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ONLINE BUYING HABITS IN THE REPUBLIC OF NORTH MACEDONIA

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ABSTRACT

The paper examines the rise of e-commerce trends in the past few years, with a specific focus on online purchasing behaviour in the Republic of North Macedonia. E-commerce has seen dramatic increase in 2020, especially with the emergence of the COVID-19 pandemic which influenced consumers towards online shopping. Statistics demonstrate that in the following years we can expect this rate of growth to continue, making e-commerce an option for all types of businesses and industries. These trends are also evident in the Republic of North Macedonia, where e-commerce sales have increased by more than 50% comparing 2019 to 2020.

Through primary and secondary data, the research in the paper focuses on establishing online buying habits by consumers in the Republic of North Macedonia. Primary data was obtained through a survey questionnaire, through a stratified two-stage random sample, consisted of 202 respondents, aged from 18 to 58 years.

Main findings demonstrate that e-commerce is most prominent in younger age groups, with the COVID-19 pandemic influencing more respondents from the older age groups to make their first purchase online. Social media plays a significant role in online buying behavior, which can also be expanded to customer support as well. Companies can greatly benefit by introducing e-commerce as an additional channel and utilize social media to interact with potential and existing clients.

KEYWORDS: e-commerce, buying decisions, buying intent, COVID-19
JEL CLASSIFICATION: M37

1. INTRODUCTION

Online shopping has a clearly marked growth in the past years, totalling for 2.48 trillion dollars in worldwide sales in 2020, with the trend expected to continue in the following period, resulting in an estimated share of total global sales by 2024 of 21,8% (Statista, 2021). Figures are expected to rise even more rapidly, especially with the impact of the COVID-19 pandemic on online shopping trends and the introduction of

new ICT technologies. Given that attracting and retaining consumers is a major challenge for online stores and an important determinant of their success, a number of studies have appeared in the literature on the factors and methods that encourage online shopping. Evidence of this is the data on a significant increase in retail sales from $ 172 billion in 2005 to $ 329 billion in 2010 (Johnson, 2005), or $ 600 billion in 2011 (The Daily Egg, 2012), and according to the latest data at $ 3.53 trillion in 2019 (Statista, 2020). There are 32 countries in the world with an Internet penetration rate higher than 50% (Internet World Stats, 2020). There are 4.66 billion Internet users in the world today (Datareportal, 2021). The total number of Internet users worldwide has grown by 319 million in the past 12 months - almost 875,000 new users every day (Datareportal, 2021). Potential benefits for consumers from online shopping include convenience, wide and diversified selection, low cost, original services, personal attention and easy access to information among others. The proliferation of online shopping stimulates widespread research aimed at attracting and retaining consumers from a technology-oriented perspective (Jarvenpaa and Todd, 1997). For example, online consumer behavior is examined from the perspective of demographic consumption perspectives (Brown et al. 2003; Korgaonkar et al., 2004; O'Keefe et al., 2000; Park and Jun, 2003; Stafford et al., 2004), cognitive / psychological characteristics (Huang, 2003; Lynch and Beck, 2001; Wolfinbarger and Gilly, 2001; Xia, 2002), risk perceptions and the benefits of online shopping (Bhatnagar and Gose, 2004; Featherman and Pavlou, 2003; Garbarino and Strabilevitz, 2004; Huang et al., 2004; Joines et al., 2003; Kolsaker et al., 2004), purchasing motivation (Johnson et al., 2004) and purchasing orientation (Swainathan et al., 1999).

Penetration of online sales and e-commerce is evident in all countries, even ones with low economic growth such as the Republic of North Macedonia. According to the data from the National Bank of the Republic of North Macedonia (NBRM, 2020), the year 2020 was characterized by an enormous growth of e-commerce as a result of the corona crisis, with more than 439 new e-shops opened by the end of 2020. Therefore, the total number of active registered e-shops was higher than 1459, which is an increase of 43% compared to the previous year 2019. According to the latest published data on payment statistics from the National Bank of the Republic of North Macedonia, the growth of the value of realized online transactions to domestic online points of sale is 135% in 2020 compared to 2019 (Graph 1) (Gjorgjieva, 2021).

Graph 1. Value (in mil. Eur) and increase (%) of the value of online transactions to domestic and foreign e-tailers 2016-2020

Source: https://ecommerce.mk/prometot-kaj-domashnite-e-trgovczi-vo-2020-porasnal-za-135-sporedeno-so-2019-godina/
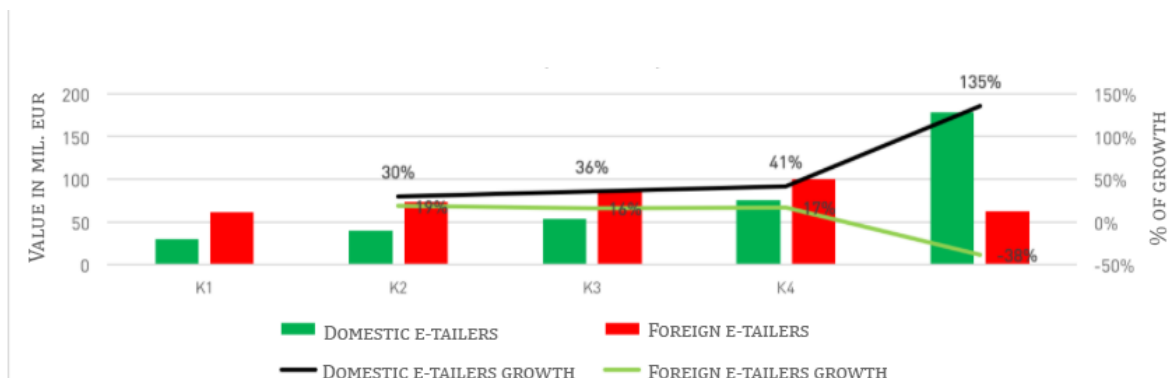
In the year 2020, domestic e-merchants realized transactions in amount of 178 million euros, out of which 11 million euros or 6% were made with foreign cards, compared to 2019, when such transactions were recorded in the amount of 76 million euros. Also according to the data of the National Bank, the transactions with foreign e-merchants made with domestic payment cards decreased by more than 54% in the year 2020, compared to 2019. In absolute numbers, the total revenue was 62 million euros in the year 2020, compared to the revenue amounted on 135 million euros recorded in 2019. According to their analysis, this decline is probably due to a series of restrictions due to the crisis and the traveling restrictions.

The number of online transactions in the country and abroad was 10 million in 2020, and 6.7 million in 2019 , which means that there was an increase of 50.1%. In absolute numbers, this would amount to 229.5 million euros spent online to domestic and foreign e-merchants in 2020, compared to 169 million euros in 2019 (Graph 2).

Graph 2. Value of transactions in e-commerce 2019 & 2020

Source: https://ecommerce.mk/prometot-kaj-domashnite-e-trgovczi-vo-2020-porasnal-za-135-sporedeno-so-2019-godina/

In the Republic of North Macedonia, there are no parameters for the measurement of the role that e-commerce has in terms of Covid-19 protection of the population, but it can be said that e-commerce and online payment allow citizens to replace the traditional way of buying in a physical facility and cash payment, so that it is also possible to respect the protection measures relating to social distance and avoid going to places where there is a high frequency of people. This primarily refers to the protection of the population aged 40 to 45 years, but also some of the older citizens who have almost adapted to the new reality of living, changed their habits and have begun to use online services such as buying online, payment bills online, etc. (Stojanchova, 2020).

With the increase in the value of transactions with domestic cards to domestic e-merchants and the growth of e-commerce by 143% compared to 2019, it can be freely said that Macedonian citizens during the year 2020 have gained more confidence in online shopping and that the Covid-19 crisis has a big role for this trend.

Since the pandemic hasn't finished yet, it is clear that in the future we should continue to practice this way of working and using digital services. That is why it is especially important for e-merchants to be fair and transparent, to strive to continue to apply modern web-based methods to meet the needs of customers, and to build good mutual relationships in order consumers to continue to shop online in the future, and give online shopping recommendations to their friends and acquaintances.

Based on the overall obtained theoretical data on e-commerce and online shopping on the territory of the Republic of North Macedonia and the world, for the needs of this paper a survey was conducted in order to analyze the opinions and attitudes of the citizens of the Republic of North Macedonia regarding the online shopping and the impact of modern web-based methods to increase consumption, and to confirm or possibly refuse some of the theoretical conclusions.

RESEARCH METHODOLOGY

In the paper the following research methods were used: the empirical method for collecting, as well as for searching the literature; comparative method and methods of statistical analysis, such as descriptive statistics, statistical grouping of data and graphical presentation of data for empirical analysis of the questionnaire, i.e. the primary data obtained from the survey questionnaire. The sample for the research was

performed according to the subject and purpose of the research and the availability of data for sample selection. The subject population in this research are people, citizens of the Republic of North Macedonia of male and female gender, aged 18 to over 58 years. The research was conducted on a sample of 202 respondents. The sample for the survey on the opinions and attitudes of the consumers from the Republic of North Macedonia regarding the impact of modern web-based methods for increasing sales, was designed as a stratified two-stage random sample. At the same time, the respondents were selected randomly, on a voluntary basis.

The structure of the survey questionnaire consisted of 10 questions which were answered only by marking the answer. The questions were designed and posed in a way that will be essential, simple and understandable for each category of people, and which will give the desired outcome appropriate to the previously obtained theoretical knowledge. The questions were more general, but contained all the necessary elements to obtain the desired information.

RESULTS AND DISCUSSION

From the conducted analysis, the desired results were obtained, which are presented and analyzed below.The first question of the survey was intended to find out the gender of the respondents. The aim was to analyze the opinions of respondents of both sexes. Accordingly, 19.8% of the total respondents were male respondents, while 80.2% of the total were female respondents. From this question it can be concluded that women have shown a greater interest in answering the questions of the survey designed to examine the opinions and attitudes of people regarding the purchase of goods and services online and the impact of social media in this regard. This figure shows the possibility that women buy more than men and that the answers obtained from the survey are more relevant when it comes to women. The second question from the survey was asked to see the age structure of the respondents and to get a conclusion whether all age categories / generations are active in e-commerce and Internet. According to the obtained data shown in the graph, it can be seen that the survey questions were answered by respondents under the aged of 57 years, but not by respondents aged 58 years and older. The division of the categories "from - to" in the offered answers was offered arbitrarily starting from 18 years due to the fact that minors do not have their own payment cards and can not manage their own funds on

a transaction account without a power of attorney by parents or guardians. Considering the answers received, most of the respondents, 69.3%, or. 140 respondents, who are probably the most active on the Internet and social networks, are respondents aged from 25 to 35 years. Then, 14.9% of the respondents or 30 respondents are aged from 18 to 24 years. The percentage of those respondents who are aged from 36 to 46 is slightly lower, i.e. 9.9% or 20 respondents. The smallest part of the respondents, 5.9% or 12 respondents, are aged 47 to 57 years.

