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CARDS Project Labour Market Reform and Workforce Development

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Strategy for Life-long
ENTREPRENEURSHIP LEARNING
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Abbreviations list

MHLSW Ministry of Health, Labour and Social Welfare **MES** Ministry of Education and Science CRNVO Centre for NGOs Development SME Small and Medium-sized Enterprises \rightarrow HRD **Human Resources Development** EAM **Employment Agency of Montenegro** EU European Union \rightarrow SAA Stabilization and Association Agreement R&D Research and Development ETF European Training Foundation \rightarrow OECD Organization for Economic Cooperation and Development \rightarrow EAR European Agency for Reconstruction \rightarrow EC **European Commission** \rightarrow **ICT** Information-Communication Technologies CARDS Community Assistance for Reconstruction, Development and Stabilization CIPC Centre for Information and Professional Counselling \rightarrow ISCED International Standard for Classification of Education ΙT Information Technologies JA US Non-Government Organization 'Junior Achievement' VC Virtual company (student enterprise) \rightarrow GTZ German Society for Technical Cooperation MSE Management Simulation Exercise CEFE Competency-based Economies through Formation of Enterprises \rightarrow BIP Norwegian non-profit foundation 'Business Innovation Programs' \rightarrow **ECTS** European Credit Transfer System \rightarrow COEBS Computerised Studies on Environment **CEEPUS** Central European Exchange Program for University Studies \rightarrow CEI Central Europe Initiative \rightarrow **TEMPUS** Trans-European mobility scheme for university studies \rightarrow Entrepreneurship, Management, Business **EMB** TNA **Training Needs Analysis** NGO Non-Government Organization \rightarrow Vocational Education and Training Centre VETC \rightarrow ILO International Labour Organization

1. Introduction

The development of knowledge society based upon human capital, education, research and innovations (creativity) improves potential for growth and ensures that we readily meet the challenges brought by future development. The development and fostering of life-long learning culture from an early stage is a key condition for building a knowledge society and it should gather and organize all country stakeholders – staring from the support of Government and all national stakeholders, to the local community, institutions and individuals directly involved in education and training processes.

The result of everyday technological changes, growing competition and globalization is a need for continuous development and upgrading. Once acquired knowledge and skills are not and can not be sufficient for personal and professional progress. It is estimated that each person shall change career between five and ten times during a professional lifetime. The question is how to adapt the educational system so as to respond to modern society needs. The response to this challenge is the development of key competences – multi-functional, transferable set of knowledge, skills and attitudes necessary to each individual for personal fulfilment and development, inclusion and employment.

Entrepreneurship is a key driver to innovation, competitiveness and growth and one of eight key competences¹. Entrepreneurship learning provides people with the possibility to develop and apply their creativity to various economic and social contexts. Entrepreneurship-oriented people are source of ideas for wealth creation, necessary for economic growth, and they are able to put them into reality. They can also significantly contribute to the development of first-class public services and creation of a sound social services sector, responsive to society needs.

The Strategy for Life-long Entrepreneurship Learning shall assist the development of human capital which will significantly contribute to the creation of a competitive and dynamic economy, capable for sustainable economic growth with more and better jobs and stronger social cohesion in Montenegro.

The purpose of this Strategy is to outline a set of goals for entrepreneurship learning which will encompass its development in a wide range of sectors over the next five years. These will include the role of entrepreneurship learning in all institutions engaged in simulating and promoting entrepreneurial activities.

The target groups of this Strategy fall both inside and outside the education area. The Strategy is intended for those involved in education and training. The overall responsibility for entrepreneurship in education lies upon ministries and relevant institutions at national and local level. The target groups outside the education area are those providing support for self-employment or business start-up, and those supporting businesses which intend to grow. This Strategy should also be of interest for large employers who aim to foster a culture in their organizations where employees at all levels are encouraged to act in enterprising manner.

The Strategy for Life-Long Entrepreneurship Learning has been developed in cooperation with the working group, including representatives of all relevant partners at national level: Ministry of Health, Labour and Social Welfare, Ministry of Education and Science, Directorate for Development of Small and Medium-sized Enterprises, Employment Agency, Bureau for Educational Services, VET Centre, Employers Federation and Centre for Development of NGOs. It has been prepared in conjunction with the new National Strategy for Employment and Human Resources Development for the period 2007-2011 and the Discussion document Human Resources Development – Montenegro 2017.

¹ Report on the implementation of the Entrepreneurship Action Plan, Brussels, 07/09/2006

2. Definition of entrepreneurship learning

Certain (small) number of individuals is trueborn entrepreneurs and their personal characteristics enable them to act in an enterprising manner. A large number of people, however, do not have characteristics of entrepreneurs. The surveys prove that education and training can significantly contribute to the development of entrepreneurial attitudes, knowledge and skills.

Entrepreneurship learning has narrower and wider contexts. In a more narrow sense, entrepreneurship learning is about acquiring knowledge on setting up own enterprise and becoming economically literate; in a wider sense, it is focused towards the development of personal characteristics and skills which are considered as a prerequisite for successful entrepreneurial acting of an individual.

The development of entrepreneurial competence, identified as one of the eight key competences for life-long learning, takes into consideration both definitions of entrepreneurship learning, however with the different focuses of learning, which depend upon the level and type of education. The table below provides the definition of entrepreneurial competence, or specific attitudes, knowledge and skills that an individual should have.

	Entrepreneurship competence refers to an individual's ability to turn ideas into		
	action. It includes innovation, own initiative, taking responsibility for own actions,		
	risk taking, setting of goals, skills of planning and managing activities to reach a		
	certain goal, motivation for achieving success. In the very core of this		
Definition ²	competence lies the ability of an individual to recognize the context of their work		
	and the proactive reacting to opportunities offered, while it is the basis for more		
	specific skills and knowledge needed by entrepreneurs establishing social or		
	commercial activity.		
Knowledge ³	• Knowledge on available opportunities so as to identify those responding to		
	personal, professional and/or business activities of an individual.		
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Skills ²	Ability for cooperative and flexible team work;		
	Ability to identify personal strengths and weaknesses;		
	Ability for proactive acting and positive reacting to changes;		
	Ability for assessment and risk taking, where and when necessary.		
Attitudes ²	Disposition for taking initiative;		
	Positive attitude to changes and innovation;		
	Willingness to identify areas where a person can demonstrate a whole set of		
	entrepreneurial skills – for example at home, at work and in a community.		
	Table 1: Definition of entrapropagation as a key competence		

Table 1: Definition of entrepreneurship as a key competence

² Proposal of recommendations for key competences for life-long learning, draft program 'Education and Training 2010'

³ Implementation of draft program 'Education and training 2010'

2.1 Entrepreneurship in education

Entrepreneurship learning in education requires the development of a set of personal qualities and attitudes which will support an entrepreneurial approach to both work and community activities. It also requires the development of a set of skills and knowledge which will allow the learner to create ideas and turn them into action.

Personal qualities and attitudes

Education institutions should provide an environment which encourages learners to ask questions and to seek out new approaches. They should encourage learners to be creative, self-confident and resourceful. These are the qualities and attitudes which will serve them well both in the future world of work and in society in general.

Knowledge and skills

Education institutions need to equip learners with the knowledge they need to make informed choices about their future careers. This should include information about *how* both small and large companies work and about *how* new enterprises are established. They should encourage learners to seek out the reasons behind *why* some enterprises succeed and *why* some do not. This should include practical activity which will allow the learner to develop their own ideas and put them into action within an environment which gives them the opportunity to reflect on and learn from their actions.

Students engaged in entrepreneurship project activities typically start with *generating ideas*, and then *make decisions* about which ones to pursue and how they plan to pursue them. They *manage the resources* available to them in an effective manner. Often, when a project requires taking on an important challenge, they need to have *drive and determination* to succeed. They also need to *influence others*, key individuals and groups, to gain their support. Finally, they need to *monitor the progress* of the project throughout its life and to reflect on their own contributions at the end.

The skills and attitudes required to run a successful entrepreneurship project in a school or university environment are the same as those required to run a successful entrepreneurship project within a small or large enterprise or within an NGO.

