THE ROLE OF THE ALBANIAN HIGH EDUCATION IN CREATING THE ENTREPRENEUR

Mimoza Kasimati (Skenderi)¹, Andrea Koxhaj²

Abstract

Following a history of planning and centralization, these last 20 years, with the close down and privatization in Albanian economy, brought about a surplus in the labour offer for some key specialties and professions. The unemployed professionals changed occupation, or emigrated. Now a shortage of different professionals is feeling in the practical everyday life. The new developments have at the same time created a remarked need for some new professions, which for the present, are performed by unqualified individuals. Meanwhile, there is a boom in higher education, not accompanied by the creation of specialists in these professions on demand, many of which can be created by the high school education. The Government of Albania has now understood that there is an imperative need to strengthen the high education that educates professionals. But in spite of the measures taken, there is still not the expected massivity in this kind of education, and potential high quality students prefer the general education, instead. Although there are reports of economic growth, there is not enough growth in the formal side of the labor market that may allow the employment of high school professionals. Those who choose this kind of education have no clear chances of employment, and the majority reorients their career on further education. The only possible way for them to make use of the profession taken by the high education, and for the country to move out of this crossroad, is to engage in private/individual enterprising.

As an economy in transition and inspiring European inclusion, Albania needs to create a sustained basis of growth. Self-employment sustained by the entrepreneurial learning is an important way for economic efficiency as well as an alternative way to joblessness.

Focused on the role of the Albanian professional education in creating the entrepreneur, the authors of this study analyzed the Strategy of Education, the curricula and study programs of the professional education and conducted half structured interviews with school directors and curricula authors. The purpose was to understand how individual traits and behaviors, such as creativity, opportunity identification, risk assessment and risk taking, and resource management which

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make up the entrepreneurial character are included in the curricula. It came out that entrepreneurship is introduced as a key competence within mainstream curriculum. This is made possible by innovative teaching and learning arrangements that are part of the reform in education. Structured interviews with students of the professional schools were conducted, focused on the motives for choosing this education, the perceived possibility offered by the actual study programs.

**Keywords:** Professional High School Education, Entrepreneurship Education, Curricula.

**JEL Classification:** A; A1; A10; A11; H52; I2; I22.

1. The rationale

Until 1990, the words *mass production* and *massivity* were very familiar in Albanian reality. There was mass production in many industries, mass production in agriculture, massivity in education, etc. During the 5-year Plans of the State, the focus on education changed according to the transformations in the economic sphere. Increased industrial investments modified the state’s demand for educated people, orientating their capacities toward non-agricultural means of production.

This demand was reflected in the number of vocational schools that sprang up with programs in technical professions that were designed to support industrial technological development. By 1980 the number of schools and teachers had tripled compared with 1960, clearly demonstrating the state’s efforts to increase the quality and the quantity of education programs [1]. At the same time, the number of students had doubled, increasing both the average length of study and the percentage of people who completed primary education. The state’s vision about secondary education in Albania was ambitious, and included objectives to increase the number of people with vocational training. (Table 1)

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<td>274.9</td>
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The role of the Albanian high education in creating the entrepreneur

Each year the number of students in vocational training was greater than the number enrolled in general secondary education, vocational schools far outnumbered those offering a general education.

The vocational schools were diffused throughout the country, which was consistent with the state objective of increasing equity in educational achievement between urban and rural areas. The huge expansion was in response to the economy’s need for professional skills in the labor force, mainly in agriculture and industry. On the other hand, general education was not popular and the state was less involved in expanding the number of such schools. They were nevertheless on the increase in the last years of the regime, from 17 institutions in 1980 to 43 in 1989. The number of students in higher education doubled from 1960 to 1980 and reached at 27,000 in 1990. Even so, the state was parsimonious in the recruitment of the students after completion of secondary education and the selection was made by rigorous vetting procedures [2]. About 40 percent of students finishing secondary school entered at the tertiary level in year 1980.

Education was generally of a high quality and based on strict army-like discipline, uniform programs, uniform methods of teaching and studying, uniform dress and uniform models of behavior. Education on all levels was centrally controlled and highly bureaucratic, and was particularly influenced by the need for an instrument of ideological indoctrination [3]. The system rested on a triple foundation of theoretical learning, productive work and physical as well as military training. Above all, the educational system was meant to prepare young people for the entry into the centrally planned economy.

