

# NEWSLETTER



## ONLINE JOB MATCHERS

Nowadays, new tools like online job portals are being massively used by young professionals to seek new job opportunities. In Kosovo there are currently 5 job portals operating and subsequently using the role of intermediaries in the job matching between the companies and job seekers in Kosovo.

The recent activities organized by EYE aim at assisting private job search engines (job portals) in building professional capacities, to adapt a better functioning business model while increasing chances of employment for Kosovo youth.

EYE Project organized a study visit for the Kosovo's job portals to Sarajevo, BiH. The program hosted by Posao.ba, a lead job portal in BiH and the region; included presentation on how their business model works.

The 6 attendants from 3 job portals in Kosovo (Kosovajob, Portalpune and Telegraf) had an opportunity to gain fresh insights and experience about: online and offline job matching experiences from the perspective of jobseekers and employers, customer service, sales techniques, developing new products/services.

According to Arion Rizaj, managing partner at Kosovajob.com "this opportunity offered by EYE Project enabled them to get better ideas and crystalize future objectives for their business model. It will offer advanced and quality online job-searching services for Kosovo's emerging young professionals and their future employers".

In the upcoming months EYE will offer additional support for new IT solutions, product and service development, as well as better market positioning. Kosovar IT companies will offer initial proposals for new product that could be beneficial for future business operations of job portals. The main goal remains to help job portals become sustainable and increase the volume of the facilitated jobs through their channels of communication.



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## M4P APPROACH USED BY EYE PROJECT: WHAT IS IT?

M4P is a new development aid approach which has recently been applied by different aid agencies especially donors such as the Swiss Agency for Development Cooperation (SDC) and the Department for International Development (DFID).

This approach aims to make the market system function better in order to increase the quality of life of poor people.

The key features of the M4P approach include:

- 1) Systemic action - understanding where market systems are failing to serve the needs of the poor, and acting to correct those failings;
- 2) Sustainable change - delivering sustainable outcomes by better aligning key market functions and players with the incentives and capacity to work more effectively;
- 3) Facilitative role - determining a catalytic purpose for the development agent that stimulates, but does not displace, market functions or players.

### Why M4P?

Economic development is highly dependent on well functional markets. Markets that function well have stimulate investment and encourage firms to innovate, reduce costs and provide better quality jobs, goods and services to more people. The involvement of poor people in economic growth is the best way to get people out of poverty. The last few years have seen an upsurge of interest in market development approaches amongst aid agencies, especially to donors such as the Swiss Agency for Development Cooperation (SDC) and the Department for International Development (DFID).

### How to implement M4P?

M4P emphasizes explicitly that the role of donor intervention is temporary and catalytic. Donor agencies should avoid performing market roles directly and try to facilitate market players to perform more effectively. Interventions therefore need to be sensitive to local market conditions and seek to stimulate deeper and larger change by "crowding in" other players to improve the functioning of the market system. Successful facilitation, although not a fixed model, requires organizations that have credibility, independence and relevant knowledge and skill.

### Taken from:

Operational Guide for the Making Markets Work for the Poor (M4P) approach  
Donor Committee for Enterprise Development (DCED)

# FROM START-UP TO SCALE+UP: WHERE WE ARE?

It takes a lot of courage to start a business from scratch and a whole lot of determination, amongst other things, to keep it going. Kosovo is full of people with ideas and dreams but not so many who can actually get those dreams off and running in to a profitable long-standing business.

So what exactly are the odds that you startup business will actually survive? Every year, about 12000 new businesses get registered in Kosovo. According to official statistics, 38% of these start-ups deal with trade and 10% are in the hotel and restaurant business.

**4000**  
START-UPS  
HAVE GAINED  
ASSISTANCE  
DURING THE  
LAST 5 YEARS.

For this matter, the EYE Project initiated a joint assessment with Ministry of Trade and Industry in Kosovo on start-ups and the business services offered for them.

An external consultant conducted the research and engaged in discussions with stakeholders that offer business services and technical assistance to start-ups, as well as with individual startup businesses.

The report will be published soon and it will include enriched set of facts which present a clearer picture of Kosovo's start-up environment, business services offered for them, legal and strategic framework, and the concentration of donor activities.

## Story on the ground

The report found that a large number of donors ran similar Start-up programmes and projects. Over 4000 start-ups have gained assistance during the last 5 years.

Furthermore, report also found that most of the start-ups are in a need for more advanced consultancy in order to 'scale-up' after they have "graduated" from the donor supported Start-up project. Additionally, most of Business Support Service Providers(BSS) who provide the actual training activities for start-ups, developed their capacities only for initial operational needs for starting the business, such as developing business plans, basic management, marketing and financial management skills.

The other interesting fact is that most of the BSS's depend on the donor funding and very few of them have managed to develop advanced market driven services and generate revenue directly from private enterprises.

## What next?

The report helped EYE Project to identify three areas of intervention that will help advance further the modalities of self-employment like business start-ups.

Recommended intervention areas include:

- Institutionalization of Start-up Support programmes;
- Facilitation of post-graduation support to Start-ups/early growth companies;
- Specialisation of Consultants skills and expertise

More specifically, EYE will try to help post-graduate start-ups to have easier access to networking, financial services like the newly established business angels (e.g. privately driven EYE, and MDA Foundation), B2B events and so on. Facilitating further specialization of consultant skills and expertise will be the focus of future intervention by EYE project.

The report will be helpful for our partners like MTI, and other stakeholders involved within start-up sector, to design their future interventions and therefore help Kosovo reduce the unemployment rates and grow economically.

# THE ICT SECTOR IN KOSOVO AND EYE PROJECT

The sector of Information and Communications Technology (ICT) is going through a dynamic phase of development which is reflected in the following figures: according to the International Data Corporation (IDC) in 2011 alone there was a turnover of 126.75 million USD in this sector, while market growth by 2016 is expected to be as high as € 154 million USD. Another important fact is also the overall penetration of the internet in Kosovo which is about 72 % (Penetration and usage of internet in Kosovo by STIKK).

The latest report funded by the European Union and developed by the ESI Center, Basscom, and LTI, argues that private sector within ICT is relatively good and is represented by the Kosovo Association of Information and Communications Technology (STIKK), an advocate for the interests of companies and for market development.

In the course of the last two years new business incubators focused on the ICT were opened. One

**72%**  
INTERNET  
PENETRATION  
IN KOSOVO

of them was the Kosovo Innovation Centre that was opened a year ago (under the auspices of STIKK, funded by the Norwegian Government) and is focused mainly in providing technical assistance to start ups in this sector.

Furthermore, the ICT market is mostly driven towards services and products introduced by companies operating in the field of telecommunications, energy, and public utilities. Production of applications is also growing; a good example of such a trend is the game Skënderman, which has become very popular among youngsters and those who use smart phones.

What about the future? The EYE Project will work in different fields of the ICT sector, such as portals dedicated to employment (see the other article on this flyer), development of value chains, identification and development of jobseeker' skills which would make them competitive in domestic and foreign labour market, further networking in Kosovo, region and broader. The main objective, however, remains how to enhance the employment and qualification of young generations that enter into labour market.

ICT remains the "coolest" and most attractive sector as far as the expected innovations and investment in the future is concerned, while the actors involved should continue encouraging young Kosovars to pursue that same dream that was pursued by Steve Jobs!

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