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SKILL DEVELOPMENT AND ECONOMIC GROWTH OF INDIA

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Abstract

Skill means the ability to do something well arising from talent, training, or practice. It also means ability to produce solutions in some problem. The developments of such skills are important for the economic development of any country. Author identified various skills by using 70-20-10 formula. Once we identify skills focus on how to develop these skills. The two main avenues for developing skills are through education & training and developmental experiences. Author also study the skill development model and suggest various training methods for micro-entrepreneurs in India which fall into three different important categories. They are General Management Skill, Entrepreneurial Skill and Knowledge Related.

Key words:

Skill; Skill Development model.

DEFINITION OF SKILL DEVELOPMENT

Skill Development means developing the skill sets to add value for the organization and for our own career development. Continuously learning and developing one's skills requires identifying the skills needed and then successfully seeking out trainings or on-the-job opportunities for developing those skills.

70-20-10 rule

70% of your development should come from on-the-job activities and action learning. This can include development experiences like managing a project, serving on a cross-functional team, taking on a new task, job shadowing, job rotation, etc. 20% of your development should come from interactions with others. This includes having a mentor, being a mentor, coaching, participating in communities of practice, serving as a leader in a staff organization, etc. 10% of your development should come from training, including classes, seminars, webinars, podcasts, conferences, etc.

Once identified the skills we need to develop to achieve career goals, next step is identifying how to develop skills. The two main avenues for developing skills are through the following: (i) Education and training; and (ii) Developmental experiences.

Education & Training

Education and training can enhance professional life in a number of significant ways. Completing increasingly advanced levels of education shows to the employer that you have a drive and commitment to learn and apply information, ideas, theories, and formulas to achieve a variety of tasks and goals. If you need to acquire subject matter knowledge, education and training is often the most direct way to obtain it in a short amount of time. Obtaining a particular degree or certification may be a requirement for applying for some jobs. Educational requirements are a quick and easy way to narrow down a field of applicants, so if you find yourself competing against others with more education than you, it could be in your interest to obtain the degree, certification, or training to be a competitive candidate. Education and training can consist of Advanced Degrees, Professional Certifications, Computer Skills Training, e-Learning, Independent Reading, Seminars and webinars through Professional Associations, Workshops, Trainings, and Educational Coursework on Campus

Developmental Experiences

While education and training are important to skill development, it is also known that only 10 percent of adult learning happens in the classroom, from books, tapes, or online learning activities. This is often because learning in these formats is more passive. Most adult learning, a full 70 percent, happens by doing. Learning by doing can take place through on-the-job and leadership experiences.

Following are examples of on-the-job and leadership experiences that can help you develop a range of skills and competencies.

On-the-Job Experience: Take on a challenging “stretch” assignment which includes fill in for your supervisor or manager when they are on vacation, manage a project from start to finish, make a temporary lateral move to another part of the organization, help launch a new business, initiative, or program, help turn around a struggling project, develop a new product or service, teach a process or course to your team or others, run a team meeting or briefing session, seek out critical feedback on how performance might be improved, then implement a plan to improve your performance, represent your group at a cross-functional meeting on campus or serve as a liaison between groups on campus, offer to manage project budgets to develop financial and budgeting competencies, benchmark other teams that are known for high-performance and/or strong accountability, and create a plan to help your team meet or exceed expectations, solicit feedback from peers, direct reports, and key



constituents regarding a project, departmental program or process that is under-performing, serve as a back-up contact when your supervisor is not available, take responsibility for writing or reporting on project deliverables, review project budget and make recommendations for Cutting costs and Financial strategies that can maximize quality and efficiency

Leadership Experience: Serve as a mentor to other colleagues, supervisees, or staff members or help to on-board new colleagues, lead a project team/manage a group where team members are experts in areas that you are not, lead a project that requires innovation, lead a division- or campus-wide project or task force that will have campus policy implications, assume a divisional liaison role with HR on processes for outreach and recruitment and managing people issues, chair a selection committee to fill a position, speak at a meeting, present at a conference, run for a position in a professional association on or off campus, take on a leadership role in a social, community, or volunteer organization.