In this kind of system, the level of education attained by individuals had less to do with overall economic success than it typically does in a market economy. Many well-educated people during the communist period earned only a little more (and sometimes less) than production workers, although they did enjoy better working conditions, an important “non-wage benefit”.

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<td>NUMBER OF TEACHERS</td>
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<tr>
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<td>8569</td>
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<td>Secondary, vocational</td>
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<td>91</td>
<td>502</td>
<td>1157</td>
<td>1732</td>
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<td>Tertiary</td>
<td>13</td>
<td>288</td>
<td>926</td>
<td>1103</td>
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Centralized planning artificially controlled the demand for education and employment.

To conclude, the communist regime made real efforts to increase school attendance. At the end of the communist period in 1990, about 45% of the population between 35 and 45 years had completed secondary education [4].

But there are years now that this massivity is no more a matter of fact. Close down, downsize, privatization, are the words in these last 20 years. This of course, was accompanied by a surplus in the labor offer for some key specialties and professions.

After 1990, the Albanian system of vocational education was abandoned in favor of general secondary schools. The ratio of students undergoing vocational training versus the total in secondary education was much lower in 2003-2004 than in 1990 [5], indicating a dramatic change in the educational system. Before 1990, vocational schools provided agricultural and industrial training, and 70% of the students attended those schools. After 1990, the unemployed and unwanted labor power educated in these professions, changed occupation, or emigrated. Most of schools were subsequently closed, and today vocational education does not play an important role in the context of secondary education [1]. The situation has worsened by the failure of vocational training in the regions.

Not only the state withdrew from financing such an expensive network of schools, but young people themselves are showing more interest in general education as a way to build opportunities in various types of postsecondary or higher education.

The specific nature of vocational training is lagging far behind young people’s aspirations. The number of vocational schools in 2003-2004 was only 53 (a mere 4 of which were located in rural areas) compared with 454 schools in 1989. Pupils in vocational education represented about 16 percent of children registered in secondary education in 2004 (21,900 students). Vocational schools are a male domain, enhancing their professional orientation toward technical positions.

However, the type of qualifications, as well as the specific knowledge/skills that young people acquire in the educational system, often does not fit the labor market demands. Albania’s market reforms did not create efficient links between schools and enterprises. Examples still exist of narrow vocational training for employment in industries for which demand has now collapsed.

The centrally planned economy’s historical emphasis on industry and agriculture at the expense of services had major implications for the education system. Every day now, a shortage of different professionals is feeling in the
everyday life. The new developments have also created a remarked need for some new professions, which are performed by unqualified individuals by now. Meanwhile, there is an increase in massivity in higher education, not accompanied by the creation of specialists in these professions on demand; many of which can be created by the high school education.

According to OECD evaluation [6] Albania’s young people, like those in other transitioning countries, need to prepare for a world where they will have to make intelligent choices, solve un-anticipated problems, and take responsibility for finding their own paths in a rapidly changing economy. None of these skills was highly prized under the old system—centrally planned economies emphasized the learning of carefully selected facts, because they left little room for uncertainty, and they did not encourage independent thought. By contrast, life in a market economy means that most young people will change jobs and occupations several times during their working lives, and to do this they need independent thinking and learning skills[7]. Pupils are probably still over-tested but under-assessed in terms of flexible skills.

The Government of Albania has now understood that there is an imperative need to strengthen the High Education that educates professionals. Vocational Education follows right after the 9-year basic education track and has as its main goal to enable students to develop vocational skills and practical knowledge. This type of education yields craftsmen with the necessary skills for a specific job, but also allows pupils to carry on with higher education.

During the academic year 2009-2010, a new Vocational Education structure (41 vocational schools in total) is introduced. It consists of three levels (2, 3 and 4 years of education). This structure is in conformity to the International Standard Classification of Education (ISCED), with the Albanian Qualification Framework (AQF) and with the European Qualification Framework (EQF). Commencing with the 2009-2010 academic year, vocational schools apply the new Frame Curricula for Level I (covering 22 educational profiles), which is developed by the National Agency of Vocational Education and Training (NAVET). The level II of VET will comprise two or additional profiles, in order to keep up with labor market needs.