Entrepreneurship competence

The individual personal qualities, attitudes and skills outlined above can be developed within any part of the education curriculum. Entrepreneurship projects give learners the opportunity to practice all of these skills within a discreet practical activity.

Educational considerations suggest that teaching and learning entrepreneurship competence is best when arranged differently according to the level of education institution concerned. The education system needs to ensure that children at the early levels of schooling develop their creativity and curiosity, whilst students in university can seek to learn practical and theoretical considerations necessary when founding a new enterprise.

2.1.1. Primary schools

The main focus of entrepreneurship learning at this level should be to encourage students to use their creativity and to explore and experiment with new approaches. Students should be encouraged to learn about their local community and to be curious about the activities that take place within it. Primary education should include some introduction to the world of work and students should have the opportunity to meet and talk with people who work within a wide range of occupations. This should include an introduction to people who have started their own business or run their own businesses.

As they move through primary school, students should be encouraged to develop some of the skills referred to earlier, such as ideas generation, decision making and problem solving. They

should have the opportunity to work as part of a team and to assess their strengths in this area. Students should be encouraged to take responsibility for some school activities and to contribute with their ideas and plans to improvements and changes in school life. Students should have the opportunity to take part in activities such as Entrepreneurial Clubs through which they can further develop their interest in entrepreneurship.

2.1.2 Secondary VET schools

The connection between school and the world of work should reach a higher level at this stage and students should have the opportunity to visit employer's premises and to work there for short 'taster' periods. Students should begin to learn more about small businesses and how they work. This part should include an introduction to business finances, ethics, marketing and resource management. Students should have the opportunity to develop entrepreneurship skills through project work within most curriculum areas and to apply these in a practical form through entrepreneurship projects organised by the school or by outside agency such as Kultur Kontakt, *Junior Achievement* or similar organization.

2.1.3. Gymnasiums

The option of studying Business Studies should be available to all gymnasiums' students. As with VET schools, students should have the opportunity to gain firsthand experience related to different career options, including visiting employer premises and working within them as part of a 'taster' or a 'shadowing' programme. Entrepreneurship skills and attitudes should be promoted within most curriculum areas and students should have the opportunity to undertake entrepreneurship projects organised by the school or by an outside agency such as Kultur Kontakt, *Junior Achievement* or similar organization.

2.1.4 University

Students in most faculties in universities should have the opportunity to learn more about how businesses related to their area of study operate. Self-employment opportunities should be explored alongside details of how small businesses are established. Students should have the opportunity to learn how to construct a business plan and to explore the basic principles of marketing, business finance, ethics and customer relationships. Universities should maintain a close relationship with local businesses and business organisations. Experienced business managers should be invited to visit the universities to discuss their work with students, alongside people who have more recently set up their own enterprises.

Universities have an important role to play in the research and development field. This should be approached in a systematic and planned manner and students should be encouraged to see this as a possible career option at either national or international level.

2.1.5 Teacher training

Entrepreneurship learning should be considered as a key element of teacher training at both school and university level. This should include an introduction to the 'active' teaching methods required to develop entrepreneurial skills among students. It should also include a basic introduction for teachers on setting up and operating of small businesses. Teacher training students should learn how entrepreneurship projects work and how to maximise the learning that can be drawn from student involvement in them.

2.2. Entrepreneurship training and development

2.2.1. Business start-up

Business start-up programmes need to focus on the skills and attitudes people need to make a business a success as well as on the legal, financial and marketing information people need to know. Business support should not be restricted to short courses leading to a business plan and a wider range of options should be made available to support people in the early stages of business development.

Where possible, people starting a small business should have the opportunity to maintain regular contact with a mentor who will help them avoid common early mistakes and serve as a sounding board for their ideas for the future. In many countries business incubators perform part of this early nurturing role by proving both cheap start-up premises and access to expert advice on the finance, legal and marketing aspects of starting and running a small business.

Some business start-up courses should have a vocational element to them and be run over a longer period. These could introduce learners to a more comprehensive curriculum which will not only cover the mechanics of establishing a business but also some of the specific issues selected from the vocational area. Such courses could focus, for example, on how to start a farm or a restaurant, etc.

An element of business start-up programmes should be devoted to covering all that makes businesses succeed and that makes them fail.

2.2.2. Business development

Special support should be given to small businesses which have the potential to grow quickly. Courses on business development can be made available for owner/managers. Mentors who specialise in small business growth can be employed to work with companies on a consultancy basis.

2.2.3. Entrepreneurship programs in large enterprises

Many large employers throughout the European Union run learning programmes which encourage both managers and staff to work in enterprising ways. The benefits they draw from this approach include: access to a wide number of business development ideas from staff; staff are often more willing to use their initiative when dealing with customers, which results in higher levels of customer satisfaction. The staff delivering services to the customers often have the best ideas for service improvements.

2.3. Social entrepreneurship

Social economy is growing into an important element of both social and economic development. The synonym for **social entrepreneurship** are non-profit organizations. Unlike traditional entrepreneurs, the social ones very often start their business without initial capital, without possibility of taking a loan or similar credits, so the money collection at the very beginning is for them one of the most important but also the most difficult functions. The motive for establishing such organizations is not profit, but the wish to change the living environment, to affect the influential people's opinion (since they are drivers of change), due to they are often called the agents of changes. Due to, social entrepreneurs change their business operations in line with the market changes, create new ways and approaches so as to improve their environment.

Social entrepreneurship is important since it is the key instrument for unemployment reduction, new jobs creation, fostering of entrepreneurship and innovations, social cohesion and inclusion, especially that of disadvantaged groups (persons with disability, Roma, poor population in rural areas etc.).

2.4. Entrepreneurship learning in Europe

It can be stated that entrepreneurship learning, in terms of its wider definition and development of competence (strengthening readiness to act, putting energy into reality, seeking and accepting the better about changes, etc), is new for education systems of a majority of European countries. Unlike that, the so-called business education is widely present for a long period. Great attention has been devoted recently to the development of the model for inclusion of entrepreneurship learning (in a wider context) as a horizontal element across all education levels. Many studies, analyses and recommendations have been developed in the field regarding the possible adaptations of educations system to the needs of development of entrepreneurship as a competence. The European Union provides strong support to these activities through various types of assistance and support. A strong connection has been identified between reaching the Lisbon agenda goals from one hand and entrepreneurship learning from the other. Entrepreneurship learning can contribute to faster and more efficient achievement of goals, mainly in employment and social inclusion areas.

All European countries conduct intense activities to improve entrepreneurship learning. For the purposes of this document, we will mention several characteristic examples which can be of importance to Montenegro.

Norway is not EU member but in the process of strategic planning and policy implementation it has an intense cooperation with EU member states. Their representatives are involved and provide strong input to design of policies and recommendations for improvement of this type of learning. In October 2006 the Government of Norway in cooperation with the European Commission organized the conference »Entrepreneurship Education in Europe: Fostering Entrepreneurial Mindsets through Education and Learning«. The conference was attended by the representatives of all EU member states. The result of this conference is the »Oslo Agenda«, a set of proposals for development of entrepreneurship learning out of which the relevant actors can chose actions at relevant levels and adapt them to local contexts. Norwegian Government is a good example of permanent adjustment of its policy to modern entrepreneurship learning trends in Europe – current Strategy for entrepreneurship in education 2004 – 2008 has been revised over 2007 in line with the need of developing entrepreneurship competence at all education levels.

United Kingdom has a rather well-developed entrepreneurship learning system. The styles of teaching delivery are rather close to the concept of including entrepreneurship as a horizontal element in all curriculum courses. The Government allocates significant funds to support education institutions and agencies – schools obtain funds for reimbursement of financial expenses arising from delivering entrepreneurial teaching activities, while permanent teacher training and development of teaching materials are conducted. Universities are directly involved and provide support to education institutions through the development of manuals for teachers, publications and textbooks for students (Durham University, University of Strathclyde in Scotland). United Kingdom has a long tradition in implementing entrepreneurship learning. Therefore it is not realistic to expect that other countries can reach the same level overnight but this country can be a good example to strive to, for a medium and long term.