Graph 3. Preference for buying products
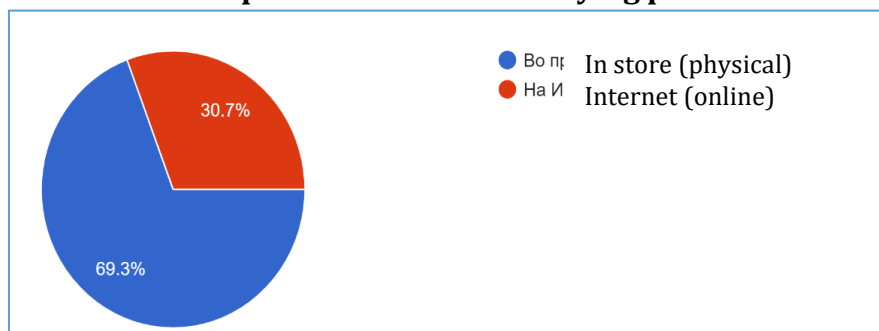
Source: Own research

The third question obtains information about the way in which consumers prefer to buy goods or services, whether it is in a store and in a physical facility, or on the Internet and online via computer. The aim was initially to get a general picture of how many of the respondents are already shopping online, and later to follow up on the fourth question, which should provide information on other additional impacts such as the Covid-19 crisis in our case. According to the answers received, as expected, more than half of the respondents, 69.3% ie. 140 respondents answered that they usually want to shop in a store where they can physically feel the products, to have a clear idea of what the products look like, whether they suit them or not, how long they have a shelf life and so on. The remaining 30.7% of the respondents answered that they most often prefer the Internet, i.e. shopping online via computer. Most often, from practice, this category includes consumers who have already seen the quality of a particular product or service for which there is a possibility to buy online; furthermore consumers who are loyal to a particular brand (such as buying sportswear online in a store like Sport Vision, or buying cosmetics from a catalog like Avon, Farmasi, and

many other examples); consumers who want to save time and money going to the store (usually to buy products that are not completely necessary), etc.

Graph 4. Did COVID-19 influenced your frequency of buying products online?
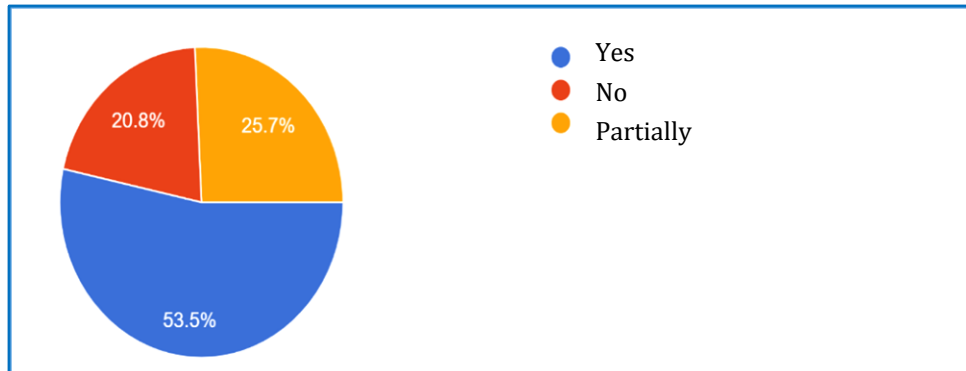
Source: Own research

The answers to this question from the graph show that more than half of the respondents, high 53.5% or 108 respondents, started shopping more intensively online as a result of the impact of the Covid-19 pandemic, in order to protect their health. Another 25.7% or 52 respondents answered that the crisis with the Covid-19 pandemic partially encouraged them to use the Internet more, to search for different products on the Internet and to practice shopping online. The remaining 20.8% of the respondents, ie 42 respondents answered no, which alludes to the assumption that these respondents either used the Internet a lot and practiced to buy products online or did not use the Internet at all before, so the crisis can not initiate interest for online shopping.

From the answers received, it can be concluded that the Covid-19 pandemic is massively encouraging consumers to start buying products/ services online more intensively.

Graph 5. Categories of products purchased online
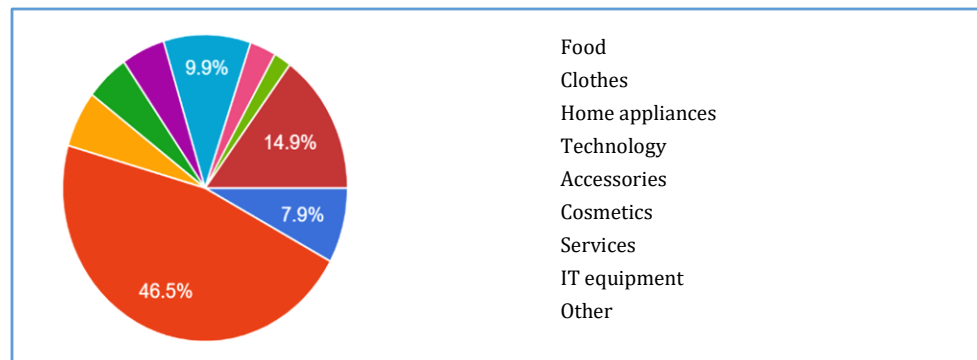
Source: Own research

Based on the previously theoretically obtained data in this paper about what the respondents buy online most often, the above answers were offered as a guide. Therefore, in this case as well, it was confirmed that consumers mostly buy clothes online, as confirmed by 46.5% or 94 respondents, which is almost half of the total number of respondents. Furthermore, 14.9% or 30 respondents answered with "other", i.e. that they buy products or services that are not listed here, but are available for purchase online. Another 9.9% or 20 respondents answered that they mostly buy cosmetics online, 7.9% or 16 respondents answered that they mostly buy food online, 12 respondents or 5.9% answered that they mostly buy household items online, then 10 respondents or 5% of the respondents answered that they most often buy equipment, i.e. accessories online, 3% or 6 respondents answered that they usually spend money on a certain service online, and finally, the lowest percentage of respondents, 2% or 4 respondents, answered that they buy computer equipment online most often.

The next question was about how the respondents make online purchases most often, whether through social networks where they have the opportunity to deliver the shipment home and pay at the door upon receipt of the shipment, or directly through the website of the online store where payment is generally made by card when placing the order of the product, also with the possibility of delivery of the shipment to the home or to the post office. The purpose of this question initially was to determine the impact of social networks, i.e. modern web-based methods on consumer decision-making to buy a particular product, and thus increase sales, and the other purpose was to indirectly determine whether and how much people trust in buying products

through social networks. When we talk about trust, we mean that many e-shops that advertise products or services on social networks are not actually registered, and therefore not safe to buy, and instead of a number of benefits, consumers may encounter a number of difficulties and inconsistencies, such as delivery of substandard products, products without warranty, inability to replace products, payment for the product that will not be delivered without returning the user's funds back to the account, products totally different from those advertised (different shape, different dimension, different brand, different color) etc. In another case, when the products or services are ordered directly from the website of the e-store, there is so much more trust, because it contains additional useful data with options it offers. It is much easier to get the impression about the experience that the consumer could have if he buys something from that site online. Also in terms of payment there is greater certainty that if the product runs out of stock and it is not delivered to the customer, the money that was previously withdrawn from the user's account will be returned. However, it should be noted that this is not always a fact, but that it is a very common example of consumer practice and experience.

According to the answers of the respondents shown on the graph, it can be seen that the opinions differ. The most of the respondents, 56.4% or 114 respondents buy products or services directly through the website of the e-shop, and a smaller part of them, ie 43.6% of the respondents or 88 respondents answered that they usually do online shopping directly through one of the social networks.

The next, seventh question is a follow-up to the previous, which aimed to provide information through which social networks the respondents most often buy a particular product or service. Several answers were offered: Facebook, Instagram, Pinterest, Twitter, Snapchat, Youtube, LinkedIn and TikTok based on the theoretical insights that they are the most commonly used social networks for advertising and selling the products and services of a businesses worldwide . From the analysis, according to the data shown in the graph, the users in the Republic of North Macedonia mostly buy on Facebook and Instagram. This was confirmed by 57.4% of the respondents or 116 respondents who shop on Facebook, and 41.6% of respondents or 84 respondents who answered that they shop on Instagram. The remaining 1%, or the answer of only two respondent, refers to purchases using Youtube. Not a single respondent opted for the other few social networks.

The eighth question "What motivates you to buy a product/ service online even though you have not previously planned to do so?" was asked in order to determine which of the most commonly used marketing strategies to increase online buying and selling give the biggest effect on consumers in the Republic of North Macedonia in terms of leading them to buy something online without previous intentions to buy (Email Marketing; Advertising / Sponsored Posts; Gifts / Giveaways; Video Marketing). At the same time, the other goal was to determine whether the highlighted best practices of selected companies that use online marketing models to increase sales and purchases are used by companies in the Republic of North Macedonia and specifically which of them (Product upgrades and cross-selling; Use of personalized product recommendation for product discovery; Increase social proof and display of product reviews and evaluations; Combine marketing with influencers; Add timer to create sense of urgency; Limit inventory availability to create a sense of disadvantage; Creating a loyalty program; Using game effect to increase consumption; Sending personalized repurchase messages).

From the obtained results it is evident that the biggest interest that arouses the desire to buy among consumers without previous intentions to buy are the sponsored posts that are displayed on social networks, which also include a combination of other practices.By clicking on the product for which there is a sponsored post, the user/ consumer is redirected to the company's website where the full product specification is displayed, where at the same time it is advertised by an influencer, marketing the content and reviews about its use by people who have already tried it. This is by far the best practice that every business should adopt and practice from time to time, which will bring a series of positive effects in the long run. Small number of the respondents are attracted to the use of the "Wheel of Fortune" (probably because this is not a very common practice) and to the receipt of "Reminder to complete the order" which generally comes as an email notification.

It should be noted that none of the respondents opted for the offered answer "Using the effect of a game" which aims to increase consumption. This is associated with the fact that this practice is unknown to consumers in the Republic of North Macedonia, which again associates with the fact that this practice is not applied by many companies in the Republic of North Macedonia. It is also very important to say that most of the companies in the Republic of North Macedonia, including the online

stores do not pay attention to the optimization of the mobile application from the web store, which is a big drawback and a problem, not only for the users, but also for the company itself.

The next, ninth question, addresses the factors that influence consumers' decision to purchase products and/ or services online. The offered answers, as in the previous questions, were separated and listed from the previously theoretically obtained data.