But in spite of the measures taken, there is still not the expected massivity in this kind of education, and potential high quality students prefer the general education, instead (Figure 1).
As we see in the red column, the General Education has its high and low developments in these 20 years of decentralized economy, but the Vocational Education enrolment (the turquoise column) are always comparatively low.

Although there are reports of economic growth, there is not enough growth in the formal side of the labor market that may allow the employment of high school professionals. Those who choose this kind of education have no clear chances of employment, and the majority of them reorient their career on further university education. The only possible way for them to make use of the profession taken by the higher education, and for the country to move out of this crossroad, is to engage in private/individual enterprising. In these grounds, many questions arise: How much is the high education, especially the professional direction helping to develop the entrepreneurial capabilities of the students? How many individuals graduated the professional education have opened their own activities? What is the actual entering cost in the actual market for a certain profession? Is there any state policy in favor of this entrepreneurship?

The individual motives and attitudes of the students themselves are the other very interesting side of the token. Are they conscious that many of them will have to cope with the challenge of creating their own employment? How much do they feel supported from the actual study programs to cope with this immediate future challenge? Is there applied any selection policy by the professional schools, based on the knowledge that the entrepreneur has some special personality characteristics? Some of these questions were in the base of...
our inquiry and what we discovered is broadly explained in the following parts of this paper.

2. Literature review

For the purpose of this study, a literature review was considered, with the main concern on: The role of formal education in developing the entrepreneurs’ characteristics; the characteristics of the entrepreneur, and the role of entrepreneurial education in a country’s development.

Empirical data shows that the development of enterprise within a country can create wealth for the country by lowering unemployment levels, reducing the dependence on welfare and generate tax revenue for the country [7]. Governments can take direct policies to promote entrepreneurship within their country ranging from financial initiatives to educational training [8]. Carter and Wilton [7] discuss the importance of entrepreneurial education in government policy citing the example that “just making finance available without the training on its proper management is inadequate”. It can therefore be seen that there is a growing desire not only for entrepreneurship within a region but also entrepreneurial education.

Entrepreneurial education is continually increasing in developed countries with the level of courses provided at higher educational institutes greater than ever [9]. According to Chell and Allman [10], "over the last two decades there has been an increase in the number of courses and programs aimed at entrepreneurship and enterprise." There has also been an increase of entrepreneurial education in developing nations with focus on using entrepreneurship as a method of economic development in these regions [11]. As Falkäng, Kyro and Ulijn [12], “The past twenty years have witnessed an enormous growth in the number of entrepreneurship courses at different educational levels. There are many forms of entrepreneurial education ranging from pre-university entrepreneurial education at both a primary and secondary level and also both publically funded and privately funded entrepreneurial programs at both a local and national level [13].

There is an on-going debate as to whether an entrepreneur is born or can be created through entrepreneurial education [14]. Vivarelli and Santarelli [15] state that the entrepreneurial personality can be described as follows: "innovative, flexible, dynamic, risk-taking, creative and growth-oriented". Drucker [16] on the other hand argues that the viewpoint that one is either born with or without an entrepreneurial personality is false. Instead he concludes that all successful entrepreneurs had made a “commitment to the systematic practice of innovation” [16]. The belief that the entrepreneur can be
created is furthered with the idea that this systemic approach can be fostered through entrepreneurial education.

Policy makers in Europe have identified education as an instrumental factor in developing entrepreneurship. The European Commission in 2006 published the "Oslo Agenda for Entrepreneurship Education in Europe" to ensure that EU members were focused towards increasing entrepreneurial education. According to the European Commission [17], "Entrepreneurial programs and modules offer students the tools to think creatively, be an effective problem solver, analyze a business idea objectively, and communicate, network, lead, and evaluate any given project." By encouraging entrepreneurship in this manner, there is an underlying assumption that policy makers believe that entrepreneurial skills can be taught.

Government backed entrepreneurial programs are also increasing, which demonstrates that there is a belief at an administrative level that this type of education has positive social and economic results. As Edelman, Manolova and Brush [18] discuss, entrepreneurship is a “major public policy concern because of [its] impact on economic growth, particularly job creation.” The society and the business world require and demands entrepreneurial competencies, which place more stress on the individual’s attitudes and skills than before [19] and that it is of interest to study how entrepreneurial education affects the attitudes and motivations of those undertaking this types of programs. It is now widely recognized in education that it is important to promote entrepreneurial attitudes and behavior. Moreover that Europe must stimulate the entrepreneurial mindset and encourage innovative business and new start-ups [20]. Attitude and motivation have an important role as they have been reported as the most critical factors for success in learning [21]. There is also widespread perception that motivation is the most important factor in educational success in general [21].