Ireland can serve as example of a country which in a quality manner has utilised professional, technical and financial EU assistance and support in implementing activities to improve entrepreneurship learning. It does not only apply to entrepreneurship learning but to other areas as well. Taking into consideration the relations between Ireland and Montenegro, this country can serve as a good example to us so as how to make the best use of the possibilities offered through the European Union.

New EU Member States (Hungary, Slovenia, Poland, etc.) and accession countries have various types of assistance available – implementation of projects in the area of entrepreneurship learning through exchange of good practice, teacher training, networking among education

institutions, development of teaching materials, etc. By signing the Stabilization and Association Agreement, Montenegro gained possibility to participate in the projects conducted within European Union in the field and to use funds aimed for these purposes.

2.5. Partners in implementation of entrepreneurship learning

A successful implementation of entrepreneurship learning includes multi-sector approach and close cooperation among relevant partners both at national and local level. The activities carried out by education and training institutions are necessary but not sufficient condition for life-long entrepreneurship learning to be a success. The support of government and non-government sector and local self-governments, and an intense cooperation with international partners can contribute to significant improvement and its dynamic development. The table below states key partners for the process of implementing entrepreneurship learning in Montenegro.

Line ministries, national institutions and Associations and organizations at national organizations established by the level: **Government of Montenegro:** Ministry of Education and Science Association of Independent Trade Unions Ministry of Health, Labour and Social Employers Federation Welfare Centre for Development of NGOs Directorate for Development of SME o Parents Association o Bureau for Educational Services o Junior Achievement Montenegro VET Centre Employment Agency o Chamber of Commerce Education and training providers – schools, faculties, training centres, peoples universities: Teachers/Trainers School/University **Parents** Management students Institutions, associations and Institutions, associations and organizations at international level: organizations at local level: Local self-government o Kultur Kontakt Austria Non-government organizations GTZ o Businesses Help (and other partners able to offer quality assistance and support in the area)

Table 2: Key partners in implementation of entrepreneurship learning in Montenegro

3. Analysis of current entrepreneurship learning situation in Montenegro

3.1. Legal framework

Following the principle that one of the most important tasks of education systems is a continuous adjustment to modern needs of a society, i.e. labour market, through acquisition of applicable knowledge, skills and abilities, the Government of the Republic of Montenegro **adopted in 2001 the »Book of Changes«** which represents the basis for implementation of a comprehensive education reform in Montenegro.

This document outlines the goals and principles of the reform: decentralization of the system, equal opportunities, choice in line with individual abilities, introduction of European standards, implementation of quality assurance system, human resource development, life-long education, flexibility, progression (both vertical and horizontal cohesion of the system), compliance of programs with educational levels, inter-culturalization, and gradual introduction of changes.

Education laws⁴ were adopted during 2002, while a set of by-laws regulating more closely certain areas was adopted in the period after that. The implementation of new concept and new curricula in vocational education started in the academic year 2004/05 in 20 primary schools and 15 secondary schools. Total percentage of primary schools included in the reform in the academic year 2007/08 is 73.91%⁵. By 2010 all schools shall be included in the reform.

The Government of Montenegro adopted **two strategic plans for educational reform: the first is for the period 2003-2005** and refers to implementation of the new concept, **while the second is for the period 2005-2009** and refers to implementation of activities and tasks of certain institutions to meet the goals and principles of the education reform presented in *The Book of Changes*. The establishment of a certain number of new institutions in the education area (Bureau for Educational Services, VET Centre, Examination Centre) is a significant step forward in the reform implementation, which is reflected in the clear share of responsibilities for certain activities. The Government of Montenegro brought the decree on establishment of three councils: for general, vocational and adult education. The function of these councils also refers to adoption of knowledge standards, curricula and training programs.

Unlike the Book of Changes, which provides a concept, the Strategic Plan defines specific goals, or concrete tasks to be implemented by 2009, as well as the projection of required finance. Various institutions use individual strategic and operational plans to further elaborate the details and activities related to their field of competences. The Action Plan: Integration of Sustainable Development in the Education System for the period 2007-2009 was adopted at the end 2006.

The Government of Montenegro adopted the life-long learning concept, which was **promoted in the Adult Education Strategy for the period 2005-2015**⁶. The Strategy defines the goals and priority target groups, whose continuous education is to contribute to development of economy and society as a whole. The implementation of the Strategy involves participation of a large number of entities and allocation of substantial funds. The Strategy shall be made operational through adult education plans and municipal action plans.

⁴ General Law on Education; Law on Pre-primary Education, Law on Vocational Education, Law on Adult Education, Law on High Schools ("Official Gazette of MN" No. 64/02); Law on Higher Education ("Official Gazette of MN, No. 60/03).

⁵ Source: Ministry of Education and Science

⁶ Government of Montenegro adopted the Strategy on March 30th 2006

3.2. Entrepreneurship learning in Montenegrin education system

3.2.1 Formal education

Formal education is implemented in public and private institutions. There are 161 primary schools in Montenegro, 49 secondary schools (gymnasiums, vocational and mixed-type schools), out of which 2 are private institutions. There are 17 faculty units and 2 autonomous study programs at the University of Montenegro, and 6 faculty units at the Mediterranean University Montenegro. There are 6 private faculties.

	2005/06	2006/7	2007/08
Primary schools	74,776	75,179	75,040
Secondary schools	31,990	31,647	31,381

Table 3: Trends in number of students in primary and secondary schools⁷

The schools in Montenegro implement both new and old curricula. The reform in primary schools started in the academic year 2004/05. So far 72 primary schools (out of 161) took on the reformed curricula. It is planned that by 2010 all primary schools in Montenegro take on the new curriculum. All twenty gymnasiums implement the new curricula since the academic year 2006/07.

Primary schools

students should be encouraged to develop some of the skills referred to earlier, such as ideas generation, The emphasis lies upon lecturing the contents instead of learning the skills⁸. The courses are too heavy and burdened with many facts; students are not provided the possibility to choose among optional courses, while the correlation among the courses is often completely neglected. Since the education reform is underway, the plan is to abandon this program completely by 2010, along with the introduction of nine-year primary education in all schools.

New curriculum for primary schools whose implementation started in 2004 is basically conceived as combination of teaching and goals, and combination of process and development, which represents an essential shift from the previous solutions, dominated by the teaching-based and lesson-based curriculum. The Curriculum Council has defined seven basic knowledge areas that students are to adopt during the schooling, and which provide them with the safe foundation for life and work. These are the following: mother tongue and a foreign language, mathematics, natural sciences, technology, social sciences, physical exercise and health-related culture and art. In addition to that, the intellectual and psychological-physical abilities and skills of particular significance to life and work are defined and grouped into eight categories (communication skills, numerical skills, information use skills, research and problem solving skills, responsibility for own learning and acquisition of personal goals, and cooperation skills).

It is possible to recognize in the general courses' goals many elements favourable to entrepreneurship development, but the implementation of goals and actions is still dominated by the passive types of learning, especially in the second and the third cycle. The elements of active learning types that develop creativity and critical mindset, and aim at the personal development of children, are more present in the natural and social science courses in the first cycle. They can also be traced in a majority of courses, though to a smaller extent.

The Directorate for Development of SME implemented the project »Entrepreneurship clubs in primary schools« in the period 2003-2007. On the basis of a positive evaluation of the mentioned project which was conducted at the end of each academic year, the Directorate prepared the course Entrepreneurship for 8th grade of primary schools, which was adopted at the session of the Council for general education in June 2007. The aim of taking optional Entrepreneurship course is

⁷ Source: Ministry of Education and Science

⁸ Strategic plan for Education Reform for the period 2002-2004. Podgorica. January 2003

that students are introduced with the essence of entrepreneurship and learn about the complete entrepreneurship-based process, from the definition of business idea until its practical implementation. By introducing Entrepreneurship as optional course into primary education, Montenegro sets the foundation for entrepreneurship society and becomes the first country in the Western Balkans to introduce Entrepreneurship in primary education.