Graph 6. Factors influencing purchasing decisions online
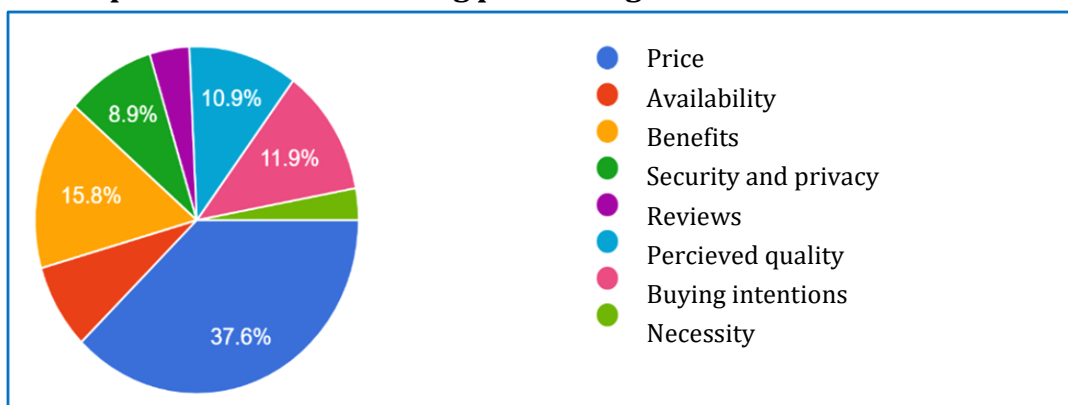
Source: Own research

According to the received answers, the consumers are usually motivated and interested in the price of products and services. This is evidenced by a high 37.6% of respondents or 76 respondents. This clearly demonstrates that if the product can be found for a lower price online, it would be one of the decisive criteria to make a purchase through the Internet. Next, what is quite important for consumers are the benefits that online shopping offers. The survey shows that 15.8% of the respondents, ie 32 respondents, decided on the benefits as a factor, while 11.9% of the respondents, ie 24 respondents, decided on the "Purpose of Purchase" as a factor. Furthermore, for 10.9% of respondents, ie 22 respondents, the most important factor is the perceived quality of the product (regardless of whether that product or service was previously purchased online or directly from a store). Furthermore, 8.9% of the respondents decided on the security and privacy offered by online shopping and 16 respondents, ie 7.9% of the respondents answered that affordability and easy way of shopping is the most important factor due to which they decide to buy online. Eight respondents, ie 4% of them, decided on the review as a motive for buying.

The last question was asked in order to determine whether theexperience of the respondents from the online purchase of goods and services via the Internet is positive or negative. According to the obtained data, it is more than obvious that most of the time it is positive. Only 16 respondents or 8% answered that their experience of shopping online is mostly negative. Unlike them, 92% ie. 184 respondents answered that their experience of shopping online is mostly positive. Given the positive experience of consumers in this regard, it can be concluded with certainty that they will continue to buy, which means that it would be good if companies continue to keep up with trends and apply modern web- based methods to increase sales, and also to increase customer satisfaction by offering them various benefits. Therefore, here we will point out once again that in addition to the most commonly used practices, taking the fact that today consumers most often do things through mobile phones, it is especially important to pay more attention to mobile app optimization from the web store.

CONCLUSION

The analysis of the results obtained from the research on consumer experiences and behavior provides an answer to the general and individual challenges of e-commerce, especially in times of crisis. Through the analysis of the practices in our country and abroad, the character of the methods used to increase online shopping and their impact on consumers in the Republic of North Macedonia was determined.

The basic hypothesis has been confirmed that the Covid-19 crisis has a significant positive impact on the development of electronic commerce in the Republic of North Macedonia. That fact is theoretically confirmed by many researches in different countries in the world. Thus, statistically, the year 2020 is characterized by an enormousgrowth of e-commerce as a result of the Covid-19 pandemic, with more than 439 new e-shops opened, with the total number of active e-shops of 1459 by the end of 2020, which is 43% increased compared to the previous year 2019. The growth of the value of realized online transactions to domestic internet points of sale is 135% in 2020 compared to 2019. Furthermore, in the year 2020 178 million euros were realized to domestic e-traders, out of which 11 million euros or 6 %, were made with foreign cards, compared to 2019, when such transactions were 76 million euros. The survey also confirmed that the Covid-19 crisis is encouraging consumers to change the

way they shop and start shopping more online instead of previously preferred type of shopping through physical facility and going to the store. In this way, the benefits that are obtained outweigh the disadvantages.

It has been indicative that the majority of the online consumers who shop online are women. According to the survey, online shopping includes people up to the age of 58, with the most people buying at the age of 25 to 35, and the least at the age of 47 to 57.

With the increase in the value of transactions with domestic cards to domestic e-merchants and the growth of e-commerce by 143% compared to 2019, it can be freely said that Macedonian citizens during the year 2020 have gained more confidence in online shopping and that however the Covid-19 crisis has a big role in this trend. The hypotheses that mobile devices and other innovations drive e-commerce in the future and change its landscape have also been confirmed. Social media improves customer services by making it accessible to customers who tend to seek urgent feedback with prompt responds in regards to their problems and questions. Consumers rely on social media to find out more data and information about products and services. Optimized profiles and useful information will create a positive first impression for online businesses. Comparing social media platforms, Facebook is the most used, as well as most influential platform for purchasing behaviour and online buying activities, followed by Instagram.

Because of these findings, it is necessary for companies to apply social media to their business practices, including the use of modern web methods to encourage continuous sales growth of their products or services, because it is clear that the future promises further growth as the world population begins to use the Internet . Hence, social media expences should be part of a company's marketing budget, as it provides a powerful way to connect with the target audience. From Instagram to LinkedIn there are virtually unlimited ways to interact and share information, as well as to advertise companies' products and services. Social networks also enable connecting with new customers and maintaining contact with existing customers, i.e. maintaining their loyalty.

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DEVELOPMENT OF EMPLOYEES PERFORMANCE FOR A CONTINUOUS IMPROVEMENT OF THE ORGANIZATIONAL POTENTIALS

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ABSTRACT

The progress of the employees, in a business organization that takes care of its continuous growth and development, can be realized only through an efficient system for managing the performance of the employees, based on the application of a training process, with special reference to the concept of mentoring. In that way, the quality of the work performance, the effectiveness of the work organization, as well as the work commitment and the quality of the working life are increased.

From the aspect of the above, the training process has a key role in the career development of the employees within the business organization. More specifically, the mentoring approach is promoted, as a modern way of training, based on the choice of tools and techniques in accordance with the need to acquire certain competencies in the employee, through a formal or informal mentoring approach.

In order to investigate if and to what extent the employees of a business organization need to attend a mentoring program so that to improve their level of performance an empirical research was conducted. According to the obtained results, it is seen that there is insufficient knowledge and elaboration of the concept of mentoring, although the employees are interested in it. It is concluded that the sooner the implementation of the mentoring program system begins, the sooner positive measurable results can be expected at the level of each employee.

KEYWORDS: Training, mentoring, employees, potential, organization, performance

JEL CLASSIFICATION: J24

INTRODUCTION

The development of the performance of the employees in the business organizations needs to take place on the basis of set standards in the field of human resource management, above all good practices arising from the management process. Employee performance management standards stimulate their progress and

professional development as well as the overall development of the organization itself. Their application not only increases the quality of work performance, the effectiveness of the work organization, but also the work commitment and the quality of working life in general.

From the aspect of the above, the training process has a key role in the career development of the employees within the business organization. In fact, investing in the development and performance of employees enables them to increase their qualifications and competencies, improve their performance and quality of work. Training, understood as a way to improve employee competencies in order to achieve work goals and improve job performance, not only improves employee capacity, but also is a means of improving and retaining staff in the organization, and also contributes to their mobility in the service. In addition to the above, the essential role of the concept of mentoring as a long-term benefit and benefit for any business organization is emphasized. In doing so, mentoring needs to be understood as part of the corporate culture. Through this concept, the transfer of knowledge and skills is faster, which contributes to the professional development of employees and the strategic goals of the business.

The purpose of this paper is to give a clear overview of the role and essence of directing employee performance through training as a continuous process and need within a business organization, in order to achieve a high level of career growth and development of employees, and thus and to influence the promotion of the profitability of the organization, as well as the development potentials as a whole. In order to elaborate the problem reliably, the paper implements empirical research, by using a survey questionnaire as a tool and method of descriptive analysis to interpret the results obtained.

NECESSITY FOR INITIATING A CONTINUOUS TRAINING PROCESS AND EMPLOYEE DEVELOPMENT IN A BUSINESS ENVIRONMENT

Caring for employees and their development is a strategic aspect of training. The institution should plan on an annual basis how the developing needs of employees will be met, in order to optimize the functioning and achieve its goals. The training of the employees should be related to the strategic documents of the particular institution. Furthermore, institutions should have a systematic approach to training. On that basis, it is necessary to elaborate in detail the training management process

which includes several stages. First the training needs are identified, then the activities to be undertaken for the realization of the training are determined and finally the results of the training are evaluated (Dalton, 2010).

- *Necessity for conducting training and directing employees at the organizational level*

The training can be conducted in different forms, but in general, the desired goal of the training is to improve the performance of work-related tasks or to improve the performance of the organization as a whole. However, the quality of the training results primarily depends on the quality of the data that determines the training needs. If training needs are not properly identified, many trainings will start for no reason, continue for no purpose and end without result. Training needs analysis is a process for determining the problems and reasons for the differences between the current and expected performance of the employee and it offers possible solutions to bridge the "gap" in performance (McCourt, 2013: 34).

The process of conducting analysis for the need for appropriate training consists of three levels of analysis: analysis at the organizational level, analysis at the job level and analysis at the individual level.

- *Analysis at the organizational level*

The analysis at the organizational level refers to the analysis of the effectiveness of the organization, determining the areas for which training is needed and the conditions in which it will be implemented. The analysis at the organizational level should identify the impact of the environment on the organization, technological changes, new legislation and policies, effectiveness in achieving organizational goals, resources available to the organization to achieve them, and climate, ie support for staff training (support from the management, the desire of the employees to participate in trainings, the responsibility for the outcome and the results of the trainings, etc.). The following sources are used to conduct analysis at the organizational level (Gareth, Jones, 2010: 31-35):

- organizational goals, vision, mission and strategic plans;
- organizational climate (relations between management and employees, complaints from citizens, monitoring the behavior of employees, attitudes of employees, etc.);

- analyzes of the economy, productivity and efficiency in the operation of the organization;

- introduction of new technologies and equipment in the organization;

- annual reports on the work of the organization and its organizational forms;

- the operation of the organization and the reward system in the organization;

- plans for reorganization and structural changes in the organization;

- Motivation and satisfaction from the work of the employees in the organization.

- *Job level analysis*

Job level analysis provides data on the knowledge, skills, ie competencies necessary for the job in order to achieve the program goals of the organization.

- The sources for data collection for job-level analysis are numerous (Tajfel, 2008): job description (description of the main activities for performing the work and the conditions under which these activities are performed);

- analysis of knowledge, skills and abilities (more detailed list of specific job tasks for each job including the knowledge, skills, attitudes and abilities that employees should possess);

- performance standards (prescribed standards that will assess the performance of tasks in each job in order to identify the "gap" in performance);

- monitoring / observing the work;

- performing the work;

- questionnaire for performing the work (evaluation of the task in terms of importance and time spent for its performance);

- literature review (research of "good practices" of other organizations, review of professional journals, etc.);

- analysis of operational problems (losses, non-compliance with deadlines, quality control, etc.).