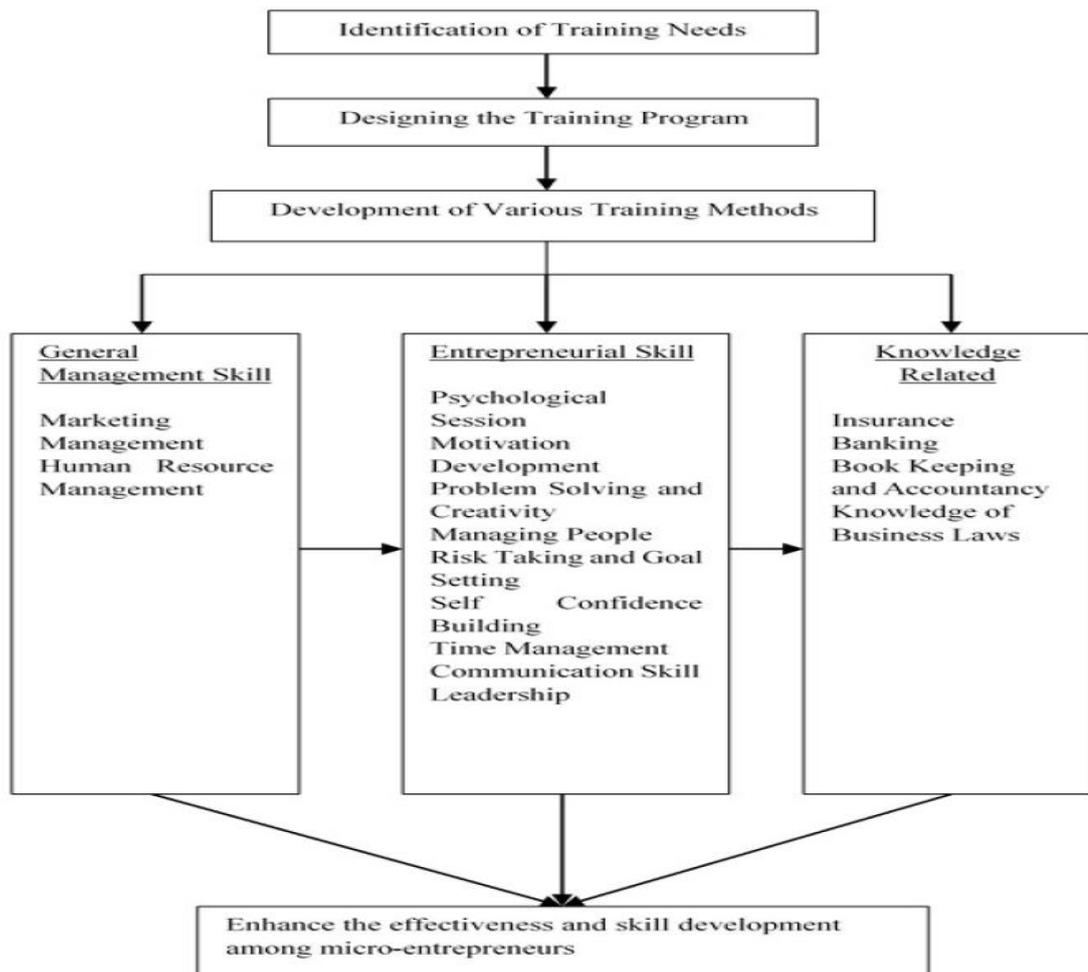
These are just some examples of developmental experiences that can help you develop your skills. The unique experiences that can help you progress toward your career development goals will be created by individual, in conjunction with supervisor or manager. Learning how to communicate to supervisor that are open to and desire development experiences is important to getting the opportunity to develop your career skills. Show openness by being receptive to new ideas and suggestions, by admitting to your need for improvement, and by actively seeking your direct supervisor/manager's feedback. Keep in mind that the end goal is your career development, not the coaching process itself. Even if it's difficult to hear constructive criticism in the short run, if it helps to create development experiences for you it will help your career development as a whole.

SKILL DEVELOPMENT MODEL

Figure 1 shows conceptual framework of various training methods for enhancing the effectiveness and skill development. The conceptual framework developed is a step by step process and it has been shown by the downward arrows. Firstly, it identifies the training needs. Secondly, it designs the training program. The designing of the training program has been divided into five important criteria. They are the content of the program, language, selection of trainees, follow-up and the qualified instructors. Thirdly, it develops various training methods needed for enhancing the effectiveness and skill development among micro-entrepreneurs in India. The development of various training methods for micro-entrepreneurs in India generally falls into three different categories. They are General Management Skill, Entrepreneurial Skill and Knowledge Related Skill.

General Management Skill - These skills can be clearly identified from the others skills as these are general management skills and their relative importance depends upon the stage of development of the business. It is the base skills of the entrepreneur. One of the keys to effective training seems to be the ability to teach sufficient of a skill to address current problems at the time the entrepreneur needs it. The more the trainees can identify with, and see the relevance of the training materials, the more effective they will be. The general management skill development has been further divided into two subheadings. They are Marketing Management, Human Resource Management.

Figure 1 A Conceptual Framework



Entrepreneurial Skill - This is the most vital factor in entrepreneurship courses designed to help MSME's grow. It requires an emphasis on motivational and psychological training that develops the self-confidence and initiative taking ability of the entrepreneur. Loucks (1988) in his study of successful entrepreneurship courses concluded that "the longest running entrepreneurial development programs with a substantial record of success include achievement motivation training as a significant feature". However, it is worth remembering that the drive, energy, commitment and enthusiasm of an individual teacher can often achieve better



results than a more soundly based methodology, implemented in a lackluster way. Harper (1984) in his study of successful entrepreneurship courses observed that many courses did not use these devices, instead relying upon “inspirational lectures and in particular presentations by experienced entrepreneurs” to achieve successful results. The entrepreneurial skill development has been further divided into nine subheadings. They are Psychological Session, Motivation Development, Problem Solving and Creativity, Managing People, Risk Taking and Goal Setting, Time Management, Self Confidence Building, Communications Skills, and Leadership.

Knowledge Related Skill - Industry need a whole range of knowledge of law, taxation, book-keeping, sources of finance as well as market research information. They are constantly looking for what constitutes good management practice in their industry. Often knowledge is a pre-requisite for finding resources. The knowledge related matters has been further divided into four subheadings. The knowledge related matters has been further divided into four subheadings. They are Insurance, Banking, Book Keeping and Accountancy, Knowledge of Business Laws etc.

DISCUSSION

As we all know, that unemployment is the major challenge to India, which has been facing in the process of its development. Millions of youth are entering the job market every year after finishing their school or college education. The entry of computerization and mechanization in every sphere of commerce and administration due to the advent of science and technology has further highlighted the problem. On the rural side, the employment potential in the agricultural economic system also appears to have arrived at a saturation level leading to large-scale migration of manpower from rural regions to urban regions, adding burden and pressure to already overstrain civic infrastructure. All these clearly show the need for promoting self-employment entrepreneurial ventures among the unemployed youth. Keeping in mind this constraint, the conceptual framework was been developed which could be used to identify, orient, motivate, train and assist the rural youth to take up self-employment ventures as an alternative career and also to train unemployed youth to take up wage employment as a source of livelihood. In the conceptual framework, the general management skills give entrepreneurs a framework to undertake the business problems they confront.