Secondary schools

The main aims of the **reform of general secondary education** by 2009 are the following: successful implementation of new plan and curricula in all gymnasium departments in Montenegro, successful implementation of curricula for optional courses, adopted methodology of design of school development plan upon self-evaluation principles, developed school capacities for designing around 20% of curricula contents and for organizing the delivery of optional courses⁹.

Secondary vocational education can be obtained in 37 schools. In comparison to the total number of secondary education students, the average share in VET schools is 70%. The year 2004 saw the start of implementation of new curricula, characterized by a higher share of vocational-theoretical courses and teaching of practice in comparison to the old curricula. This process is underway in Montenegro and it is important to emphasize that the teaching process is delivered both in line with new and old curricula. So far, 48 new curricula have been developed while the share of students taking courses on the basis of new programs is 30% of total number of vocational education students.

Parallel to the process of reforming the curricula, the Ministry of Education and Science of Montenegro, or education institutions at national level, responsible for implementation of specific reform-based activities, promote new teaching methods and types of teachers' work. Still, a recently conducted survey¹⁰ reveals that the teaching is dominated by the so-called *ex catedra* way of work, which represents a limiting factor for development of entrepreneurial attitudes, knowledge and skills among students. The promotion of entrepreneurship learning through including the course Entrepreneurship into new curricula has started in vocational education, and so far it has been introduced in a substantial number of curricula (Table 4).

Duration	ration Name of curriculum		Grade	Number of school hrs
	Precious metal dealer	VTC	2	72
_	Chemical product designer	VTC	3	33
onla	Baker	VTC	3	33
L'III	Seed-plant worker – Florist	VTC	3	33
וב ב	Farmer-gardener	VTC	2	72
Three-year curricula	Car tinsmith	VTC	3	33
	Tool dealer	VTC	3	33
Th	는 Locksmith		3	33
	Greengrocer – Wine-grower – Cellar-keeper	VTC	3	33
	Technician in marketing and trade	OC	1	72
Four-year curricula	Technician in legal and administrative affairs	OC	3	72
our- urric	Technician in food production	VTC	4	66
ੱ ਹੋ Technician in business administration		OC	1	72

⁹ Strategic plan of Education Reform for the period 2005-2009

¹⁰ Key Competences for Life-long Learning, European Training Foundation (ETF), Turin 2006

Technician in aluminium industry	OC	4	66
Chemical laboratory worker	VTC	2	72
Technician in chemistry and	VTC	2	72
technology			

Table 4: Curricula¹¹ containing the Entrepreneurship course (Abbreviations: VTC – vocational-theoretical course, OC – optional course)

The promotion of entrepreneurship learning in secondary schools was significantly contributed by the projects conducted from the part of national and international organizations and institutions since 2002:

Junior Achievement. This program involves introduction of a practical Economics-based educational program into 15 secondary schools in Montenegro, with the aim to develop business-related and analytical skills and abilities to make business-related decisions among the students. Three programs are being implemented within this program: Business Ethics, Company Program and Management Simulation Exercise (MESE). The projects are carried out by NGO Junior Achievement Montenegro since 2002.

ECO NET – **virtual companies.** This is a scientifically-based methodology designed to instigate enterprising behaviour and develop entrepreneurial competences among students for various business-related situations as well as to enable fast acquisition of practical knowledge and skills necessary to run a business according to the market economy concept. The course **Virtual company** is about setting up a company where the third grade VET school students – from departments Economics, Law and Business Administration – acquire practical skills by applying theory learned in the regular teaching process. The project has been implemented by Kultur Kontakt Austria since 2003. It involves all secondary schools delivering courses in the fields of Economics, Law and Business Administration and having more than 100 students in these areas, while the Virtual company course is part of the curriculum for Technician in Business Administration.

Reform of Vocational Education and Training for Better Employment. The project has been implemented since March 2007, by the German association GTZ in cooperation with the Ministry of Education and Science, Employment Agency and social partners, within the bilateral intergovernmental cooperation for development between Germany and Montenegro. The aim of the project is to improve employability of secondary school graduates and participants in adult education programs, since the priority education-related goals of the Montenegrin Government are better quality of education, better responsiveness to the labour market needs, adjustment to European standards and adoption of values of the civic society. This project entails training delivery from the field of Entrepreneurship CEFE (Competency-based Economies through Formation of Enterprises) for the last year students of six VET schools and at the Faculty of Economics. CEFE is an active and dynamic approach to work and a method of experience-based learning for development and improvement of managerial and personal skills. The training courses included the following topics: business plan creation, SWOT analysis, market research, risk analysis, organization of production, financial indicators, business analysis, performance balance and comparison of financial statements.

Student enterprise is the project that the Directorate for Development of SME has been implementing since 2008 in cooperation with a Norwegian non-profit organization Business Innovation Programs (BIP). These enterprises are actually established by the students and they should be accepted in the community as school-based project with educational character. The result does not matter as much as the process itself. This process is to assist students to develop

¹¹ Curriculum is the program which serves as the basis for education delivery (General Law on Education, Article 19)

entrepreneurial characteristics and to open self-employment option to them. The project »Student enterprises« has been carried out in Norwegian secondary schools ever since 1992. This program is implemented in two schools in Montenegro – Public Institution Gymnasium in Kotor and Public Institution »Vuksan Đukić» in Mojkovac.

The main goals of the project are the following:

- to acquire business-related knowledge;
- to improve the skills of students necessary to run a business, such as self-confidence, taking initiative, innovation, team work, creativity, etc.;
- to improve educational process;
- to make new contacts;
- · to improve employability of secondary vocational schools' students.

University education

The reform of university education includes: introduction of European Credit Transfer System (ECTS), development of scientific and professional criteria for acquisition of academic qualifications, as well as indicators and criteria for academic promotion and quality assurance; the membership in COEBS (Computerized Studies on Environment); pre-service teacher training, equipping of classrooms and computer rooms.

There are 19 faculty units active at the University of Montenegro, delivering 70 programs at basic studies and over 150 programs at post-graduate and PhD studies. The higher education supply has been enriched with 9 private higher education institutions over the previous several years.

	2005/06	2006/7	2007/08
University of Montenegro	12,199	16,236	20,000
University Mediterranean	-	1,000	1,600
Autonomous private faculties	940	569	988

Table 5: Trends in the number of university students in Montenegro.

Source: Ministry of Education and Science

Though reliable analyses are not available, the previous period witnessed evident extension of time of studying, dropping out of studies, »brain drain«, insufficient mobility of university students and teachers regarding professional specialization and insufficient engagement of younger teachers at faculties and post-secondary schools. It should be expected that with the **implementation of the Bologna declaration** the mentioned problems will be resolved in a more successful manner at a long term. Montenegro is member and beneficiary of several international programs (CEI, TEMPUS, CEEPUS) in higher education area, offering possibilities of further professional specialization. There is a certain number of international programs for student mobility, as well as tuitions provided by international governments supporting developing countries, but they are still outside reach of a substantial number of interested young people in Montenegro.

The Faculty of Economics introduced EMB study regime in 1995 (EMB – Entrepreneurship, Management, Business) with various options offered at last year of the studies, where significant place belongs to the option Entrepreneurship and Business Finance. In addition to that, the Management Studies in Podgorica deliver the Entrepreneurship course as mandatory for all students. Up to the academic year 2007/08 there were 4 generations with 779 students. At the Faculty for Tourism, Hotel Management and Trade, sub-department for Tourism and Hotel Management, the course Entrepreneurship in Tourism and Hotel Management exists since 2004/05 and is attended at the second year of regular studies. So far 3 generations with 423 students had the opportunity to attend this course. The post-graduate Entrepreneurship Economics

studies have been established in Montenegro in 1992, with the Entrepreneurship as one of the main courses and the entrepreneurship idea as one underlining the entire study program.

All these programs significantly contributed to the creation of a new, entrepreneurial culture and entrepreneurial mindset in Montenegro.