- *Individual level and performance analysis*

The analysis at the individual level provides data on the quality of performance of work tasks individually - for each employee in the organization, as well as for the

training needs of each employee by type and areas. The sources for data collection for analysis at the individual level are (Dalton, 2010: 41):

- performance appraisal (identifying weaknesses and possible solutions for improvement);
- performance problems (low productivity, frequent absences, losses, misuse of equipment, complaints from citizens, etc.);
- monitoring / monitoring the work (the results of the employee's behavior and the results / products of his performance are monitored);
- interviews (with middle and top management, as well as with the employee, asking about his / her training needs);
- questionnaires (written form of interview and tests that measure knowledge and skills to perform the work);
- Employee attitudes (measuring of morale, motivation and job satisfaction of the employee).

Based on the above, it is important to point out that all three levels of training analysis are interrelated and the data collected from each level is essential for a comprehensive and effective analysis of the training needs for a particular sector or for the whole organization.

THE ROLE OF MENTORING APPROACH IN THE PROCESS OF INITIATING THE EMPLOYEE'S DEVELOPMENT PERFORMANCES

The mentoring approach is a modern way of continuous training of employees in a business organization. Namely, the mentors welcome the new employees in a company, help them in their career development, they want to share their knowledge, materials, skills and experience. However, when choosing an appropriate mentor it is necessary to point out that not always subjective belief in evaluating the "best" mentor is crucial for the success of the program in an organization. Regarding the mentoring program, it is necessary to have an individual approach when choosing and the program should always be adapted to the requirements of the other party (Young, Perrewé, 2004).

The mentor can be a manager, a person who is hierarchically in a lower position or a colleague of the same rank. The important point is that the mentor should have

experience or a different perspective that he or she can offer to the trainee. For example, someone who develops leadership competencies may benefit from a mentor who is in a lesser managerial position, who can share an opinion from the perspective of a person in charge. In contrast, someone who wants to develop strategic awareness could choose a senior management mentor who has relevant experience (Young, Perrewé, 2015).

The main feature in the mentoring work is conducting occasional conversations, referring the employee, who, for the most part, has to work independently. The mentor advises and controls. With this way of working, the independence of the workplace develops a lot. On the other hand, employees master the technique at work and get used to using it in accordance with the job description. Each training program under mentorship should be time-limited, have clearly set goals, define tasks, and involve both parties. Progress is monitored over a period of time, for example every six weeks. An important element is the employee to make a self-assessment, which will be discussed later with the mentor. This develops their own abilities for objectivity. Finally, the results are put in a final report, which is kept in the employee file (Sosik, Lee, 2013: 76).

Formal model of career development of the employees - mentoring approach

The mentor in cooperation with the mentored employee for whom the training is forwarded, determines the goals that should be achieved with the training itself as well as the manner, dynamics and duration of the training. When determining the manner and dynamics of mentoring, care should be taken that the mentor can fully achieve the established work goals and tasks for the current year. The duration of the mentoring should correspond to the set goals. During the mentoring, the mentor transfers knowledge, skills and experiences to the mentored employee, helps him / her to perform the tasks independently, shows interest in his / her work and gives him / her job advice. During the mentoring, the mentored employee performs tasks, tasks and activities agreed with the mentor within the set deadline, openly discusses with the mentor problems related to the performance of work and work tasks as well as other problems that affect the work and work tasks and follow the mentor's advice.

Mentoring style training can also be advisory and practical. Counseling training is realized through the development of the general competencies of the employee, through (Ostroff, Kozlowski, 2009):

- Specific tips of the mentor for improving the realization of the work goals and tasks
- Regular consultations regarding overcoming the problems that arise in the current operation.

The practical training under mentoring style is realized by developing the special competencies defined in the job systematization act through (Linney, 2009):

- practical work in which the mentored employee under the supervision of the mentor performs part of his / her work tasks;
- longer-term monitoring of the mentor's work;
- Short-term monitoring of the mentor's work in performing specific tasks and
- Receiving advice from the mentor after each specific activity in order to explain the expectations from the activity and summarize the results of the work tasks.

Formal mentoring training relationships should have a structure and appropriate guidelines to ensure their productivity. There are guidelines to consider when starting a formal mentoring relationship:

- Objectives for the trained person and the mentor;
- Boundaries of the discussion / areas that will not be included;
- Forms of communication;
- Frequency of meetings;
- Length of meetings;
- Location of meetings;
- Evaluation mechanisms;
- Preparations for termination of training.

Informal aspects of achieving positive career development of employees - mentoring approach

Informal training in the field of mentoring approach is initiated by a mentor or by multiple mentors, can last a long time and is more emotional commitment. It is a training method that allows you to focus exclusively on the goals of the set program. This relationship usually starts when two parties meet and discover that they have

common interests. From this discussion, the relationship develops and emerges from this relationship, one person begins to take on the role of listening and giving advice to the other. In essence, informal mentoring is innate. Over time, the word "Mentor" becomes synonymous with a trusted counselor, trainer, personal motivational coach, friend, and teacher (Ostroff, Kozlowski, 2009: 89-92).

Informal mentoring is a process where the mentee proactively seeks out a mentor for career advice and guidance. To this end, people in their own profession are often identified as being respected in order to obtain appropriate advice from them. Regarding informal mentoring, it is not a question of setting a direct approach to training, mentor - person, but it is a spontaneous relationship that occurs in a future specific time. Thereby, it is not explicitly required to establish a mentoring relationship, it is set on the basis of positive energy and exchange of experience and advice between the mentor and the mentee. In this case, a mentor is needed who can share honest feedback and is willing to invest in the other person's long-term success. These two factors will be critical to your professional development.

According to Tyfel, there are four steps to training an effective mentor in everyday life (Tajfel, 2008: 76-78):

1) Proactivity. It is about encouraging a training process that will guide the relationship and take the lead.

2) Clarity and conciseness. Prioritize and avoid ambiguity by clearly articulating goals and how the mentor can help.

3) Flexibility. Adjusting the mentor time limits. The person who would accept the informal mentoring training would often be busy, on the basis of which the schedule needs to be adjusted.

4) Engagement. It is necessary to establish a relationship of reciprocal learning and development. Meetings with the mentor must be focused, the trained person must be ready and at the same time share in the relationship. All this can include sharing experience, meeting new people or expanding interest. All of this is important because mentoring is not a one-way street.

5) Achieving long-term career success - with the help of others. It should not be allowed to have a single performance, but team unification.

EMPIRICAL RESEARCH

Formal and informal mentoring, as a particularly interesting concept within business organizations, is a particularly interesting topic for analysis within Macedonian society. In particular, the fact that within the business organizations in the country this issue is more recent, ie the management and employees do not apply it at a sufficiently high level. For that purpose, in order to accurately see the real situation, an empirical research is conducted on employees of two production-organized organizations on the territory of the city of Skopje. The obtained results are intended to be used in setting a strategic approach within the business sector, in the implementation of a mentoring program.

The empirical research was done by conducting a Survey during the period of January 2021, on a sample consisting of 100 employees in two production-oriented organizations. The main goal of the study was to inspect the level of knowledge and participation within the mentoring program in the domain of the business organization where the work tasks are performed. The answers to the questions do not include testing of variables, but the distribution is reviewed in relation to the total number of respondents. The method of descriptive analysis is used for processing and interpreting the results.

The employees were surveyed on two statements:

1. At my organization I have a mentor who directs me in performing work tasks at higher level
2. The management of the organization has introduced me to the concept of formal and informal mentoring program as well as the benefits from both typer of the mentorship.

The obtained results are given in Graphs 1 and 2.

Graph 1. The organizations have a mentorship programs for their employees
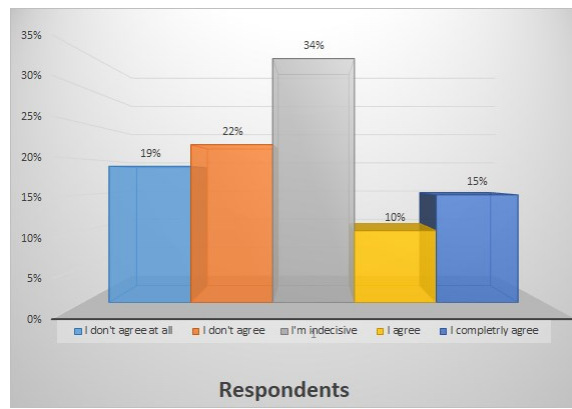
Source: Author's own research

From the results presented on Graph 1 the real-time situation regarding the existence of the concept of mentoring and mentoring programs within the business environment of the respondents can be observed. It can be seen that, about 41% of the respondents do not agree with the statement (categories: "I do not agree at all" and "I do not agree"), 34% of the respondents are indecisive and 25% of the respondents agree with the statement (categories: "I agree" and "I completely agree"). These results imply that in the concept of mentoring at the business organizations, is not at a high level, i.e. a high percentage (41%) of the respondents categorically refuse to be familiar with such a program, whereas 34% of the respondents are undecided in the paragraph. Only 25% of the respondents agree with the statement, which to some extent may be due to the existence of informal mentoring, i.e. finding appropriate relationships with some of the employees who effectively direct them to the performance of work tasks. Consequently, it is necessary to set up a mentoring program that employees will be directly aware of and will be introduced in the process of mentoring and better fulfilment of work responsibilities. Only in that way can we expect more efficient and effective fulfilment of their work responsibilities, directing the potential and increasing the profitability of the organization.

Regarding the familiarization of the employees with the organization's formal and informal mentoring program, as well as its benefits, the results (Graph 2) indicate that within the business organizations where the respondents come from, there is a certain level of awareness about the existence of the concept of mentoring program,

formal and informal, although, according to the answers to the previous question it was noticed that it is not yet applied in practice.

Graph 2: Employees' familiarization with the mentoring program in their organization
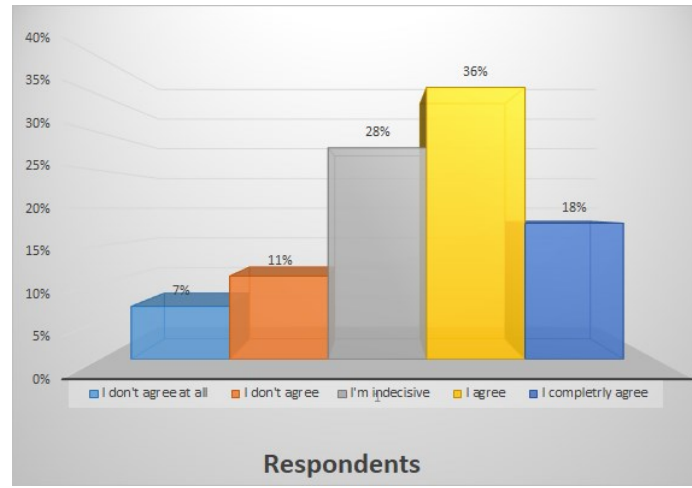
Source: Author's own research

From Graph 2 it can be observed that 18% of the respondents consider that they are not familiarized with the mentorship programs within their organizations, 28% are indecisive in their position and 54% are informed about the mentorships for higher level job performance at their workplace. The obtained results imply that for some of the employees, the indecisive ones, there is a dilemma that the concept of mentoring cannot be distinguished from the concept of learning. Most of the respondents (54%) state that the management of their organization tried to convey and explain the concept of formal and informal mentoring. However, it needs to be put into practice so that the benefits of activating a mentoring program in a business organization could be felt. Only in that way can we expect improvement of the employees' performance and maximum utilization and directing of their potential.