An inquiry about a problem normally requires information about the firm and the business environment. But still, the entrepreneur needs the motivation to carry through the course of action. Without each of these three essential building blocks mentioned above, the problem will not be resolved. Therefore, training programs should address each of these needs otherwise they will fail to be effective, and fail to help achieve the growth that is hoped for. The teaching techniques that are

appropriate for the different needs have been discussed. Each technique had its advantages and disadvantages. Of course, the appropriate combination of these different teaching techniques within an entrepreneurship course depends not just upon the entrepreneur needs, and hence their training requirements, but also upon the essential to obtain a varied and balanced mixture of techniques in a class. The Government officers specialized in the areas such as behavioural inputs, managerial inputs, banking, etc. Besides this, the expert practitioners, i.e., guest faculties in the respective field, who intentionally comes forward to provide their services out of social concern, impart skill training are approached to give the training. To impart training program a suitable hall in a school, college, Government building and/or private building with a blackboard and required furniture sufficient to accommodate the gathering shall be fixed as the venue.

The preparation program should extend for a period of seven days to incorporate all the diverse types of training methods. This study has limitations too, as it has taken only few training methods that are needed to develop the skills of micro-entrepreneurs. There may be various other training methods which are available to be used to develop the skills of micro-entrepreneurs. This study lays the scope for further research to explore various new training methods needed to develop the skills of micro-entrepreneurs. Further study is needed to incorporate new training methods required to acquire the skills of micro-entrepreneurs. This will help to not only create employment generation, but also create a sustainable livelihood in India.

CONCLUSION

The paper tried to study conceptual framework for identifying the various training methods needed to develop the micro-entrepreneurial skills. A study of training method has also been developed which could be used to upgrade the micro-entrepreneurial skills. It also provides suitable guidelines as to how effective training methods could be planned to ease the learning of these entrepreneurial skills which will not only create employment generation but also create sustainable livelihood. For example- looking at the conceptual framework of entrepreneurial skill under the various training methods it is found that the entrepreneurial skill related training method starts with the psychological session, i.e. first of all it prepare the trainees psychologically as because until and unless they are psychologically prepared, their fear to mix with new face people are shed and their resistance is lowered, the participants may not get the benefit of the training program, then comes the motivation part.

Further sessions give the trainees how to be creative and develop problem solving skills then the trainees develop how to manage people then the trainees develop risk taking and goal setting skills further the trainees develop how to be self confident then the trainees develop how to manage time as if time once gone it will never comes back so it is the important part then the trainees develop communication



skills i.e. how to communicate with people and the last session is leadership which means that the trainee has gained enough training exposure and now he is ready to be a leader to lead people or workers in their own enterprise. Besides the trainees learn marketing and human resource skills under the general management skills and also learns the need of insurance, banking, bookkeeping and accountancy and lastly the business laws needed for the smooth running of the enterprise under the knowledge related section. So the training program has been designed like in case a small child, the child first crawls then he learns how to stand up, then he starts walking and finally he starts running so it is like a sequence of steps following one by one. The conceptual framework proposed will overcome the problem of identifying the training methods curriculum needed for enhancing the effectiveness and skill development among micro-entrepreneurs to some extent. There is hardly any study in India, which covers the necessary training methods needed to upgrade micro-entrepreneurial skills. The study has laid the groundwork to explore the various training methods needed to develop the skills of micro-entrepreneurs.

Further study is needed to incorporate new training methods to acquire the skills of micro-entrepreneurs. This will serve to create employment generation and too create a sustainable living. This study contributes to the literature by identifying the various methods, which will upgrade the micro-entrepreneurial skills. Thus the present study is important and has notable implications for the entrepreneurs and policy makers of the country. This study has limitations too, as it has got only few training methods that are required to acquire the skills of micro-entrepreneurs. At that place may be several other training methods which are available to be used to build up the skills of micro-entrepreneurs. This work had laid the scope for further inquiry to explore various other new training methods required to acquire the skills of micro-entrepreneurs. Further study is needed to incorporate new training methods required to acquire the skills of micro-entrepreneurs. This will help to not only create employment generation, but also create a sustainable living.

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TOURISM DEVELOPMENT OF PRESPA: A MICRO REGION ASSESSMENT

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Abstract

The paper aims at assessing the current level and potentials for tourism development in the micro region of Prespa, as part of the Pelagonia planning region in Macedonia. For this purpose, the study analyses the tourism sector dynamics by evaluating the market and the core value chain that support tourism development. Furthermore, a comprehensive analysis is provided on the strategy for change in the line of identifying opportunities for tourism growth of the Prespa micro region. Finally, the overall conclusion is that a vision of change must be set by identifying two-folded interventions: (i) To create more competitive tourism sector; and (ii) To enable systematic change in terms of improving tourism services. The contribution of this paper lies in the fact that enriches the poorly developed academician work on this micro region.

Key words:

Tourism development; Evaluation; Prespa micro region; Pelagonia planning region; Macedonia.

INTRODUCTION

The variety of changes in the surrounding initiated a creation of a new ambient and challenges in front of all parties involved in tourism policy. This raised the issue of defining innovative presumptions and general directions for the tourism development. Regardless the nature, tourism has major economic and social affects at regional and local levels. So, some regions were highly positively influenced by tourism impacts. For example: mainly coastal (Emilia-Romagna in Italy), mountainous (Valais in Switzerland), urban and historic (Ile-de-France in France) or regions with exceptional natural resources (Quebec in Canada, Arizona in the United States). Additionally, regions with different profiles can also benefit from the tourism growth. Consequently, they can be rural, promoting green tourism, leisure and nature activities (Queensland in Australia); very remote (Greenland in Denmark) or regions undergoing industrial restructuring (Nord-Pas-de-Calais in France).

The objective of the study is to evaluate the current stage of tourism development of the Prespa micro region in Macedonia. In particular, the paper attempts to explore and identify the major problems and weaknesses that need to be addressed. The focus is put on the major opportunities for improvements, particularly formulating the sector vision of change and the vision of change for products and services. The paper is structured in several parts. After the introductory part, the paper is organised as follows: Section 2 provides some stylized general and tourism facts on Prespa region. Section 3 presents the sector dynamics of the micro region in terms of market overview and core value chain. Conclusions and recommendations are presented in the final section, whereas the accent is put on the strategy and vision of change.