3.2.2. Training providers in entrepreneurship area

Entrepreneurship learning in non-formal education is underdeveloped in Montenegro and limited mostly to the persons from the register of unemployed, kept by the Employment Agency. In addition to the EAM, which has the most funds allocated for this purpose out of all entities in Montenegro, the contribution to the development of entrepreneurship learning in non-formal education is also provided by the following partners:

- Chamber of Commerce
- Directorate for Development of SME
- Non-government organizations
- · International donors
- Employers

The Employment Agency, among the others, also conducts two projects significant for development of entrepreneurship and self-employment of persons from the register.

Professional specialization and training of unemployed persons. The aim of these activities is to reduce the structural mismatch between labour supply and demand and to increase employability of unemployed persons. The project is carried out by the Employment Agency. The training courses are organized in line with the programs based upon occupational standards, and delivered by employers interested to thereby provide the quality and trained staff, and also by adult education institutions, secondary VET schools and training centres.

Program for continuous fostering of employment and entrepreneurship. The development of small and medium-sized enterprises and entrepreneurship in Montenegro brought the creation of jobs, annulling thereby a potential increase of unemployment based upon lay-offs from big companies, and enabling a downward trend in unemployment. The program for continuous fostering of employment and entrepreneurship has been carried out by the Employment Agency since 1999 and it is aimed to the unemployed from the Agency register at the first place. The number of loans approved through this program in the period 1999-2007 is 8,289 and their total value is 41 million €. The project is focused towards creation of new jobs and development of entrepreneurship, while the credit funds are approved under more favourable conditions than the market ones. The entrepreneurship education courses comprise of two parts – fostering of self-employment and provision of basic entrepreneurship-related knowledge.

Reduction of poverty through the support to self-employment activities is a program aimed for the socio-economic integration of refugees and internally displaced persons in Montenegro. In addition to these persons, the program also includes other categories of the so-called vulnerable groups — rural areas population, long-term unemployed and ethnical minority members. The organization Help has been carrying it out since 2005. The project involves approving grants and mandatory training for business start-up. The organization Help supported the design of adult training program in the areas of small business start-up, management and administration.

4. Challenges

By comparing modern trends in entrepreneurship learning (described in chapter two) with the situation in Montenegro (chapter three), the conclusion can be reached that there are areas where this learning segment is significantly developed, while there is still a lot of room and need for improvement.

The analysis pointed out to the following areas where Montenegro faces the challenges and obstacles to a successful development of entrepreneurship learning:

- o Lack of good understanding of entrepreneurship learning concept,
- o Prejudices regarding entrepreneurship learning,
- o Poor information on and promotion of entrepreneurship learning,
- Insufficiently developed capacities of potential partners at national and local level in the entrepreneurship learning delivery,
- Non-systematic and incoherent approach to the delivery of activities many activities have ad hoc character and tend to be initiated by the international donors,
- The sustainability of initiatives supported by the donors is low, due to most often they terminate upon the completion of project activities,
- o Insufficient support (both financial and advisory) to education and training institutions,
- Insufficiently developed cooperation of economy (businesses) with education and training institutions,
- o Lack of teaching material (manuals, textbooks, etc.),
- Small number of teachers applying modern types and methods of work in teaching delivery,
- Small number of school and university students having a possibility to take part in entrepreneurship-based activities/projects,
- Outdated career guidance and counselling methods in schools and at faculties,
- Entrepreneurship learning for adults training and development of entrepreneurial attitudes, knowledge and skills is limited to the category of unemployed persons from the register of the Employment Agency,
- o Lack of systematic monitoring of training needs in small enterprises,
- Lack of systematic monitoring of implementation and lack of evaluation of entrepreneurship learning.

5. Priority areas, tasks and goals of the Strategy for Life-long Entrepreneurship Learning

At the first place, entrepreneurship is a way of thinking, a mindset. The general aim of the Strategy for Life-long Entrepreneurship Learning is to develop enterprising spirit¹² through accelerated progression in promoting entrepreneurial way of thinking in a society in a systematic manner and with effective actions.

The general aim of the Strategy shall be reached through the implementation of specific goals and activities within the following priorities:

- Raising awareness on the significance of entrepreneurship learning for overall socio-economic development of the country
- 2. Promoting entrepreneurship learning in formal education system
- 3. Promoting entrepreneurship learning in non-formal education system
- 4. Monitoring implementation and evaluation of entrepreneurship learning

The acquisition of these goals in the five-year period shall contribute to the following:

- o Raising employability of all population structures, including hard to place categories,
- o Higher share of self-employment in total employment,
- Setting up more small enterprises,
- Diversification of supply of Montenegrin products and services as result of innovation, research and development.

5.1 Raising awareness on significance of entrepreneurship learning for overall socioeconomic development of the country

Goals:

 Better understanding of wider concept of entrepreneurship (not limited only to education for running a business);

- Quality support to development and delivery of entrepreneurship learning from the part of national level decision makers in the Montenegrin education system;
- Active inclusion of all relevant partners at national and local level into processes of planning,
 delivery and evaluation of entrepreneurship learning;
- Development of so-called 'enterprising school'¹³, i.e. creation of a school environment that fosters enterprising spirit and initiative taking;

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¹² Action plan: European Agenda for Entrepreneurship, Brussels, 11.02.2004.

¹³ 'enterprising school', enterprise – venture, initiative

- Recognizing importance of building entrepreneurial attitudes, knowledge and skills of employees and managers for successful business running, growth and development;
- Higher interest of teachers and trainers for inclusion of entrepreneurship learning in education and training process;
- Higher interest of various interest groups' members in the training society for development of entrepreneurial attitudes, knowledge and skills;
- Raising awareness of decision makers at national and local level on the strength and potential
 of social entrepreneurship for increase of employment rate and inclusion of population, poverty
 reduction and overall socio-economic development of the country;
- Better understanding among youth on the role and importance of developing entrepreneurial attitudes, knowledge and skills for future personal and professional development;
- Raising awareness of students on self-employment and entrepreneurship as possible career options.

It is a prevailing belief in the Montenegrin society that entrepreneurship, and consequently entrepreneurship learning as well, is a set of knowledge and skills necessary to run a business. By taking into consideration only a narrow definition of entrepreneurship learning 14, a prejudice is established in the Montenegrin society that entrepreneurship is only for those who intend to set up a company. A necessary pre-requisite for development and implementation of life-long entrepreneurship learning at all levels of education and training is a proper understanding of its wider context from the part of all direct and indirect participants in the education and training process. The Ministry of Education and Science plays a key role in the development of entrepreneurship learning but the real progress is only possible with the serious inclusion and support from the part of all relevant stakeholders at national and local level. Having all this into consideration, the aim of the above proposed incentives (activities) is to raise awareness of whole society on the significance of entrepreneurship learning for overall socio-economic development of the country.

Activities (incentives)

1. Media campaign to raise awareness at national level and provide understanding of wider concept of entrepreneurship, starting from the concept of key competences for life-long learning. The campaign should convey two rather significant messages:

- Entrepreneurship learning positively impacts overall socio-economic development of the country. The campaign should point to significance of entrepreneurship learning for increase of growth and employment potential as crucial factors to sustainable development and social cohesion¹⁵.
- Development of entrepreneurial attitudes, knowledge and skills improve opportunities for personal and professional development of each individual in a society. People are led by various motives when deciding upon future occupation and career, money being only one of them. Security, independence, interests are also important

¹⁵ Integrated Guidelines for Growth and Jobs (2005-2008) Brussels, April 12th 2005

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¹⁴ More specifically, entrepreneurship learning refers to acquiring knowledge for starting own business and to economic literacy; more widely speaking, it is focused to the development of such personal abilities and skills which are pre-requisite for successful entrepreneurial acting of an individual.

motives in career planning. To be an entrepreneur means higher income, freedom, independence, challenges¹⁶. The campaign should provide all interest groups in the Montenegrin society with knowledge of both economic and social benefits resulting from the development of entrepreneurial attitudes, knowledge and skills.

Various stakeholders at national and local level should take part in the campaign implementation – successful individuals, companies, institutions and organizations which adopted the entrepreneurial manner of work through encouraging enterprising spirit, creativity and initiative taking among employees. The media contents should be designed so as to assist the awareness raising on entrepreneurship through appealing and comprehensible input.