Based on the presented, analysed and interpreted results within Graph 1 and Graph 2, the analysis and interpretation of the hypothesis of this paper is approached, ie: "The employees of the organization need to attend a mentoring program in order to improve the level of performance. "It has been proven to be positive, ie the answers received by the employees show a direct proportional relationship between the need for a mentoring program in terms of the level of performance.

CONCLUSION

The main goal of the employee training process is actually employee training. There are big differences in the abilities, experience and character of the candidates, and the quality of the training increases depending on the individual abilities of the candidate. Each company decides separately whether and to what extent it will train its new employees. It is important to point out that the trained employees later, with their work, reimburse the invested funds, but the company must always dose a certain level of training, because it is possible to show disloyalty to the employee, so he transferred the acquired knowledge to another company.

In this paper, special attention is paid to the mentoring approach in training. It is a system that has been developed and points to excellent results, primarily in terms of improving employee performance in a shorter period of time and on a long-term basis.

The mentoring system is a long-term benefit for every business organization. Above all, mentoring needs to be understood as part of the corporate culture. It enables the use of own resources instead of hiring external consultants. More specifically, it enables connection with one's own company resources, instead of hiring external collaborators in a way that enables the company's experts to connect with other employees who need development assistance. The transfer of knowledge and skills is faster when it comes from professionals who have been in the company for a long time, which contributes to the professional development of the employees and of course the strategic goals of the business.

Within this paper which includes elaboration of mentoring in its basics, as well as categorization of formal and informal mentoring and their basic aspects. Empirical research is implemented as a scientific point of view of the paper, in order to see if and to what extent the employees of a business organization need to attend a mentoring program in order to improve the level of performance. According to the obtained results, it is seen that there is insufficient knowledge and elaboration of the concept of mentoring, although the employees are interested in it as well as appropriate elaboration by the management. Based on a conclusion, the sooner the implementation of the mentoring program system begins, the sooner positive measurable results can be expected at the level of each employee.

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IMPACT OF eWOM ON ONLINE BUYING INTENTIONS

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ABSTRACT

The Internet has intensified the impact of eWOM on consumers. The development of the digital era that is based on computers and the Internet is followed by the development and adoption of new ways of approaching and assessing consumer trends. The digital platform consists of of web blogs, discussion forums, news sharing groups, social networks, review websites and online magazines. Online messages that are shared between users through these digital platforms have become the new way of communication and socialization. Thanks to these platforms, the traditional word of mouth communication (WOM) that took place between two participants (the sender and the receiver of the message) is transformed into an electronic word of mouth communication (eWOM) that takes place between unlimited number of participants at the same time. Traditional sale has turned into online sale which in our country is most relevant in the last year with the appearance of the world pandemic COVID-19.

In the literature, the impact of eWOM has been examined from a variety of perspectives, and this paper explores its impact on consumers` online intentions through reviews and comments. Reviews give clear assessment of customer satisfaction or dissatisfaction of using the product and help consumers to make the right purchasing decision. Before making the final purchase decision, consumers analyze their intentions to buy the desired product from a particular store at a specific time.

The impact of eWOM through reviews and comments is explored taking into the account: the frequency, forms and ways of leaving these reviews, the gender and age of the reviewers, as well as the reliability and the popularity of the website as a source of information. The research aims to provide a detailed overview of the ways in which we can improve our knowledge of the impact of eWOM through reviews and comments on consumers` intentions within our country.

KEYWORDS: eWOM, buying decision process, buying intentions, social media

JEL CLASSIFICATION: M31

1. INTRODUCTION

Traditional word-of-mouth communication (WOM) is a type of communication that was originally described as a way to share opinions and comments regarding products and services that people buy and use (Aslam, Jadoon et al, 2011). However, WOM has grown into a completely new form of communication through the use of modern technology. This type of communication is called electronic word of mouth (eWOM). Basically, WOM has found a new way to validate its value for product marketing through new forms of communication (Cheung and Thadani, 2010).

Online customer reviews and reviews are a kind of electronic word of mouth communication. They include analysis and comments written and published by end customers that have already paid for the product and actually used it, and then post such reviews and comments on websites where they purchased them from or on social networks such as Facebook and Instagram. These reviews and comments are reliable sources of customer knowledge, and companies can use them to take action to improve their products and services. Through online reviews and comments, shoppers share their shopping experiences. Online shoppers always examine the reviews and experiences of other shoppers before making their purchasing decision. Online reviews are an essential component of online shopping decisions as the percentage of risk involved is extremely high. Many potential online shoppers often wait for comments from other customers before accepting a particular offer. Over the past few years there has been a significant growth of communities for electronic word of mouth communication, however, there is also a lack of research on this phenomenon in our country.

2. LITERATURE REVIEW

Electronic word-of-mouth communication refers to any attempt by a regular or potential buyer to highlight positive or negative features of a particular product or company on a particular online platform. Although eWOM has many similarities in features to traditional word-of-mouth communication, it represents a whole new perspective on WOM. One notable and unique feature of eWOM is the fact that the message can now reach more than one member of a particular group. EWOM introduces a new ability of WOM to reach an unprecedented number of people at once (Hennig-Thurau, Gwinner, Walsh, & Gremler, 2004; Cheung & Lee, 2008). Millions of

people have access to an online review or comment, so in that context, here lies the power of Ewom.

Khammash (2008) researched eWOM in terms of online reviews left by customers and why they take these reviews and product reviews into account before making a purchasing decision. He explains that the main reasons why people seek other people's opinions presented through online customer reviews have varying degrees of influence on different aspects of customer behavior. Online reviews are used as a basis for customers to search for information and they really influence their behavior when it comes to making a purchasing decision. Online reviews serve as a basis for customers to make decisions, they are mechanisms for obtaining feedback from customers and are a system for recommendations on an online shopping platform.

Yang, et. al. (2008) presented a nonlinear model for predicting the usefulness of reviews and provided a detailed overview of the key factors influencing the usefulness of reviews. Hu & Wu (2009) developed a review rating index algorithm supported by a review of the sentence weight classification scheme that represents the review. With the help of this model, all sentences in customer reviews are classified into a list of strengths (positive reviews) or a list of weaknesses (negative reviews), and then a summary is given on both lists. This list helps online shoppers decide on a purchase. Cheng & Thadani (2010) identified reason, sender, response, and recipient as key components in their conceptual framework designed to examine the impact of eWOM on purchasing decisions. Bae & Lee (2011) also found that shoppers use online reviews to reduce the perceived risk of adverse effects of online shopping.

Do-Hyung et al. (2008) investigated the impact of different types and frequency of reviews on the online shopping decision. Research has shown that experienced buyers highly value the type of reviews they make when making purchasing decisions as opposed to new buyers. On the other hand, the frequency of reviews affects new customers, unlike experienced buyers. The research of Do-Hyung et al. (2008) support the research of Cheung et al. (2010) which is based on a laboratory experiment that shows that online reviews have an impact on the behavior of online shoppers. Negative online reviews are also detrimental to customers' emotional confidence and influence their decision to buy a particular product or service. Kamtrain (2012) found that the behavior of online shoppers in terms of their intentions is significantly based on

perceived value, trust and eWOM. Chen (2012) has proved in his research that there is a positive correlation between online reviews and testimonials and shopping satisfaction, as well as the intention to buy.

Fan and Mia (2012) have developed an extended model that shows that the gender of a person who leaves comments or reviews about products on the Internet, has an impact on the reliability of the content of electronic oral communication, its acceptance and the decision to buy. Bae et al. in their research pointed out that people of different genders react differently to online examinations. According to them, online reviews have a stronger impact on men than on women. In addition, negative reviews have a stronger impact on women than positive ones, which also influences their purchasing decisions. They also found that women find online shopping riskier than men, making it harder for them to decide to shop online than men. However, online reviews help mitigate risk and encourage them to buy.

3. ESTABLISHING A CONNECTION BETWEEN EWOM AND BUYING INTENTIONS

A significant number of researchers have shown that eWOM has a major impact on consumer's buying intentions (Bickart and Schindler, 2001; Chan and Ngai, 2011; Huang, 2010; Park et al., 2007; See-To and Ho, 2014). Chan (2011) noted that eWOM typically takes place on web-based platforms where purchasing decisions are made. If customers take into account the reviews and comments from eWOM, they can immediately proceed to the realization of the act of purchaing, through the websites of online stores or through social networks. Bickart and Schindler (2001) were among the first researchers to study the impact of eWOM on buying intentions. In their research, they compare the impact of user-generated eWOM with that of marketer-generated eWOM during a 12-week experiment. Participants' purchasing intentions were examined after being given similar product information from different sources. The results showed that eWOM created by users has a greater impact on customer buying intentions than eWOM created by marketers. Customers felt that eWOM created by users was more credible because it caused them empathy.

Furthermore, Prendergast et al. (2010) conducted a research in order to investigate the relationship between eWOM in discussion forums and social networks and shopping intentions. As a result of this empirical research, the authors concluded

that the similarity between the topic of the forums and the interests of customers has a direct impact on buying intentions. Also, Wang et al. (2012) examined the impact of eWOM on purchasing intentions, but in a different context. The authors examined eWOM chats conducted on social media as a part of a survey of 292 people. The results showed that eWOM through social media has a positive effect on buying intentions in two ways: it has a direct impact on compliance, as well as an indirect impact on consolidating product inclusion.

EWOM not only has a positive impact on online shopping intentions, but also takes into account reviews and comments when making offline purchasing decisions. Researchers have not limited the impact of eWOM to online shopping intentions; on the contrary, it merges with WOM and together influences offline shopping intentions. Therefore, the ways in which eWOM and WOM affect the market cannot be considered separately, although there are drastic differences in the way they take place.

4. METHODOLOGY

The purpose of this research is to analyze the impact of eWOM defined through reviews and comments regarding products purchased online that are left on the websites of online stores. In this context, the following research questions were examined:

- Do reviews and comments influence customer behavior when shopping online?
- Do the characteristics of reviews, such as consistency, timeliness and their consistency, influence online shopping intentions?
- Do star ratings for the product affect purchasing intent?
- Does the rating of the product affect the purchase intentions?
- Do reviewers' characteristics, such as gender and age, influence online shopping intentions?
- Do the features of online store websites, such as reliability and popularity, influence online shopping intentions?

For the purpose of the research, an online survey (questionnaire) was conducted. It was created in Google Docs and was answered by 190 respondents, active users of the social network Facebook. The questionnaire was posted in several active Facebook groups in which regular online shoppers are the target group. When filling in the questionnaire, the respondents were asked to first enter their basic demographic

information, i.e. gender and age, and then to answer the questions for each factor or characteristic, for which a Likert scale was used as a research method. Because the questionnaire was designed so that all questions had to be answered in order to submit the final form of the questionnaire, all the questionnaires collected as part of the research were completed.