The paper gains additional value since it enriches the poorly developed academic work in Macedonia addressing regional tourism contribution and development, with certain exceptions (Petrevska, 2012; Petrevska & Manasieva Gerasimova, 2012; Petrevska & Nestoroska, 2015). Furthermore, some valuable contribution is noted in the work of Dimitrov and Petrevska (2012), Jeremic (1971), Marinoski (1998), Panov (1972), Petrevska and Dimitrov (2013) and Stojmilov (1993) whereas the issue of the rural tourism in Macedonia is explained by applying different approaches and attitudes that result in a territorial division of regions, counties, zones and local areas. However, only a few studies underline the necessity of introducing the planning process to the tourism flows in Macedonia (Petrevska, 2011) in the line of enhancing their modest development and creating preconditions for further advanced tourism promotion of the country (Petrevska and Koceski, 2013).

SNAPSHOT ON THE PRESPA MICRO REGION

General data

The Prespa micro region consists of the municipality of Resen and several villages located in the broader region near the Prespa Lake: Otesevo, Dolno Dupeni, Nakolec, Brajcino, Ljubojno, Strbovo, Krani, Slivnica, Pretor, Krbinovo, Asamati, Rajca and Grcari.. It is situated in the Pelagonia (PE) region (Figure 1).

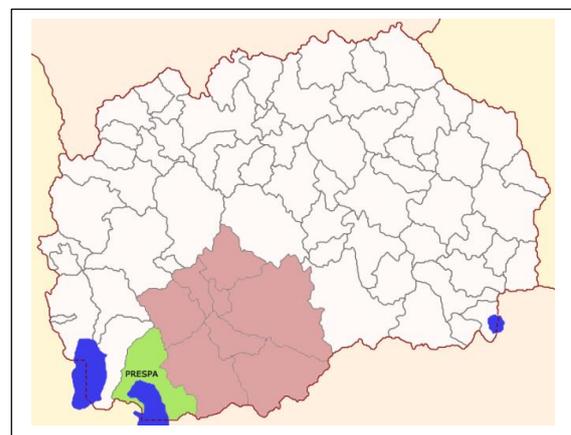


FIG 1. MAP OF MACEDONIA WITH MARKED PE REGION AND THE PRESPA MICRO REGION

According to the last estimation of the State Statistical Office regarding the population (data as of 30.06.2013), the PE region has 232,367 inhabitants representing 11.3% of total population living in Macedonia. With a surface of 4713 km² (18% of total surface



of Macedonia), the PE region has the lowest density of all regions in Macedonia of only 49.3 inhabitants/km². According to the gender structure of the population, the PE region has almost ideal gender balance. It encompasses 11% of male and 12% of female population of Macedonia, and 11.3% of the working age population at national level. The demographic structure of the Prespa micro region is described with the figures given in Table 1.

TABLE 1. BASIC DEMOGRAPHIC INDICATORS

Municipality	Surface (km ²)	Population	Density
Resen	739	16825	22.8
Otesevo	13	0	0
Dolno Dupeni	14	237	16.9
Nakolec	5	262	52.4
Brajcino	60	134	2.2
Ljubojno	14	186	13.3
Strbovo	10	184	18.4
Krani	6	416	69.3
Slivnica	10	222	22.2
Pretor	4	142	35.5
Kurbinovo	14	137	9.8
Asamati	2	175	87.5
Rajca	5	66	13.2
Grncari	11	417	37.9
Prespa	907	19,403	21.4

Compared with the PE region, it could be said that it encompasses only 8.4% of the population living in the PE region and 19.2% of the surface within the region. The average density of the destination is 21.4 inhabitants/km². It is two time lower comparing to the average of the PE region, and almost four times lower comparing to the national average. Out of all places in the Prespa micro region, one may note that the leading role has the municipality of Resen. It contains 86.7% of total population living in Prespa and 81.5% of entire surface of the micro region. The rest of the places in this micro region have marginal role. Some of them have negligible population, thus being limiting factor for further tourism development. In this line, Brajcino has only 2.2 inhabitants/km², Kurbinovo 9.8 inhabitants/km², while Otesevo is no longer populated. On the other hand, Nakolec, Krani, Asamati, Pretor and Grncari have by far more density compared to Resen as the largest place of the micro region.

Resen is situated in the Prespa Basin, bounded by the mountains of Baba (its highest peak Pelister stands 2,600 m high) on the east and Galicica (2,235 m) on the west. On the north it is bounded by the mountains Plakenska and Bigla (1,933 m), while on the south in Albania by Gorbac (1,750 m) and somewhat lower southern ridges of Galicica.

The Prespa Basin is situated between the two national parks, Pelister and Galicica, meaning that the territory of municipality of Resen contains portions of these national parks. In the Prespa Basin there are two lakes: Micro Prespa and Macro Prespa. In the waters of Lake Macro Prespa is located the tripoint where meet the Macedonian, Albanian, and Greek borders. Resen can be reached by car or by regular bus lines from Ohrid (38 km). In case of coming by plane, the tourists can reach Resen in half an hour drive if coming from the Ohrid Airport “St. Paul the Apostle”, or from Skopje Airport “Alexander the Great” being 220 km far (via Ohrid) or 190 km (via Bitola).

Due to fact that Resen has dominant role within the micro region, the further analysis are for Resen only, thus representing the Prespa micro region. Table 2 gives a glance on gender structure of total population, working age population, employed and unemployed in Resen, thus pointing to the destination’s picture. Regarding the gender structure of the population one may conclude ideal gender balance, which is very rare. Furthermore, Table 2 presents data on working age population. It must be underlined that the destination encompasses only 3.6% of the working age population within the PE region. This is expectable since the Prespa micro region has far low participation in the population, and several times lower density compared to the regional level. About the gender structure of the working age population, the majority of 60% is in favor of male population. Out of 4,705 employed, only 40% are women, while out of 2,022 unemployed, 42% are women.