- 2. National entrepreneurship learning conference. The conference is held once a year with the main aim to promote entrepreneurship learning and achievements of education and training institutions in the area. The conference participants are decision makers in education and other partners at national level, representatives of education institutions school principals, teachers, students and partners of schools at local level companies, institutions and organizations. The host of the conference is a municipality. The conference switches the host municipality each year which enables the inclusion of local self-governments as partners in education, better sustainability and rational use of resources. All education institutions from the host municipality area take part in the conference organization.
- 3. Establishment of National Entrepreneurship Learning Partnership. National Partnership is expert body (working group) accountable to the Government of Montenegro or to an adequate national council (Socio-Economic Council). The body monitors and analyses the situation in the field of entrepreneurship learning, thus making proposals for concrete measures and directions for further development; the National Partnership representatives are included in the strategic planning processes for various fields (e.g. design of the national economic development plan) in the part related to life-long entrepreneurship learning. The National Partnership consists of the representatives of relevant partners involved in entrepreneurship learning (public administration, businesses, education institutions, school/university students, NGOs).
- 4. Education on entrepreneurship learning for:
 - A. decision makers in education at the national level,
 - B. management of institutions delivering education and training,
 - C. managers of companies, including HRD managers,
 - D. representatives of partner institutions and organizations at the national and local level.

Education shall assist better understanding of entrepreneurship learning from the part of above listed structures with a view to provide quality support to the life-long entrepreneurship learning process. The education shall be implemented through the organization of round tables, meetings, workshops, presentations, etc.

5. Support to teachers in designing and delivering teaching activities which develop entrepreneurial attitudes, knowledge and skills. A tender for design of teaching activities for all levels and types of education (formal and non-formal) is launched at the beginning of each academic year. Teachers apply to the tender. There are funds provided for implementation of three best activities at each educational level as well as awards for the teachers who designed them. The awards are given at the national conference while the teaching activities are published in the conference bulletin, in the teachers' magazine¹⁷ and at the Internet site for

⁷ 'Prosvjetni rad'

¹⁶ Green paper 'Entrepreneurship in Europe' – Brussels, January 1st 2003 http://www.insme.org/documenti/Green_Paper_on_Entrepreneurship.pdf

entrepreneurship learning. The national implementation of rewarded activities is hereby provided. This incentive can be improved by periodical publishing of the manual for teachers.

- 6. Promotion of research on entrepreneurship among students. The aim of this activity is that students acquire better understanding of the role of entrepreneur in a society. It also promotes entrepreneurship learning among the students. Within an academic year the national competition for students (for all educational levels) is being published for the design of an essay on an entrepreneurship-related topic. It is desirable that students write about enterprises and entrepreneurs from their community. The best essays at each education level are rewarded. The awards are given to students at the national conference and the essays are published in the conference bulletin and at the Internet site for entrepreneurship learning.
- 7. National fair of virtual companies (mini companies). The national fair of virtual companies is organized once a year within the fair of 'Small and medium-sized enterprises and entrepreneurship'¹⁸. By participating at the fair along with the real companies, the students are given opportunity to use immediate contact for gaining understanding of the field of work and business and future career options, but also to present knowledge and skills acquired through the 'work' in virtual company.

5.2 Promotion of entrepreneurship learning in the formal education system

Goals:

o Introduction of key competence entrepreneurship in the curricula,

- Provision of adequate teaching assets,
- Professional training of teachers for application of modern pedagogic-didactic approaches to teaching with a view to successful development of entrepreneurial competence among school and university students,
- Promotion of cooperation of education institutions with enterprises, institutions and organizations in local community,
- Fostering of cooperation among education institutions at local, national and international level.
- Promotion of career counselling system.

The development of enterprising spirit starts in primary school through the development of entrepreneurial attitudes of students. The process continues through the following stages of education with further development of attitudes but also with acquisition of entrepreneurial knowledge and skills.

¹⁸ The fair of 'Small and medium-sized enterprises and entrepreneurship' is held each October in Budva, within the Adriatic fair.

The detailed description of entrepreneurship learning at various educational levels is presented in the scheme below:

At the primary education level it is focused to development of personal qualities of students – creativity, taking initiative and independence, which contribute to developing entrepreneurial attitude. Independence and active learning forms should be developed at this stage. The students shall thereby acquire the first knowledge and establish contact with the field of work, as well as gain understanding of the role of entrepreneur in a community. The activities may include the work on projects, play-based learning, presentations of simple case studies and visits to local enterprises.

At the secondary education level the personal qualities of students are further developed. The entrepreneurship learning includes raising awareness among students related to self-employment as a possible career option, work-based learning – for example through running a mini company (virtual company), or specific training on how to design a business (especially in secondary vocational schools).

At the university education level the focus lies upon knowledge, skills and attitudes necessary to start and run a business, including the capacity of students to draft a business plan and skills related to methods of identifying and assessing business possibilities. The entrepreneurship learning at the university level shall assist better support to developmental and innovative business ideas (through provision of special loans, business services, mentorship, etc.) – so that projects based upon a good research may be carried out and finally reach the market.

All proposed incentives for promotion of entrepreneurship learning in the formal education system in Montenegro should ensure that the development of entrepreneurship competence becomes an integral part of education at all levels.

Activities (incentives):

1. Analysis of key documents in education – the laws in education area, strategic documents for education reform, curricula, occupational standards etc. for the purpose of identifying the manner how to include key competences (including entrepreneurship) as a horizontal element¹⁹ in the curricula at all education levels (from primary to university level). The analysis should be conducted by the working group made of experts in the education area. The working group shall submit its findings and recommendations to the reform committee which is competent for planning and monitoring education reform implementation in Montenegro.

The recommendations should, among other, include the following:

- Proposals for changes in the legislation and strategic documents for education reform with a view to provide smooth inclusion of entrepreneurship as a key competence as one of the education outcomes,
- Proposal of how to include entrepreneurship as a key competence into already developed and reformed curricula,
- Proposal to include the key competence into curricula whose development is underway or in the planning stage,
- o Proposal of how to include entrepreneurship learning into the curricula of universities delivering study programs for future teachers.

¹⁹ Cross-curricular activities.

- 2. Adaptation and development of curricula containing entrepreneurship as a key competence. This incentive shall be implemented in line with the recommendations described within the previous activity.
- 3. The development of a school course for provision of economic and business literacy for all school and university students, starting from the secondary education level. This program should make an integral part of curricula at the secondary and higher level, whether the course is mandatory or optional. The contents of the program should provide economic literacy and knowledge needed to set up, run and manage a small enterprise. It is necessary to stress that certain courses' programs already exist and it should be given due attention during this activity's implementation. Unfortunately, a very small number of students, especially at universities, have opportunity to acquire knowledge from the field. Parallel to programs' development, it is also necessary to provide access to the programs to more students.
- 4. Work in mini companies (virtual companies) for all school and university students, starting from the secondary school. Virtual companies are the outspring of the most recent trend in modern educational systems. They involve science-based methodology designed to encourage entrepreneurial behaviour and competences in various business-related situations; they strongly encourage interactive learning and fast acquisition of practical knowledge and skills necessary for business in line with the market economy concept in everyday practice of a real enterprise. The ultimate goal and result of learning in a virtual company is that students become motivated and properly professionally and psychologically ready for the future real business process. The surveys conducted worldwide demonstrate that 20% of students who pass through the training in a virtual company tend to establish own business upon the completed education course.

There is a successful implementation of the virtual company concept in Montenegro, but so far it is present only in secondary schools providing education for occupations in the field of economics, law and business administration. It is necessary to spread the virtual company concept to other areas of secondary education, especially to three-year secondary vocational school providing education for crafts. This concept should also be implemented at the university level. There are good conditions for implementation of this activity (incentive) in Montenegro – trained trainers for the work with teachers and adults, financial conditions for teaching delivery and teaching assets. It is necessary to provide that virtual companies become part of the activities in schools, whether as optional part of curricula or though free-based (extra-curricular) activities.