Entrepreneurial development is a key focus on any government’s agenda due to the fact that it has been shown to provide solutions for a country’s social and economic problems.

3. The role of the Albanian vocational education in creating the entrepreneur

Education is a long-term investment widely considered as an important basis of growth and competitiveness [22]. This recognition is generating new policy interest in the potential of entrepreneurial learning for improving productivity, innovation and economic growth. There are two broad considerations about the effect of the entrepreneurial education: it contributes
to the competitiveness (the efficiency model), and it contributes to socio-economic inclusion (the equity model). Theoretical and empirical support is strong for both models [23] and is included in the EU Lisbon Strategy for Growth and Jobs. Being an economy in transition, and inspiring European inclusion, Albanian economy needs to create a sustained basis of growth. Self-employment sustained by the entrepreneurial learning is an important way for economic efficiency as well as an alternative way to joblessness [24].

3.1 The Curricula

As education is considered important in shaping the entrepreneurial mind, the notion of entrepreneurship is a competence that needs to be included in education. Professional high education was in focus of this study. Authors of this study are conscious about the conceptual problem created by concentration only on the high education, while conscious that the society’s efforts in education of the new generation are very complex, not only through school.

Focused on the role of the Albanian professional education in creating the entrepreneur, the authors of this study analyzed the curricula and study programs of the professional education. It comes out that entrepreneurship is introduced as a key competence within mainstream curriculum. This is made possible by innovative teaching and learning arrangements that are part of the reform in education.

Authors of the study analyzed the curricula trying to understand how individual traits and behaviors, such as creativity, opportunity identification, risk assessment and risk taking, and resource management which make up the entrepreneurial character are included. It comes out that there are no specific subjects addressing these characteristics in the curriculum of the professional schools, although in The National Strategy of Education [25] there are some provisions focussed on teaching and learning arrangements for entrepreneurial learning (although the term “entrepreneurial learning” can be found nowhere in this Strategy). Although the professional education is now constructed in layers (as mentioned above), there are no specifications in the Strategy about these different levels of education. Curriculum adjustments and teacher training is mentioned in the national Strategy together with compulsory or elected subjects, out-of-the school activities, and cooperation between schools and enterprises, without specifications on levels of the professional education. There can not be found indicators on the built up intelligence on entrepreneurial learning, and nowhere is mentioned how the developed information on this will be reported and broadcasted.

Parallel to that, half structured interviews with 10 school directors and curricula authors were conducted, focused on the intended possibility of the
study programs on educating entrepreneurs. The first thing to be discovered was that the discussion could be conducted only for the vocational schools on economy. The other professional schools like those in arts, electronics, etc had no orientation on entrepreneurial education as there are no subjects to address opportunity identification, risk assessment, risk taking, resource management, marketing, or business plan included in their curricula [26].

3.2 Pupils’ selection

Based on the knowledge that the entrepreneur has some special personality characteristics, the authors of this study interviewed the professional school directors about the selection policy applied by the professional schools. The selection criteria more frequently mentioned by the professional school directors were: the overall grade of the previous level of education, the grade taken in Mathematics subject in previous levels of education and the grade in Albanian language subject.

3.3 Professional practice

80% of professional school directors interviewed answer positively-to moderate to the question: Do you believe that professional practice really helps pupils to have a sense of reality?

But in a scale from 1(not at all) to 5(completely), only 2 of 7 professional school directors choose nr 5 to answer the question: How much do you think your school makes pupils ready to have a private activity of their own after graduation? Five of them give answers ranging from level 3 to 5, giving a total of 70% moderately positive to positive answer to this question.

3.4 Pupils perceptions and motives

With the purpose of understanding if there were individual motives for choosing this education, and the perceived possibility offered by the actual study programs, authors prepared standard questionnaires. The underlying research questions were: Are they conscious that many of them will have to cope with the challenge of creating their own employment? How much do they feel supported from the actual study programs to cope with this immediate future challenge?