The questionnaire consists of a total of 11 questions, which include demographic characteristics of the respondents (questions 1 and 2), several factors and characteristics of online reviews and comments (questions 4 to 7), characteristics of the reviewers (questions 8-9) and characteristics on the websites of online stores where reviews and comments are presented (questions 10 and 11).

5. RESEARCH AND DISCUSSION

Data from the questionnaire were analysed by quantitative and qualitative methods. In this research, female respondents predominate, i.e. 93.7% or 178 of the total number of respondents are female, while the remaining 6.3%, i.e. 12 respondents are male.
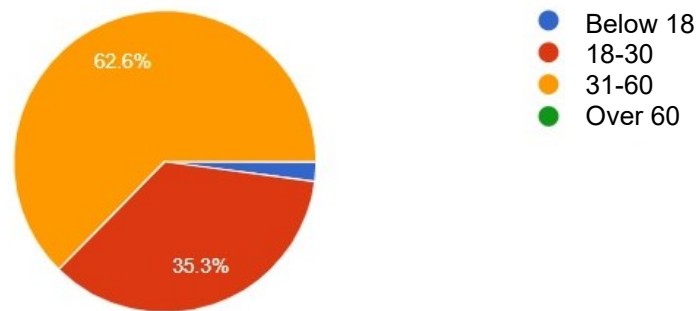
Graph 1. Gender breakdown
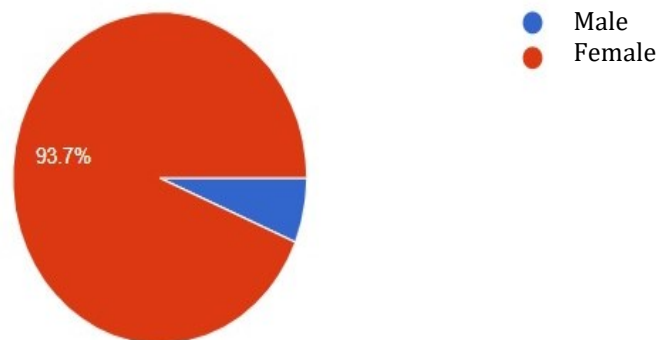
Source: Own research

The largest number of respondents, 62.6% are aged 31 to 60 years, then 35.3% are aged 18 to 30 years, while the remaining 1.1% are aged under 18 years. The age limit of 31 to 60 is the most common target group of people who constantly shop online.

Graph 2. Age breakdown

Source: Own research

On the question "Do you read the reviews and comments about the products you buy, which are left on the websites or Facebook page of online stores before making a purchase decision?", high 91.6% of respondents answered affirmative, which was the basis to continue the research.

Graph 3. Do respondents read reviews before buying?
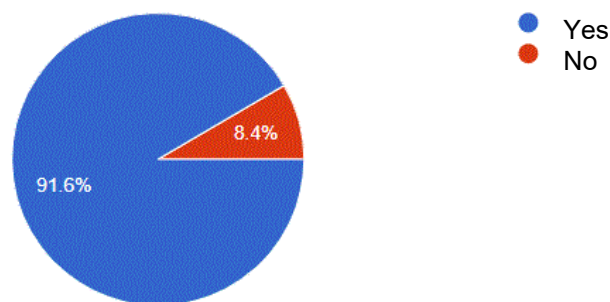
Source: Own research

The research continues with defining the impact of certain factors on online shopping intentions. For the purposes of this paper, the impact of the following factors on reviews of products purchased online was investigated: frequency, i.e. number of reviews and comments, form of reviews, high rating of products sold on the Internet and positive reviews, age and gender of people who leave comments or reviews in the form of asterisks under the product they bought. Table 1 shows the decryption statistics that emerged from the responses of the 190 respondents who participated in the online survey. The first column shows the questions asked to the respondents. The second to sixth columns show the ratings for the products that are part of the Likert scale. The other three columns show the mean, the standard deviation, and the ranking of the value or significance of the questions asked in the online survey. The mean and the standard deviation are obtained from the number of answers to all eight

predefined questions. The ranking of the questions derives from the mean. Hence, the question that has the highest level of significance, which is statistically calculated from the answers of the respondents, is ranked lowest as the first and vice versa, the question that has the lowest level of significance is ranked as the last on the scale from 1 to 8, as many questions are asked in the survey.

Table 1. Descriptive analysis of data

Questions		(1)	(2)	(3)	(4)	(5)	Mean	Standard Deviation	Rank
The number of reviews and comments about the products I buy, which are left on the websites of online stores, affect my decision to buy	B	6	6	42	62	74	4.01	1.01	2
	%	3.2	3.2	22	32.6	40			
When I buy a product online, the reviews left on the website in the form of asterisks influence my decision to buy	B	9	17	45	60	59	3.75	1.13	4
	%	4.7	9	23.7	31.6	31			
The high product rating and positive reviews influence my purchasing decision	B	8	3	27	62	90	4.17	1.01	1
	%	4.2	1.6	14.2	32.6	47.4			
When I do not look at the product rating or reviews I am afraid I will not make the right decision to buy	B	24	27	44	52	43	3.33	1.31	6
	%	12.6	14.2	23.2	27.4	22.6			
The age of the people who left comments or reviews about the product I want to buy influences my decision to buy	B	49	48	50	23	20	2.56	1.28	7
	%	26	25.3	26.3	12	10.4			
The gender of the people who left comments or reviews about the product I want to buy influences my decision to buy	B	76	52	47	10	5	2.03	1.05	8
	%	40	27.4	24.7	5.3	2.6			
The security of the website where I read the reviews before I buy the product affects my decision to buy	B	9	12	42	62	65	3.85	1.10	3
	%	4.7	6.3	22	32.6	34.2			
The popularity of the website where I read the reviews before I buy the product influences my decision to buy	B	10	27	33	72	48	3.64	1.16	5
	%	5.3	14.2	17.2	38	25.3			

Legend: **B –** number of respondents, **% -** percentage, **1** – Completely disagree, **2** – Disagree, **3** – Neutral, **4** – Agree, **5** – Completely agree

Based on the data obtained in Table 1, the conclusion "High product rating and positive reviews influence my purchasing decision" identified as the most important statement that has the greatest impact on the purchasing decision and has the greatest significance compared to other findings rated with 4.17 and standard deviation of 1.01. Namely, 47.7% of the respondents fully agree with the fact that the high rating of the products and the positive comments influence their decision to buy, 32.6% only agree,

14.2% of them are neutral, while the lowest percentage, 1.6%, of those respondents do not agree with this statement. This emphasizes the fact that respondents give preference to those products that are ranked the highest in the research process before making a purchase decision. In this context, sellers in the future should pay more attention to the quality, credibility and brand of the products they sell, if they want to retain loyal customers and attract new customers, because these three characteristics are the most important for buyers who evaluate and rank products.

The largest percentage of respondents, 40%, completely agree, and 32.6% agree with the fact that the number of reviews and comments about the products they buy, which are left on the websites of online stores, influence their decision to buy online. 22% of the respondents are neutral, while the percentage of respondents who do not agree at all is 3.2%. Regarding the impact of the reviews on the intentions for online shopping, the percentage of respondents is almost equal, 31.6% and 31%, completely agree or only agree, 23.7% are neutral, while 9% do not agree and 4.7% do not agree at all with the above statement. Furthermore, 27.4% of the respondents agree with the fact that if they do not look at the rating for the product or the comments they are afraid that they will not make the right decision to buy, 23.2% are neutral, while 22.6% fully agree with this statement. The percentage of respondents who think that the rating of the product has no impact on making the right decision to buy is 12.6%

The age of the people who have already left comments or reviews about the products on the Internet for some of the respondents has no influence on the decision to buy, while others are neutral regarding this question. Namely, the percentages and opinions of the respondents about age are divided, i.e. for 26% of them, age has no influence on the purchasing decision, 26.3% are neutral, while for 12% of the respondents, the age of the people who leave the reviews on the Internet affects the purchasing decision, and for 10.4% of them fully influences the purchase decision.

"The gender of the people who left comments or reviews about the product I want to buy influences my decision to buy" is identified out as a statement that compared to other findings has the least impact on the decision to buy, and its significance is assessed with 2.03 and with standard deviation 1.05. This indicates the fact that the respondents do not pay attention to whether the reviews or comments about the products are left by a male or female person. In that context are the numbers

from the conducted survey which show that for 40% of the respondents, gender has no influence, 24.7% are neutral, 5.3% agree and 2.6% of the respondents fully agree with this statement.

The reliability and popularity of the websites where the products are purchased are also a very important factor that influences the purchasing decision. Namely, 34.2% of the respondents completely agree, and 32.6% of the respondents agree with the fact that the security of the website is very important to them when they search the Internet in order to make a purchasing decision, 22% of the respondents are neutral, while 4.7% of respondents do not believe that the security of the website plays an important role in their decision to buy. Regarding the popularity of the website, 38% of the respondents agree with the statement that the popularity of the website where they read the reviews before buying the products influences their decision to buy, 25.3% of them completely agree, 17.2% are neutral, and for 5.3% of them, the popularity of the website has no important role in making their purchasing decision.

6. CONCLUSION

Customers often read reviews and comments that are left on the web-pages and social media channels before making the final purchase decision. The research demonstrates that product reviews and comments have a major impact on their online shopping intentions. More than 90% of respondents in the Republic of North Macedonia read comments and product reviews before making a purchasing decision. Research has also shown that high product ratings and positive reviews have the greatest impact on online shopping intentions, and thus on online shopping decisions, but other factors and characteristics of reviews, reviews and reviews should not be omitted, thus influencing the online shopping decision.

Gender, as a demographic profile of reviewers, has the least impact on the intentions and decisions for online shopping. Also, the popularity and reliability of online store websites should be taken into account when deciding about an online purchase.