- 5. Establishment of technological parks and business incubators in higher education institutions. A strong competition at the international market of goods and services calls for innovation. A long-term sustainable economic development of Montenegro pretty much depends upon the support to research and development, where higher education institutions play an important role. The establishment of technological parks and business incubators in higher education institutions may assist to increase the number of innovations through networking scientific potential of students and entrepreneurial knowledge and skills achievements at the market.
- **6. Teacher training for implementation of modern pedagogic methods in teaching.** The quality of teaching delivery is one of crucial success factors of the initiated education reform. The development of key competences of students requires the application of modern

²⁰ Integrated Guidelines for Growth and Jobs: 'To increase and improve investment in research and development' (no.12): 'To enable innovations' (no.13)

pedagogic methods and forms of teaching. The research conducted in 2006²¹ proved a large number of teachers to be still using traditional methods. The application of traditional methods hinders development of attitudes, personal qualities and cognitive skills of students. It also questions the functionality of knowledge acquired in school. It can be one of the reasons for poor performance of Montenegrin students at a recently conducted PISA research²².

This incentive shall assist to increase the quality level of teaching. Training should be accessible to teachers at all education levels, bearing in mind an uneven teacher training in the previous period. As a matter of fact, since the beginning of reform until now, the training of teaching staff in primary schools has been continuously carried out. From the other hand, no training has been organized whatsoever for teachers of general-education courses in secondary VET schools. Other categories of teachers had a possibility to attend specialization courses between the above two extremes. These facts should be taken into consideration when establishing priorities in training delivery.

The organization of teacher training involves several sub-activities:

- A. Training of trainers,
- B. Development of modules for teacher training,
- C. Teacher training,
- D. Development of pedagogic-didactic manual for teachers.
- 7. Teacher training for developing entrepreneurship as a key competence among school and university students. The training should be organized so that teachers learn how to deliver various forms of entrepreneurship learning through cross-curricular, course-based and project-based activities. The organization of teacher training for building entrepreneurship as a key competence among school and university students involves several sub-activities:
 - A. Training of trainers,
 - B. Development of modules for teacher training,
 - C. Teacher training for gaining knowledge specific to entrepreneurship learning (cross-curricular, course-based and project-based activities),
 - D. Development of a manual for teachers: (1) for developing entrepreneurship as a key competence and for fostering enterprising spirit of students in primary and secondary schools, and (2) for guidance and work in virtual company.
- 8. Development of manual and course-book for school and university students:
 - A. Well-designed and interesting publications and course-books to foster enterprising spirit of students in primary and secondary schools
 - **B.** Economics and business. The contents should serve to acquiring economic literacy among school and university students, as well as knowledge necessary to set up, run and manage a small enterprise,
 - C. Work in a virtual company.
- 9. School business cooperation. Support to education institutions in the process of developing entrepreneurship as a key competence among school and university students should be a task of entire local community. The cooperation of education institutions with enterprises, institutions and organizations at local level in Montenegro is not developed to a satisfactory extent and intense activities are required for improvement. The education reform has ensured free-based activities in all curricula. The planning of these activities is the responsibility of schools, while the development of school-business cooperation can be a way for students to improve knowledge acquired in school and gain entrepreneurship knowledge and skills.

²¹ 'Key competences for life-long learning', European Training Foundation, Turin, 2006

²² Pilot research conducted during 2006 (results published in December 2007)

Very important for entrepreneurship learning is also the cooperation of enterprises with schools and faculties. The activities may be oriented at assisting the delivery of entrepreneurship activities, as well as at providing information to students regarding possibilities offered by various occupations i.e. career options. In this manner school and university students are introduced into the running of a business and also gain knowledge on real life situations. The responsibility for implementation of this incentive lies upon education institutions and enterprises. The administrative measures 'ordering' enterprises to cooperate with education institutions are not eligible in market economy. Still there is a common interest and it is necessary that both sides recognize the benefits of this cooperation.

The cooperation is carried out by teachers but they need support from the school in the process. It can be organized through formal and/or non-formal agreements between schools and enterprises. The parents of students can be rather helpful. Parents should be encouraged to assist these activities and to take part in them.

Some of potential types of school-business cooperation are given below:

- Partnership projects (promotional campaigns, market research, product design, design of advertising material etc.),
- Visits of successful entrepreneurs to school/faculty lectures, discussions with students,
- Open Day for school and university students when they can visit a company and talk to employees about the company and employees' jobs,
- Visits paid to school/faculty from the part of ex-students and teachers who continued their career in the business area,
- Enabling students to spend a certain number of days working in a company (shadowing), etc.
- 10. Partnership among schools. For a successful organization of entrepreneurship learning it is necessary that teachers cooperate well and exchange experiences, not only within a course, but also teachers of various courses. At least once in a semester it is necessary to organize a meeting for schools to present good practice cases for improvement and exchange of experience. These meetings can take either local or regional character.
- 11. Career counselling. This incentive refers to improvement in career guidance at all education levels. Consequent to the implementation, a long-term increase of the number of small enterprises can be expected, as well as a higher share of self-employment in total employment. Career guidance should include self-employment as one of career options. At various education levels, this incentive includes the following:
 - **A)** In primary schools it is necessary to introduce to students the various occupations and possibilities they offer both in terms of employment and self-employment.
 - **B)** In secondary schools and at faculties, career guidance activities should be expanded to include counselling for inclusion in labour market and activities to assist school and university students to recognize possibilities for self-employment/business set-up offered by their future occupation.
 - C) It should be ensured that all students trained for a craft obtain adequate training for small business, and all relevant information on self-employment as an option²³ should be made available to them,
 - D) To direct more young people to science, technical and engineering occupations²⁴

Oslo Agenda – Conference 'Entrepreneurship Education in Europe: Developing Entrepreneurial Awareness through Education and Learning' Oslo, October 26-27, 2006

²⁴ Integrated Guidelines for Growth and Jobs: 'Increase and improve investment in research and development' (no.12); 'Expand and improve investment in human resources' (no. 22).

12. WEB portal on entrepreneurship learning in formal education. For an easier access and more efficient exchange of information on entrepreneurship learning it is necessary to develop a web portal. The portal should contain all relevant information and support material for delivery of entrepreneurship learning in education institutions.

5.3 Promotion of entrepreneurship learning in non-formal education system

Goals:

- Quality training for setting up, running and managing small enterprise,
- Higher share of self-employment for hard-to-place categories (long-term unemployed, persons with disabilities, Roma, etc.)
- More small enterprises as a result of female enterprising initiative,
- Improving employees' performance and higher contribution to growth and development of enterprises from the side of employees.

Montenegrin economy is undergoing a significant phase in development. For a sustainable long-term development more enterprises are required, able to position well, not only in domestic, but also in international market. Small enterprises play a significant role in overall economic development due to their flexibility to adapt to market needs, and their potential for faster introduction and design of innovation. The setting up of more small enterprises may significantly contribute to further development of Montenegro²⁵.

The process of European integrations brings along substantial benefits but also many challenges that Montenegrin enterprises shall face upon entering European and world market. The development of entrepreneurial knowledge, attitudes and skills for various categories of population may contribute to setting up more small enterprises able to position well in various markets, to growth and development of already existing small enterprises, and to better performance of employees in enterprises. The training supply in the field in Montenegro is limited, not only in terms of programs' supply, but also in terms of individuals involved and funds allocated for this purpose. The proposed activities listed below aim at improving the supply and accessibility of entrepreneurship learning in the non-formal system of education for various categories of population.

Activities (incentives)

- 1. Development of training programs. This incentive should enrich the supply of entrepreneurship learning through the development of training programs for various levels and types of candidates. There is a certain number of these programs in Montenegro but a majority of them is oriented to business start-up. The following training programs shall be developed as part of this incentive:
 - A) Development of cognitive skills,
 - B) Training for business start-up (from the stage of business idea to enterprise registration),
 - C) Specialized training for certain areas: strategic planning, marketing, etc.,
 - D) Work in a virtual company,
 - E) Cooperative entrepreneurship.