TABLE 2. WORKING AGE POPULATION AND (UN)EMPLOYMENT

Population			Working age population			Employed			Unemployed		
Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female
16,825	8,413	8,412	6,727	4,026	2,701	4,705	2,857	1,848	2,022	1,169	853

Another specific feature of the micro region reveals Table 3. Namely, when the Prespa micro region is compared to regional level (22.2%) and national level (29%), it has higher unemployment rate (30.1%). The same conclusion stands for the employment rate (43.5%) being lower than the average of the PE region (50.1%). The long-term unemployment rate as a percent of the total unemployed is estimated to 80.9%, which is extremely high. The employment rate in services as percent of the total employment is calculated to 41.4%.

TABLE 3. (UN)EMPLOYMENT RATES, LONG-TERM UNEMPLOYMENT RATES AND EMPLOYMENT RATES IN SERVICE

Unemployment rate	Employment rate	Long-term unemployment as % of total unemployed	Employment in Services as % of total employment
30.1	43.5	80.9	41.4



Tourism data – Regional context

The Prespa micro region encompasses relatively small part of the national market in terms of tourism flows. Namely, in 2013, the PE region has 3,322 rooms, which is 12.4% of total rooms in Macedonia, and 10,001 beds representing 14.2% of all beds on national level. Referring tourism statistics in terms of arrivals and nights spent, the PE region has very modest portion of the national market. Namely, in 2013, 70,312 tourists visited the PE region, which represents 10.0% of total tourists visiting Macedonia. 75% of them (49,635) were domestic tourists, thus representing 16.4% of domestic tourists visiting Macedonia. Only 25% of total tourists that visited the PE region are foreign tourists (20,677). Once again, it is confirmed the modest contribution of the PE region to national level, since only 5.2% of total foreigners visiting Macedonia are registered at regional level. In this line, the PE region has 162,752 nights spent, representing 7.5% of Macedonia’s total overnights. In this line, 112,637 are nights spent by domestic tourists, which is 8.8% on national tourism market and 50,115 are nights spent by foreign tourists, which is only 5.7%. The average length of stay in 2013 in PE region is 2.3 days for all tourists (lower than Macedonia – 3.1 day), whereas, the domestic tourists stay the same as foreigners 2.3 days.

Tourism data – Local context

The local context includes local information on tourism for Prespa. As previously clarified, all forthcoming data address Resen, but due to its dominant role within the micro region, the conclusions are drawn for the overall Prespa micro region. Namely, Resen participates with almost 90% in all vital segments, while all other places together participate with hardly 10% in the micro region’s development.

TABLE 4. BASIC TOURISM STATISTICS

Table with 9 columns: Tourists (Total, Domestic, Foreign), Nights spent (Total, Domestic, Foreign), Average length of stay (days) (Total, Domestic, Foreign). Values include 3,408 total tourists, 20,985 total nights spent, and 6.2 average length of stay.

Based on Table 4, one may find interesting conclusions regarding tourism statistics of the Prespa micro region compared to the regional context. It is noticeable its extremely modest contribution to the regional development. Namely, the Prespa micro region encompasses less than 5% of total tourist arrivals, whereas 6.7% of total arrivals of domestic tourists and insignificant 0.3% of total arrivals of foreign tourists. The impression is slightly improved concerning the overnights compared to the regional level. Namely, the micro region’s share from the regional tourism cake is 12.9% of total nights spent. More precisely, 18.5% is the share of the overnights of domestic tourists and negligible 0.4% is the share of the overnights of foreign tourists. However, one

must note that the above noted figures may not present the real picture of tourism statistics, even if it is not so optimistic. Namely, the problems are located within the private accommodation facilities (particularly in Krani, Asamati and Otesevo). It is often a case when the guests are not registered, or the guests are registered, but their overnight is not registered, or even the worst scenario when the room-renters are not registered as official tourism subject within the local tourism market.

Furthermore, Table 4 presents interesting figures regarding the average length of stay in the Prespa micro region. The total tourists stay in average 6.2 days, which is almost three times higher compared to the average of the PE region (2.3 days). In case when comparing to the national level (3.1 days), it is twice higher. This point to conclusion for extremely long duration of stay, which is not usual even for Ohrid, which stands as the most developed tourism place in Macedonia. Yet, the substantial differences occur in the length of stay among domestic and foreign tourists. Namely, domestic tourists stay in average 6.2 days (the same average as the micro region, which is expectable since domestic tourists encompass 98% of total tourist arrivals and even 99% of total overnights). Regarding the length of stay of foreign tourists, it is 2.6 days (almost the same as PE region – 2.4 days, a slightly higher than the national average - 2.2 days).

The accommodation supply, as well as food and beverage capacities are extremely modest. During the main season (summer), there are active several mostly accommodation capacities, mostly hotels (Hotel Kitka – Resen, Hotel Dior – Resen, Hotel Pretor – Pretor, Hotel Martin – Pretor, Hotel Riva - Stenje, Hotel Holiday and Hotel Otesevo – Otesevo), one Autocamp Krani – Krani and around thirty private accommodation facilities. Despite the fact that almost each place within the micro region has registered food and beverage facility, they are not all active. Many of them are in poor condition and are not tourist attractive.

Resen is mainly driven by the agriculture economy but having in mind the authentic picturesque villages in the micro region, one must underline the tourism opportunities and high potential. Generally, the sites of interests include several areas:

- (i) Nature: Prespa Lake, Golem Grad Island, National Parks close to Resen (Galicica and Pelister), Eco park and Ezerani;
- (ii) Religion: Monastery Kurbinovo;
- (iii) Architecture: Brajcino, Dolno Dupeni, Ljubojno, 'Saraj' in Resen; and
- (iv) History: byzantine settlement of one eyed soldiers of Tsar Samoil in Asamati.