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ANNEX

Questionnaire (in original form)

1. Пол:
   а) машко
   б) женско
2. Возраст:
   а) под 18 години
   а) 18 -30
   б) 31-60
   в) над 60 години
3. Дали ги читате прегледите и коментарите за производите кои ги купувате, а кои се оставени на веб страните на онлајн продавниците пред да донесете одлука за купување ?
   а) да
   б) не
4. Бројот на прегледите и коментарите за производите кои ги купувам, а кои се оставени на веб страните на онлајн продавниците влијаат врз мојата одлука за купување:
   1 – воопшто не се согласувам
   2 – не се согласувам
   3 – неутрален сум, не знам
   4 – се согласувам
   5 – потполно се согласувам (во целост)
5. Кога купувам производ на Интернет, прегледите оставени на од веб страната во форма на звездички влијаат врз мојата одлука за купување
   1 – воопшто не се согласувам
   2 – не се согласувам
   3 – неутрален сум, не знам
   4 – се согласувам
   5 – потполно се согласувам (во целост)
6. Високиот рејтинг на производот и позитивните коментари влијаат врз мојата одлука за купување
   1 – воопшто не се согласувам
   2 – не се согласувам
   3 – неутрален сум, не знам
   4 – се согласувам
   5 – потполно се согласувам (во целост)
7. Кога нема да го погледнам рејтингот за производот или коментарите, се плашам дека нема ја донесам вистинската одлука за купување
   1 – воопшто не се согласувам
   2 – не се согласувам
   3 – неутрален сум, не знам
   4 – се согласувам
   5 – потполно се согласувам (во целост)
8. Возраста на луѓето кои оставиле коментари или прегледи за производот кој сакам да го купам влијае врз мојата одлука за купување
   1 – воопшто не се согласувам
   2 – не се согласувам
   3 – неутрален сум, не знам
   4 – се согласувам

5 – потполно се согласувам (во целост)

9. Полот на луѓето кои оставиле коментари или прегледи за производот кој сакам да го купам влијае врз мојата одлука за купување

1 – воопшто не се согласувам

2 – не се согласувам

3 – неутрален сум, не знам

4 – се согласувам

5 – потполно се согласувам (во целост)

10. Сигурноста на веб страната од каде ги читам прегледите пред да го купам производот влијае врз мојата одлука за купување

1 – воопшто не се согласувам

2 – не се согласувам

3 – неутрален сум, не знам

4 – се согласувам

5 – потполно се согласувам (во целост)

11. Популарноста на веб страната од каде ги читам прегледите пред да го купам производот влијае врз мојата одлука за купување

1 – воопшто не се согласувам

2 – не се согласувам

3 – неутрален сум, не знам

4 – се согласувам

5 – потполно се согласувам (во целост)

BANCASSURANCE IN THE REPUBLIC OF MACEDONIA – TRENDS, PERSPECTIVES AND SUSTAINABILITY

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ABSTRACT

The bankocentric character of the financial market in the Republic of Macedonia reflects the dominant participation of banks in financial market activities, including those that traditionally do not form the basis of banking operations. The transition from traditional to universal banking operations is the result of intense competition in the banking market that took place in the Republic of Macedonia at the beginning of the 21st century, and this change has also influenced the operations of insurance companies and the emerging trends in the insurance market. Bancassurance represents a model of selling insurance products through a distributive sales network of banks, which offers various benefits for both banks and insurance companies. This paper presents modalities of bancassurance, trends in the development of bancassurance and analysis of the financial results of the bancassurance activities in the Republic of Macedonia.

KEYWORDS: banking, insurance, bancassurance, Republic of Macedonia
JEL CLASSIFICATION: I21; I25; I26; I28

1. INTRODUCTION

"In various languages, the word "insurance", in addition to its economic, legal or technical meaning has a broader, general meaning which in its etiological sense means security, trust in something, protection, security, guarantee. This is the general meaning of the word. This quite well denotes the purpose of insurance which actually consists of providing some security (Šulejić, 1997).

The purpose of insurance is to provide compensation for damages or payment of the agreed amount in the event of an insured event. Insurance aims to restore destroyed property or, in the case of personal insurance, to pay certain amount.

It is realized based on an insurance contract, by which the policyholder undertakes to pay to the insurer certain amount, and the insurer obliges that, if an event occurs -

the insured event, it is to pay compensation to the insured person or a third party, i.e. the agreed amount.

Modern insurance has the following functions (Mrkšić, Petrović and Ivančević, 2006):

⬚ Protective - providing protection of property and persons (the oldest insurance function);

⬚ Accumulation - insurance companies have significant funds pooled from prepaid premiums of the insured persons for compensation of claims and placement of free funds which encourage economic development;

⬚ Social - protection and raising the standard of living through the placement of funds, payments, compensation for damages, and setting up incentives for regular payers and penalties for default payers of insurance premiums;

⬚ International - placement of excess risk through reinsurance (from one country to another, thus achieving risk dispersion).

In conditions of more intense competition in the insurance market, changed consumer attitudes and technology development, distribution channels of insurance products are extremely important for successful business insurance companies. By adapting to market conditions, insurance companies change the traditional way of working by accepting new sales channels such as bank insurance. Banks stand out as a channel with lower insurance acquisition costs, where insurance companies use the already existing sales network of the bank - desks in branches, outlets and branch offices.

Competition and globalization, as well as technological innovations and customers' sophistication have significantly contributed to this trend. Offering integrated financial services that characterize financial institutions which are capable of providing all types of financial services in the form of "one – stop shop", has become a reality (Claessens, 2001). As far as this is concerned, a number of terms have appeared, such as: "bancassurance", "assurfinance", "assurbanque", "assurabanking", out of which, for the needs of this paper, we will choose the term "bancassurance"[1]. This model appeared in

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[1]Bancassurance / Bank - Insurance (Bancassurance) - Bancassurance is a unified offering by the banking and the insurance services from one place in the banks (which the insurance company often owns in whole or in part). In the last fifteen years, it has become clear that the boundaries between some individual parts of the financial services are becoming narrower. The accelerated development of life insurance as a combination of insurance and savings, which is an important source of investment, has

France in the eighties of the last century, when based on legal regulations, banks were allowed to expand in the insurance market.

New services and working models in modern banking and insurance in the world usually come in our country with a greater delay. This seems to be the case with bancassurance as well. The reason for this is mainly due to the conservative approach of insurance companies and banks which adhere to their traditional services. However, the arrival of several foreign banks has contributed for the development of bancassurance, although they also work mainly with savings and deposit operations, exchange operations, payment and have a relatively limited credit activity.

The situation with insurance companies is not much better either, because life insurance on the market is still at a low level, especially since its services are offered through bancassurance. A significant obstacle for the development of bancassurance in our country is not only the lack of information, but also the low level of general education of the bank's clients and insurance companies about the possible offer of their services, as well the traditional distrust to cashless payment and the lack of insurance culture.

2. BANCASSURANCE BENEFITS FOR BANKS AND INSURANCE COMPANIES

When we talk about the relationship between banks and insurance companies in banking insurance, we must also talk about the interests (motives) for performing that activity. Those interests are various, depending on whether they are defined by the bank or the insurer. The interest of banks consists in generating additional commission income. On the other hand, the interest of insurance companies consists in improving market status and increasing revenue from premiums, and future policyholders, in such case, consider that they will receive additional discounts on insurance premiums, as well as other benefits. However, the most important interest is tied to banks. Namely, they have the ability to increase the conversion rate potential sales of insurance into actual sales, using special sales techniques and special distribution systems. Therefore, from the aspect of the bank, the sale of insurance enters the

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caused a decline in the banking services demand. This again led to life insurance sale through bank counters, and later with the spread of financial services offers, being offered all in one place. In this way, both banks and insurers strive for suitable use of their strengths and a better valuation of their work with clients, which increases their profit. An important reason for the development of the bank-insurance institution is also the cost reduction and the better use of the sale.

category of non-interest income and then there is change of the nature of bank's activities. In that case, practically, the banks are transformed into universal financial organizations, given that they sell and produce banking and insurance products.

3. MODELS OF INSURANCE DISTRIBUTION THROUGH BANCASSURANCE

At the beginning of this section, we must say that there is no ideal model of bank insurance, as well as that several models must be combined within the performance of this activity.

There have already been discussions about what conditions must be met in order to be able to define applicable bank insurance models. We will mention several models, that is, more divisions related to finding the best bank insurance models. The basic division contains the following models of bank insurance: 1. Integrative model, which consists of sale of insurance products through, already established, banking channel; 2. Specialist model, in which the distribution of insurance is done with the help of special experts, who are employed in insurance companies or are representatives of these companies, which means that they do not have to be employed by them; and 3. A model of financial planning, in which the possibility of completeness is present by offering a financial package to the client (Odalović, and Ugrinov 2012). The division, which is based on the defined relationship between the bank and the insurer, is as follows: 1. A strategic model, in which banks only sell certain insurance products on behalf of the insurer. No other insurance business is performed by the bank; 2. Model according to which the bank acts as a kind of insurance intermediary, in which it is the bank itself that creates the best solutions for insured persons. In addition to selling insurance products, the bank also performs other tasks related to resolving issues in insured cases. Practically, the bank, in this model, acts towards both the insured person and the insurer; and 3. Mixed model, when the responsibility for marketing lies with the insurer. The bank is only responsible for the sale of insurance products (Kapil, 2020).

We will also mention the division that defines the so-called private bank insurance models. These are models whose elements can be combined. They are as follows: 1. Integrity model, which defines the possibility for insurers to use the entire network of banks for insurance distribution; 2. Expert model, which expands the role of bank employees, or their job in the distribution of insurance is reduced to the

acquisition potential policyholders and their referral to appropriate professionals in insurance companies - partners of banks; and 3. The financial model planning, which defines the distribution of insurance through the consolidated offer of the bank and insurers in the form of a package of financial services, which as a whole are offered to potential policyholders, as well as users of other financial services, which means that it does not have to be strictly about the insured person (Živković and Vojinović, 2018).

As we can see, from all the divisions which we have listed, that is, all models, Bancassurance contains a number of common elements and we must start from that when defining the "best" model that we will apply. Therefore, if we had to define the best model of bank insurance, then, in the first place, we must say that it will depend on the relationship between the bank and the insurer, as well as on the setting in which this type of insurance distribution takes place. As we have mentioned, that relationship can be defined based on a contract for different ways of insurance distribution, but also by a contract on joint venture. Another way of connecting is, practically, merging or merging these two entities, that is, the establishment of a bank and an insurance company by the same founders, which means that it can be a complex company (although this is not necessary). Considering all the above, we can single out the following models of bank insurance through two divisions.

The first division - according to the method of distribution of insurance products: 1. Separate model distribution of insurance and banking products. The concept revolves around the possibility that the bank concludes insurance contracts independently of the provision of banking a favor; and 2. Model of connection of insurance distribution with provision banking services. This is based on entering into an insurance contract as an additional line of business, based on entering contracts relating to banking services.

The second division - according to the authorizations of the bank and the insurer in relation to the clients: 1. Model bank insurance as a representation relationship, which means that the bank acts as a representative, concludes an insurance contract on behalf of the insurer; 2. Bancassurance model which includes brokerage with extended powers, where bank acts, not only as an agent, but also as an advisor when concluding insurance contracts.

We have to keep two situations in mind here. First, when the bank has a contract

with only one insurer and when it can advise future insured persons on all aspects of the respective contract and the other, when the bank represents several insurers; and Model bank insurance, according to which the bank acts as an agent, while the insurer acts as an advisor. We have called this model specialist, where experts have a say in terms who is to be employed or hired by the insurer. Such model would, in our opinion, lead to greater confidence in bancassurance. Nevertheless, we think that this model would live to its full potential only based on a connection between the bank and the insurer through capital or joint venture.

4. ANALYSIS OF INSURANCE DISTRIBUTION IN EUROPEAN COUNTRIES

Whereas various models of bancassurance have been previously described, we should also mention what types of insurance services are best offered through bancassurance. It is necessary to bring up that the various types of life insurance are mainly the best services for promotion through bancassurance. It is notable that the loan insurance in case of death of the borrower (insured person), i.e. their permanent inability to pay off the loan, additionally in case of non-performance payment obligations within the specified period. Loans where payment is guaranteed by an insurance company (mortgage loans, consumer loans, commercial loans, and current account loans), are usually with a period of 5 years. Other groups of services are standardized insurance services (auto liability insurance, household insurance) which are sold separately or in a package.