Considering the conclusions taken by the curricula analysis explained above, the authors were concentrated on the professional high schools offering education on economy. 150 structured questionnaires were distributed in pupils of 4th and 5th grade in Professional School of Economy in Tirana. 146 of them were filled by 61 male and 85 female pupils, 34 of which were 4th year and 108 in the 5th year of education.
Pupils of the professional schools interviewed do not seem to have much aspiration on entrepreneurship after finishing the studies. Only 8.2% of those interviewed (Tot.146) choose “having my own business” as the possible answer to the question: What do you think you will do after finishing this school? 86.99% of them will follow further education.

Pupils see many factors that keep them away from a possible entrepreneurship, but surprisingly enough, 50% of them believe “lack of capital” is the main reason, followed by the “competition” (15.75%) and “lack of experience” (10.96%). This is almost the same for male and female pupils, with the difference that female pupils are afraid from “lack of experience”, while males are more concerned about the “high taxes”. The reason “lack of capital” tells a lot about the level of information these pupils have, and how helpless they feel although they have subjects that teach them how to make a business plan, etc. Authors have reasons to believe this answer is not only a question of personal perception.

Meanwhile, to the question “Explain in a scale from 1(not at all) to 5(very much) how much this education you are getting helps you have your private activity after finishing this level of schooling”, 91.4% answer from a level from 3 to 5, where 54.1% are for a level of 4 and 5.

They mention 18 subjects as a possible answer to the question “What are the subjects that teach you how to open a business of your own?” Accounting is the more mentioned subject by 74.66% of the pupils, followed by Economy of enterprise (63.7%), General economy (27.4%) and Macro economy (21.9%).

It is clear that they get a lot of knowledge in the field of economy, but authors are not enthusiastic about the real abilities of these pupils to become entrepreneurs once finished the high school.

As a conclusion,

There is some intention to direct the high education on entrepreneurial learning, but this is not materialized enough in the National Strategy of Education [25] neither in the curriculum of the professional schools. As mentioned above, there can not be found indicators on the built up intelligence on entrepreneurial learning, and nowhere is mentioned how the developed information on this will be reported and broadcasted.

This research did not bring any positive finding on the practice of the selection policy applied by the professional schools. In Albania, high professional schools do not make any selection based on the supposition that the entrepreneur has some special personality characteristics. Selection has no special requirements on applicants.
There is a positive expectation on the side of the school directors. They generally believe their schools make pupils ready to have a private activity of their own after graduation.

On the other side, pupils of the professional schools interviewed do not seem to have much aspiration on entrepreneurship after finishing the studies. Only 8.2% of those interviewed (Tot.146) choose “having my own business” as the possible answer to the question: What do you think you will do after finishing this school? Lack of motivation to follow the entrepreneurial road pairs with inappropriate attitude towards ending the education at this level. 86.99% of them will follow further education.

Pupils of high professional schools feel they take appropriate education on the professional side, but do not feel empowered to begin their own business. In some profiles of education like economy for example, students learn how to prepare a business plan, how to keep the books, etc, but still they do not feel like they are going to start a business of their own. They are not very clear about the fact that in the era of personal career management and self employment they will soon be faced with the need to create their job. It is clear that they get a lot of knowledge in the field of economy, but authors are not enthusiastic (based on the results of this research) about the real abilities of these pupils to become entrepreneurs once finished the high school.

It is more difficult in other professional schools like in arts, electronics, tourism, culinary, etc. Although some basic knowledge on economy is included in the curricula of these schools, that is not enough in educating entrepreneurial abilities or further more-in creating the appropriate mindset for that. This sends authors to the belief that practical side of entrepreneurial education in professional education in Albania is missing.

5. A final note

Authors had planned to include even an evaluation of the actual attitudes of the individuals graduated during last five years, who have their own professional business. Semi-structured questionnaires were constructed to interview individuals fulfilling this criterion. But because some technical problems like: impossibility to identify successful entrepreneurs graduated from the professional high schools and the wide spread of the subjects, this part of research could not be performed. Thus, we are missing important information about the actual value of the professional education on entrepreneurship and self-employment. Authors are also conscious that they have been partial by concentrating only on a certain category of education (high, professional),
while knowing that there is a strong tendency to pursue the university education as the safest possible way of life in Albania.

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