SECTOR DYNAMICS

Market overview

The Prespa micro region has much to offer in the line of nature, religion, architecture and history. Therefore, it has great potential for offering complex and unique tourism



product. Yet, the limited service facilities, as well as poor logistic transport to/from the micro region are the main barriers for substantial tourism flow. Many visitors, particularly the foreigners, come to Prespa just on a daily tour and rarely stay, in favor to the neighboring world-wide famous destination Ohrid. Being just a transit spot from Ohrid to the National Park Galicica or Pelister points to necessity of more intensive work of the travel agencies and other tourism mediators.

The key providers of tourism services are established networks of supply chain as well as local self governments, bussiness development centers, formal and informal education providers and the Center for development of the Pelagonia region. There is neither Tourist association nor a Tourist Information Center, so facilitation and contribution to sustainable development is behind. The establishment of a local DMO as a holistic organization may foster the collaboration and coordinate the actions of all key tourism market players.

Sector map

Applying the Making Markets Work for the Poor (M4P) methodology the sector map for the micro region is given in Figure 2 based on which, one may find that the sector map is comprehensive. Many of the supporting functions currently present may be used in the line of supporting and enhancing sustainable development.

Generally, all tourism activities are driven by the actors from local and central level. The municipality of Resen supports many activities directly focused on tourism development along with the Ministry of Culture (“Actor of Europe”, “Baskerfest”, “Apple harvesting festival”, “Diaspora meetings”, “Pottery festival” etc.). The Ministry of Environment in co-operation with the NGO sector (“Society for protection of Prespa”, “Lake without borders”) undertake activities for managing the sustainability of the eco system in Lake Prespa. The international donors (UNDP, USAID, Carana and SDC) have worked on development of nature based programs, monitoring and management systems. Many other supporting functions are present (the Auto Camp Side Krani - owned by joint venture, the Green field investment in apple production - Foreign Direct Investment, the renovation of the beaches in Stenje, Slivnica, Konjsko, Otesevo, Pretor and Krani - national project under the Government, etc). The Local Activity Group is also active as a public-private partnership formation between the local government, the private sector and the NGOs.

The representative bodies are looking after the legal aspects and tourism standards and regulations. The local self-government units have adopted various strategic documents at local level (Strategy for Development of Resen 2007-2012, Strategy for Rural Development of Resen 2009-2013, Management Plan for “Ezerani”, Assessment of the capacity of agrotourism development in Resen, Trilateral Strategy for tourism and action plan for the Prespa Lake 2012-2016, Study on monastery tourism in Baba

Mountain and so forth). Currently, there are only two active travel agencies which have established cooperation with the Agency for promotion and support of tourism of the Republic of Macedonia, and the different Ministries. They also have cooperation with different branches of various tourism associations working at local level. This should be the case for all service facilities in the micro region, since it is the only way for contributing to sustainable tourism development.