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²⁵ Strategy of development of Small and Medium-sized Enterprises, Government of Montenegro, November 2007

- 2. Higher accessibility of training. Apart from having a modest volume, the current entrepreneurship learning supply is also limited in terms of access. If the number of candidates and locations are observed, the Employment Agency is identified in the previous period as a head responsible entity for adult entrepreneurship learning in Montenegro. However, the training is accessible mainly to officially registered unemployed persons, beneficiaries of self-employment loans. The potential entrepreneurs can be found in all population structures, due to it is important that entrepreneurship learning is made accessible to all those who are or can be interested in business start-up, as well as to existing enterprises. Due to characteristics of the land and even regional development, it is important that entrepreneurship learning supply is equally accessible in all parts of Montenegro. Higher accessibility of entrepreneurship learning for adults shall be achieved via the following sub-activities:
 - A) Training of trainers for training programs delivery (activity 1). A group of trainers shall include representatives of education institutions (secondary schools and faculties), enterprises, non-government organizations and training centres,
 - B) Development of a manual and other support literature for training candidates,
 - C) Licensing of adult training providers (education institutions secondary schools and faculties, enterprises, non-government organizations, training centres) for entrepreneurship learning delivery in all Montenegrin municipalities.
- 3. Funding of training. In the early stage of establishment it is important that all employers are properly trained. Entrepreneurs and those who intend to become ones most often can not afford to pay for the training, due to it is necessary that the State intervenes through various types of training subsidies. The subsidizing of training for small enterprises shall be conducted through voucher system in the following manner:
 - A) Small enterprises in the stage of establishing
 - Total expenses of training for business start-up covered (100% of expenses),
 - Part of expenses of specialized entrepreneurship learning programs covered (minimum 50% of expenses).
 - B) Participation in funding the training for small enterprises in stage of growing (one training per year, 50% of expenses subsidized)
 - Specialized entrepreneurship learning programs for management and employees offered by licensed providers of adult entrepreneurship learning (activity 2),
 - In-company training for management and employees. The subsidy relates to nonfinancial support – payment of fees to lecturers/trainers, material costs of training delivery etc.
- 4. Building capacities to intensify social entrepreneurship activities. Social entrepreneurship has a strong potential for generating employment and self-employment, especially that of vulnerable population groups. In addition to economic benefits, this type of entrepreneurship brings an important social dimension through inclusion of vulnerable groups. Social entrepreneurship in Montenegro is limited to ad hoc initiatives. The reasons to that are many, among which the following can especially be mentioned: lack of adequate legislation and infrastructure (institutions and organizations), system support to development, etc. Still one of crucial conditions for development of social entrepreneurship is the capacity building at various levels, the one that is to contribute to intensify efforts and activities for development of social entrepreneurship in Montenegro.

The capacity building for intensifying social entrepreneurship activities shall be conducted through the implementation of the following activities:

A) Development of partnership and capacity building at local level for an efficient and effective utilisation of possibilities offered by social entrepreneurship for local socioeconomic development,

- B) Local self-government support to development of social entrepreneurship by conducting surveys on the types of economic activities necessary at local level, but for which there is a low interest both from the part of the public and private sector.
- C) Building capacities of counselling services in existing associations (farmers, persons with disabilities, etc.) regarding possibilities offered by the social entrepreneurship for performance of various commercial activities.
- D) Building capacities of non-government organizations in order to prioritize projects and activities involving self-employment and income creation, or making conditions so that members of vulnerable groups can obtain funds through production activities and provision of services.
- 5. WEB portal on entrepreneurship learning in non-formal education. The portal should contain all relevant information on adult entrepreneurship learning supply: data base of licensed training providers, programs, manuals, locations and time schedules, useful Internet links to similar websites in the region and in Europe.
- 6. Establishing of a system to conduct training needs analysis in small enterprises. This activity's aim is to continuously adjust entrepreneurship learning supply to the needs of small enterprises through identification of deficits as well as to anticipate future needs for knowledge and skills in line with job requirements²⁶. This incentive shall be implemented through the following sub-activities:
 - A) Development of a framework to carry out training needs analyses in small enterprises,
 - B) Development of instruments questionnaires for carrying out training needs analysis.
 - C) Conducting a survey training needs analysis in small enterprises. The survey shall be carried out once a year with a representative sample of small enterprises in Montenegro,
 - D) Analysis of data and, based upon that, preparation of annual report with recommendations for future actions. The results of training needs analysis are discussed with relevant partners at national and local level, while the annual report is published in the web portal on entrepreneurship learning in non-formal education (activity 5).

5.4 Monitoring implementation, evaluation and reporting on entrepreneurship learning

Goals:

- o To measure impact of entrepreneurship learning on the socio-economic development of Montenegro,
- To estimate achievement of goals defined within priority areas in the Strategy,
- o To evaluate and monitor the implementation of entrepreneurship learning in education institutions,
- To improve reporting on progress achieved in entrepreneurship learning (European framework for small enterprises, indicators on entrepreneurship learning for pre-accession region).

The monitoring of implementation, evaluation and reporting on entrepreneurship learning is the responsibility of the Council for Entrepreneurship Learning. The Council conducts the survey in

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Integrated Guidelines for Growth and Jobs: 'Adjust education and training systems to new job requirements' (no.23).

cooperation with local partners – ministries, institutions and organizations at national and local level.

- 1. Entrepreneurship learning can significantly contribute to the overall socio-economic development of the country on a long-term basis. When measuring impact, the following indicators should be taken into consideration:
 - A) At macroeconomic level the number of newly established small enterprises, number of new products and services resulting from innovations in enterprises, the share of selfemployment in total employment for various population categories, higher investment of small enterprises in research and development, increase of share of production of small enterprises in total production at national level, and higher number of export-oriented small enterprises.
 - **B)** At enterprise level productivity, use of new technologies in production of goods and services, cost-effectiveness, better financial outcome of operations, etc.

The overall assessment of entrepreneurship learning impact shall be published upon completion of implementation of Strategy on Life-long Entrepreneurship Learning. The monitoring of indicators at macro and micro level should make integral part of annual report on assessment of achievement of goals defined within Strategy priority areas, but the data on impact should be taken with a reserve due to short-term in which they are being reached.

- 2. The assessment of achievement of goals defined within the Strategy priority areas shall be performed on the annual level. The Council for Entrepreneurship Learning shall compile a report on the basis of collected information, obtained from the key stakeholders in the State.
- 3. Estimate of quality of entrepreneurship learning in education institutions. This incentive is to assist the development of a quality system of evaluation and monitoring of entrepreneurship learning implementation in education institutions at all levels. It involves carrying out a comprehensive survey once in a two-year period. The survey is to provide information on the situation with entrepreneurship learning at all education levels and the needs for improvement in terms of teachers' competences, number of students and teachers participating in entrepreneurship learning-based activities, types and manners of entrepreneurship learning delivery and conditions for teaching delivery material conditions, independence of teachers, management support, cooperation with partners based in local community, possibilities offered by the curriculum.
- 4. After the two-year period of action plan implementation, the Council shall analyze overall achievement of goals defined within the priority Strategy areas and, depending upon the findings, it will provide proposals for further actions. The Strategy will be once more considered and revised, if the need arises.
- **5.** European Framework for Small Enterprises, reporting on entrepreneurship learning. The following activities shall be conducted for a more efficient reporting on the progress of Montenegro in the field of entrepreneurship learning:
 - A) Education of relevant partners at national level,
 - **B)** Development of instruments for collecting information on entrepreneurship learning, and
 - **C)** Development of instructions a manual.

Annexes

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3. Working group for development of Strategy for Life-long Entrepreneurship Learning

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2	Slobodanka Radulović	Directorate for development of SME
3	Goran Bubanja	Employment Agency
4	Srđan Obradović	VET Centre
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The Strategy for Life-long Entrepreneurship Learning has been developed from the part of working group including the representatives of key partners in entrepreneurship learning area: Ministry of Health, Labour and Social Welfare, Ministry of Education and Science, Employment Agency, Directorate for development of SME, VET centre, Employers Federation, Bureau for Educational Services and Centre for development of NGOs. The consultations were held with other stakeholders during the document development process.

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