the traineeship).

#### **10. The traineeship perspectives of Macedonia with the emphasis on the private sector**

The application of the theoretical and practical analysis of the question related to traineeship and the business sector has entailed the need to confirm the perspectives of the Macedonian traineeship. These perspectives depend on the condition of the practice (a segment which reflects the implementation of the legal rights, measures, activities and plans) and the country's strategy and treatment of the traineeship. Following the popular trends in this field shows us that there is a perspective in Macedonia, but there's a need for an intensification of the private sector, especially in the segment for investment in the professionalism and the competency of the trainees.

On the other hand, by choosing the best trainees in the business sector, the employers improve the standards of the labour market. The employer is in a position to do a continuous monitoring and to follow the development of the hired people. He can also invest at the same time and create the personnel in accordance to his needs. The same aim has the world practice for offering scholarships as an investment in the policy for personnel capacities. Although the data shows a completely different concept concerning the studying or 22% of the trainees, we think that this segment it is completely beneficiary for the private sector to offer scholarship to the trainees. In Macedonia the process of giving scholarship to the trainees is a way to create an appropriate personnel policy in the major trade companies such as: Stopanska Banka AD Skopje, Cementara-Usje Skopje, Komercijalna Banka AD. Skopje etc). The practice shows that the scholarships are given to the trainees that are students or graduates that are on the list of best students in the Faculties in Macedonia. We think that this practice has a large influence on the improvement of the work standards on the labour market.

Finally, the intensification of the collaboration among the business sector, the small and medium trade companies in ultima linea will improve the economy and the competitive business sector. Also the recommendations for an employment by the Faculties and the collaboration of the High education and the business sector come as an upgrade.

## **11. Conclusion**

Studying the complexity of the traineeship and the business sector led us believe that the assertion that Macedonia has a potential and takes on various activities in order to improve the status of the trainee. From the analysis of the operative plans, programmes and projects of the Employment Agency of R.M., we have concluded that from the aspect of the county's strategy, the traineeship has the appropriate place. However, from the aspect of the openness and the wish for a collaboration of the business sector, there are still some barriers. It can be seen from the fact that 50% of the small and medium trade companies have hired trainees. An intervention must be done in this segment by pointing out the advantages and the benefits from hiring trainees, which represents a world strategy for the development of the personnel policy in the small and medium trade companies.

According to the data more than 50% of the interviewed people answered that they don't have the tendency to employ the trainees. It is true that the business sector opens the door for many possibilities through the traineeship, but our belief is that the traineeship should be seen as an investment opportunity by the business sector or i.e. a practice compatible with the needs, the strategy and the policy for the business activities.

The final comprehensions concerning this research is the fact that most of the trainees are hired for administrative and technical work that we consider an indicator for employers' lack of trust in the trainee's qualities and abilities to adapt in the business activities. However, this is not compatible with the data which shows that the textile industry dominates the east region and the highest percentage of administrative and technical work are results from something else.

The research also shows that the employers said that they need workers that have a very specific qualifications. That was an explanation for the lack of hiring people that are still in the phase qualifying and specialising themselves.

This condition is another indicator that the employers do not see the trainees as a future employees. This is not only due to the fact that the contracts lack some regulations about traineeship (88% said that there aren't that kind of regulations), but also due to the fact that the employers manifested a confirmation on the labour market about already defined personnel.

There are two facts that need to be apostrophe while making the conclusions, and those are: the representative sample that concerns four cities in the east region of Macedonia and the fact that a subject for analysis were the mall and medium trade companies. The analysis of the data shows that the hiring of the trainees and their status depends mostly on the type of the business activity and the employer's perception of the trainees' contribution in the business activities. As an upgrade to this, it is essential to intervene and coordinate among the

Government, the Universities and the private sector. The final aim can be achieved only through concrete activities and common interests related to the favouring of the traineeship as a compatible model for all stakeholders. The final aim is to: decrease the unemployment, increase the degree of social inclusion and entail high work standards on the labour market. In other words, it means an offer for highly qualified work force. This will have a direct influence over the competence of the small and medium trade companies on the labour market in Europe and the world.

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