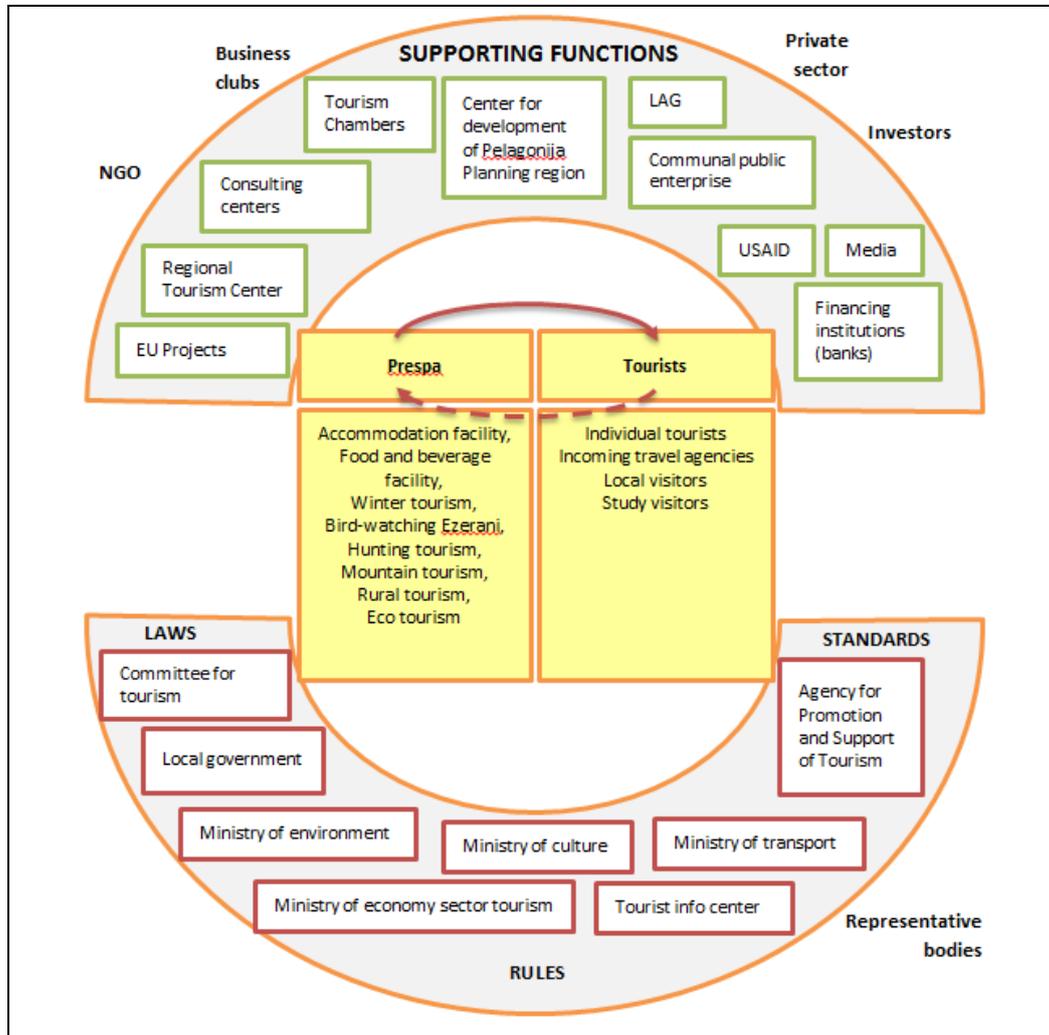


FIG. 2. SECTOR MAP

Core value chain

The tourism supply side of the Prespa micro region in terms of facilities is very modest. It is consisted of only two travel agencies (TA Pelikan and TA Makedonija Turs 2011) both are located in Resen, several food and accommodation facilities which are extremely limited and insufficient. Namely, the following capacities are registered offering somewhat accommodation with 535 beds: Hotel Kitka - Resen (32 beds), Hotel Dior - Resen (9 beds), Hotel Pretor - Pretor (51 beds), Hotel Martin - Pretor (18 beds), Autocamp Krani – Krani (334 beds), Hotel Riva - Stenje (24 beds), Hotel Holiday (23 beds) and Hotel Otesevo - Otesevo (44 beds). Generally, the travel agencies possess a working license type B and long years of experience. They sell incoming



arrangements, but also for the neighboring countries, Europe and Worldwide. The cost of the arrangement per person, which they sell the most is between 200-500 EUR and are not involved within the program "Work and Travel". According to the surveyed travel agencies, there is a cooperation with foreign and domestic travel agencies. They also have established and maintained cooperation at national level with the Agency for promotion and support of tourism of the Republic of Macedonia, as well as with different governmental Ministries (for Economy, Culture etc.). Yet, cooperation at regional and local level is missing. Namely, the travel agencies of the destination do not cooperate with the local government and different branches of various tourist associations - HOTAM, ATAM etc. On the other hand, the respondents from the surveyed service facilities do not collaborate with other tourism actors. They do not cooperate neither with the travel agencies (foreign and domestic), nor with the foreign tour-operators as intermediaries.

80% of the accommodation facilities do not have a star classification despite the fact that the Law on Hospitality (2004) clearly indicates that a star-rank categorization is a mandatory for accommodation capacity (hotel, motel, pension, tourist apartment, camp, private accommodation) as well as for the food service facility (restaurant). Among the identified and assessed service facilities (restaurants 70%, hotels 20% and private accommodation 10%), only 20% have a one-star rank. Their capacity is up to 500 seats, and the price of the service they provide the most, is up to 50 EUR, which leads to very modest economic effect. The employees with finished secondary education are dominant, while only up to 10% have higher education. One may not find employees working in tourism and hospitality sector with primary education, or without any degree of education. The managers and/or owners of the tourism supply facility generally do not expect an increase of the number of employees after 5 years. Almost none of the employees have left the facilities so far, pointing to difficulties in finding a job placement.

Tourism promotion of the Prespa micro region is not its strength side. There is no tourist information office, so the suppliers are let by their own to find ways to promote the facilities and packages. The travel agencies use the Internet (web sites), social networks (Facebook, Twitter and similar), printed media and TV advertising as marketing channels for promotion, and do not apply Billboards and e-mails (direct selling). Opposite to travel agencies, the service facilities do not use any marketing channel for promotion of their supply, except the social networks. Considering the fact that tourists nowadays like to be informed about the destination prior to the arrival, it is necessary to develop integrated website for the destination. Currently, the tourists in most cases use Internet, or get verbal recommendation from friends. The sales potential is identified as the weakest point. Since the capacity building (or capacity recovery) is still in a process, it is not possible to start with overnights for

organized tours. Therefore, the tours are only by day with very low quality. Consequently, no tourism mediator is interested for Prespa, thus leading to be off the list of domestic and foreign travel agencies and tour operators. On the other hand, the food and beverage facilities do not have guests via travel agencies. Despite the efforts for provoking interest among the investors, particularly from abroad, only the Lisbon water parks AQUAPURA initiated negotiations, but without any actual investment.

Generally, domestic tourists who are by far dominant, coming from all over Macedonia visit the micro region. The Macedonians from the diaspora also visit Prespa. There is a substantial number of visitors, generally coming from near vicinity, who have their own accommodation possibilities, so they are not registered as tourists. Although the tourist tax is symbolic (0.7 EUR tourist/night), in most cases the tourists do not pay it since the private owners do not register the guests, so the micro region is missing opportunity for local and regional development. The foreign tourists come from different countries (neighboring countries, Europe and Worldwide). Their length of stay differs due to the country origin. Namely, the domestic tourists stay long and enjoy the activities offered by the lake tourism, thus the purpose of visit is holiday. On the other hand, the foreign tourists generally have just a day-tour with no overnight, so the tourism multiplier effect is missing. The average daily expenditure of both types of tourist is less than 30 EUR in cases of food and fun. The tourists travel by self-organizing trips and generally, reach the destination by car, while the rent-a-car service is not developed. Since foreign tourists have a short visit, it is often a case when Prespa is included in the itinerary with other destinations (Ohrid, National Park Galicica, Bitola, National Park Pelister or so).

When having an overnight, firstly the tourists choose to be accommodated out of the center, near the beach. Although the destination offers tourist guide services, the tourists never use them, most probably due to short length of stay (particularly in case of foreign tourists). Overall, the price of a tourist package is not the most influencing determinant when making decision to stay. Yet, the tourists are not willing to pay 15 EUR for obtaining a card for 10-15% discount in all hotels, restaurants and museums in the destination, if they stay 3, 5, 7 days or more. This is most probably due to fact that dominant tourists are domestic ones, which due to low level of tourism supply are not interested in this opportunity.

Despite the fact that the local community do not find tourism as the main source of income, yet it perceive it as secondly most important for development and prosperity of the destination (after agriculture which is perceived as the leading and most important for their destination). The positive impulse is seen in their agreement that the destination has potential to be developed into a tourist sight. Everyone agrees that summer is the main 'season' although even than the utilization of capacity is just 50-60%. Out of season, the utilization is devastating 10-20%. Although, these indicators



pose to extremely negative results, the tourism players do not undertake any measures and activities for prolonging the short season.

The following are noted as very large obstacles for tourism development of the Prespa micro region:

- Tourism is not the main source of income;
- Lack of foreign languages knowledge among employees in tourism sector, and among the local population;
- Modest contribution of local government to tourism development;
- Lack of funds for more serious projects;
- Insufficient knowledge of local residents about the positive effects of tourism;
- Lack of cooperation among all tourism stakeholders (supply side and demand side); and
- Lack of skilled labor force.

CONCLUSION AND RECOMMENDATIONS

The Prespa micro region is identified as 'destination to be' and one of the (nature wise) biggest potentials for tourism development. Yet, large efforts needs to be done in the first line the accommodation, which is a challenge and may be solved with more than just renovation plans, but rather new direct investment in resorts and hotels. The improvement of tourism pormotion and more substantial involvement of travel agencies and foreign tour-operators is another priority. The transport agencies are not operating on regular basis or at least not with a capacity to transfer larger groups of tourists. The road as well as overall tourism infrastructure limits further development in tourism manner. Yet, in certain circumstances, it may not be a problem, but rather an opportunity. Namely in most cases the tourists will not like to drive or travel unpleasantly for an hour in a narrow and full with curves road (from Ohrid to Resen via the National Park Galicica). However, the "Forbes" magazine announced it as "the World's 20 must drive routes" due to the landscapes, the adrenaline curves, the apple yards, the wind and the view.

The ecosystem "Ezerani" is protected nature park located on the northern part of the Lake Prespa and is promoted as an area for scientific tours. The beauties of the natural park "Ezerani" combined with other features (lake, cultural, rural, mountain and eco-tourism) may lead to creation of specific tourism product, which will attract tourists all over the year. So far, "Ezerani" offers only daily tours with only one tour per day during the summer season. This site presents good starting point and a huge potential for developing 'Bird Watching Tours' since almost 90% of the birds that may be seen at the Balkans sky appear in this ecosystem (living here ar just passing though).

The Prespa micro region may offer additional tourism services in the line of production of local food specialties, honey products, souvenirs and hand-made handicrafts, thus offering to the tourists not just 'sigh-seeing', but 'life-practicing' as well. A good example is the village Brajcino, which has big potential for mountain tourism. Yet, without substantial support from all tourism market players, one may not set tourism development on sustainable ground. Moreover, low prices for accommodation and additional services compared to Ohrid are also very big advantage and opportunity for the destination.

Although tourism is not the primary focus of this micro region and is not the main source of income, the local population gains positive attitude towards this issue. Namely, the residents share optimistic view for tourism development by stating that tourism can contribute and enhance development of the local community. Proper education and training may raise the awareness of the local citizens for provision of additional services like (handicraft and souvenirs, provision of guided tours, visits, provision of local dishes and gourmet specialties etc.) that can make tourism supply even stronger.

Undertaking identified interventions may be two-folded:

- (i) To create more competitive tourism in the destination; and
- (ii) To enable systematic change in terms of improving tourism services.

In the line of making the current tourism more effective, several profound strategic improvements should be applied.

- Firstly, tourism along with the local community must be convinced that the micro region has potential for improvement by introducing and developing tourism. In this line, launching series of Tourism Awareness Program Activities (forums and debates) in order to raise awareness of all tourism stakeholders on the issue of the importance of tourism development for the destination may be set.
- Secondly, the micro region must move forward in its tourism life cycle by making big steps of improvement. The current stage of 'involvement' must be replaced with 'development' phase in the shortest period of time. This will lead to more substantial results by creating more recognizable tourism. The destination should be put on the list of domestic and foreign tour-operators as a 'must-see' and 'must-experience' destination. This requires completely new "push-pull" marketing strategy, with the main accent on the application of the IT technology for tourism promotion purposes. By developing sophisticated software module, the tourists will be assisted in creation of ideal holiday within the destination. Such intelligent promotion increases the awareness of the destination that is capable of fulfilling travelers' preferences, and respectfully



supports the local economy by improvement of tourism supply in more qualitative manner.

- The third strategic direction for improving tourism competitiveness is to strengthen the coordination with local government in the line of improving its contribution. At the same time, by forums and debates one must urge the necessity of cooperation among all key tourism players. In this line, the objectives and aims set within regional tourism development plans and programs must be in-line with those created at local level.

Besides undertaking interventions in the line of creating more competitive tourism development, the vision of change incorporates systematic change in terms of improving offered tourism services.

In this line, the first strategic direction is detected in improvement and enlargement of existing tourism facilities, in the first line, the accommodation facilities. Namely, it is often a case when the tourism product is identified by the quality and comfort of the accommodation, and missing the overall impression. Therefore, the current facilities should be improved and should obtain a star-rank categorization, thus ensuring that the international tourism criteria and standards are fulfilled. In case of enlargement, it must be taken into consideration to look after the natural and environment impacts.

The second strategic direction refers the improvement of knowledge of foreign languages, as well as behavior of employees in tourism sector. Namely, series of capacity building trainings should lead to upgrading the skills of the tourism workforce by developing a high performing, highly qualified and multi skilled employees. The tourism workforce is lacking the professional and customer oriented approach, which is an indispensable factor for destination's development. Language and communication skills, as well as teamwork are at extremely low level. Besides the tourism employees, the training may be expanded to local residents as well. Namely, the local population represents the hospitality of the hosts in general, so it is of great importance to establish direct first contact with foreign tourists. The outcome will be creation and development of a stable, high performance environment for tourism development of the Prespa micro region.

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