The percentage of life insurance distribution through banks varies from 17% in Slovenia to 85% in Malta (Turkey - 82%, Portugal - 80%) (Graph 1). The bancassurance for non-life insurance distribution in the European countries accounts for 3% to 15% of the market. France is at the forefront, covering nearly 5% of the market. (Graph 2). The situation is not so favorable when it comes to the United States or Asia where bancassurance is not so developed (Herbercourt, 2001).

Graph 1. Life insurance distribution by countries in 2017 (% Gross written premium)
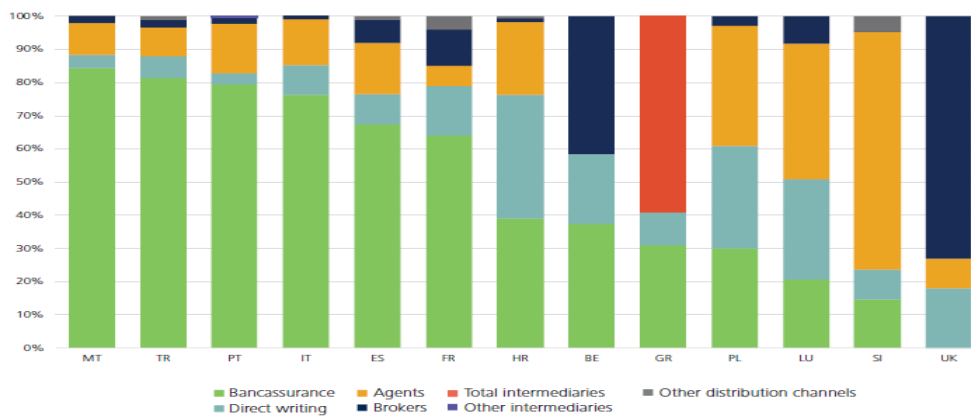
Source: Insurance Europe (2018), "European Insurance – Key Facts", Brussels

Non-life insurance services are generally less important to promote through bankasssurance (Swiss Re, 2002). The main reason why insurance is related to investments may be the complementary nature of life insurance services and banking services, where both types are focused on the accumulation of funds and their management. As a result, for the banks, it is much easier to sell life insurance services than non-life insurance services. Secondly, life insurance as a long-term contract implies the necessity to place funds in verified institutions, where banks are highly rated. At the same time, a good knowledge of the clients' financial condition and their needs makes it easier for the bank employee to sell a life insurance policy, while this aspect in the non-life insurance distribution is less important.
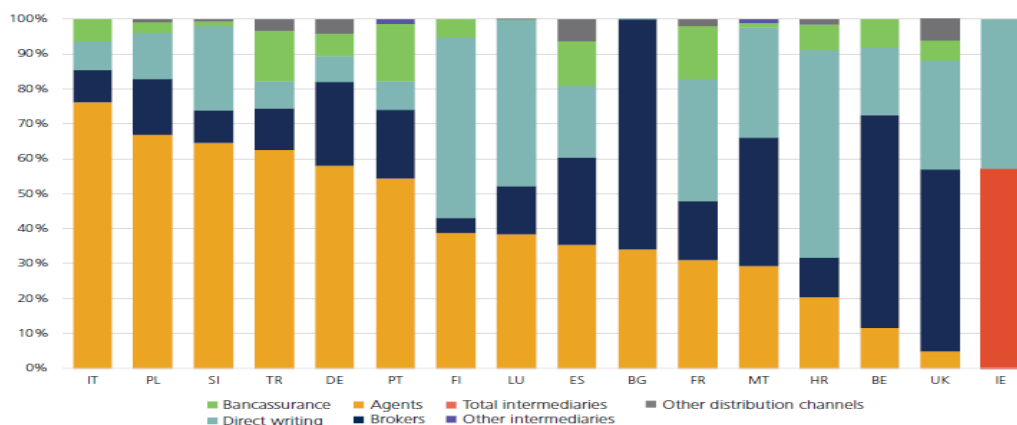
Graph 2. Distribution of non-life insurance by countries in 2017 (% Gross written premium)

Source: Insurance Europe (2018), "European Insurance – Key Facts", Brussels

Irrespective of the above, standardized simple insurance services could be sold without any special training of bank employees, while the sophisticated services (which are sold to corporate clients) require specialized knowledge which imposes the need of special training of employees who are usually employed by the insurance company which is a partner of the bank.

5. PERSPECTIVE FOR BANCASSURANCE DEVELOPMENT IN THE REPUBLIC OF MACEDONIA AND ITS SUSTAINABILITY

Bankasssurance, based on an insurance representation on the territory of the Republic of Macedonia was implemented by seven banks in 2019 (five banks in 2018). Still, the gross written premiums collected through banks in 2019 accounted for only 4.8% of the total premiums of insurance companies. At the same time, very small portion of claims of banks (only 2 million denars) are provided for non-payment insurance by insurance companies. The percentage of banks secured by a life insurance policy is also still low (11.9% of the total credit exposure to individuals or 14.8% of the exposure to individuals without credit cards and current account overdrafts), but there is growing trend (in 2018, these shares were 8.1% and 10.3% respectively) (NBRM, 2019). In addition, another potential connection channel between the insurance and the banking sector is the possible damage to the provision of loans, protected by a property insurance policy (as of 31.12.2019, 52.3% of banks' total credit exposure to non-financial entities secured by real estate is additionally protected by a property

insurance policy 140). However, the risk of a single event causing major damage that could not be paid by an insurance company, and thus jeopardizing collection of the banks' receivables, is feasible in an utterly extreme scenario (e.g. natural disasters).

As we have seen in the previous points, bancassurance in the European Union countries holds the largest share in the insurance sales and has a big influence over the premium across all other distribution channels. Insurance companies and banks in the Republic of Macedonia must seriously begin to consider introducing this method of selling in their operations. We can say that bank insurance is sustainable in the long term, considering that, as we saw in the previous points, it is the channel through which most life insurance is sold. Having in mind that life insurance in the Republic of Macedonia is in an initial stage and that there is a large market that needs to be conquered, we believe that in the medium and long term, there are real opportunities for its sustainability. The implementation of bancassurance would require major investments, primarily in the information technology, telecommunications, establishment of a call center, investment in top professionals in both industries, etc. Therefore, it is essential to conduct a SWOT analysis of the Macedonian insurance market before increasing its implementation on wider scale (Stojanoski and Kosevski, 2009).

Strengths

- The Republic of Macedonia has well-trained working staff, who, whether working in a bank or an insurance company, could easily cope with the challenge called bancassurance;
- Moreover, the existence of 200 affiliates and bank branches in all cities and major towns in Macedonia would be a crucial factor for a successful and rapid development of bancassurance;
- One of the advantages of the insurance sector is the intensified trend of regularity of this sector. Before it happened the development of the insurance sector was lagging behind the other segments of the financial sector for years.
- The establishment of the Insurance Supervision Agency is a step towards setting up strict and pre-planned game rules, which the insurance companies need to adhere to.

- Namely, before establishment of the Insurance Supervision Agency in 2008 the game rules were not established on the market and there was unfair competition in the competition for insurance portfolio, i.e. its redistribution which was led to a situation of dumping prices. Now we have different situation - the insurance companies operate under market conditions where the insurance market is quite well regulated.

- Considering that life insurance in the Republic of Macedonia is very poorly developed, there is a great possibility to use banking insurance as a channel through which life insurance would increase its market share, which means that medium and long-term bank insurance would have opportunities for this channel to be sustainable in the long run.

Weaknesses

- The lack, i.e. the non-offering of life insurance services, which would have an emphasized investment component that would meet the needs of clients, makes the life insurance unattractive. This poses a threat to the bancassurance success due to the inability to offer a service that would be interesting and attractive to potential buyers.

- The introduction of bancassurance will inevitably impose a change in the approach, thinking and working culture of all parties involved in this process.

- However, the labour at every level involved in this process is limited in the traditional way of working, so there is a high probability of resistance to changes in the way of working, which would inevitably come with the introduction of bancassurance. Any change in the company or the branch or the act of switching from one business to another would probably be met with strong resistance.

Opportunities

- At first glance, the Republic of Macedonia, as a country with 2 million inhabitants, may not represent a large market which would be interesting for insurance companies and banks to invest in the insurance development, and at the same time, for the development of bancassurance. Although, a deeper analysis shows that there is great potential for the development of insurance services. Namely, the analyzes made in Macedonia show that only 0.2% of the total gross premiums at the level of the insurance sector are collected through banks, i.e. the total gross premiums of

the bancassurance is around 13 million denars, which is an insignificant amount compared to the total gross premiums of the insurance sector. This fact indicates that despite the relatively small insurance market in the Republic of Macedonia, still, there is potential for the development of bancassurance.

- The constant upward trend of household deposits, especially the long-term deposits in the Macedonian banks, represents a huge potential for development of bancassurance. This is primarily due to the fact that banks would have the control over the financial condition of the client.

- The information that banks collect about their clients' buying habits, their economic status and their money management is a valuable asset. By successfully exploiting their client database, using their reputation and distribution systems (branch office, telephone and mail) to schedule appointments, and by using sales techniques and products intended for the middle market, Macedonian banks would double the potential sales to real selling insurance and would increase sales productivity to a point that is more than enough to make bancassurance a highly profitable venture;

- The establishment of new insurance companies in the last three years, as well as the entry of foreign companies by purchasing the domestic ones and their rebranding, shows that the insurance business has a great potential for development. The same can be stated for the banking sector where the situation shows that almost 60% of the entire banking system is foreign-owned. The Macedonian insurance market may be small and of little importance to the economy, but everything that has happened in the recent years indicates that there will be rapid development and struggle of foreign companies on the unconquered Macedonian market.

Threats

- The high unemployment rate and poverty are key factors that have an extremely adverse effect on the development of the insurance industry in the country, especially in the area of insurance for individuals. Nowadays, the population is increasingly burdened by inflationary pressures and the rising food and oil prices, so it have less and less money to spend on insurance.

- The insufficient awareness of the population about the opportunities and advantages which are offered by the insurance, as well as the lack of tradition for property and life insurance, are also threats. These facts are very important, because

it may take a long time before the insurance is accepted as something necessary in people's lives, and thus bancassurance would not stir much interest and would not produce the expected results.

CONCLUSION

In conclusion, we can state that the introduction of bancassurance in the Republic of Macedonia is an inevitability, which will surely experience its expansion progressively in the coming years.

Additionally, its introduction and development need to move gradually, taking into account the experiences of France, Italy, and Germany, where banks initially distribute insurance services only on a part-time basis. The care of the undertaken risk, as well as the development of new types of services was left up to the insurance companies. Each participant initially contributes to the bancassurance development in the field in the area where they are best: the banks in mass distribution, and the insurance companies in risk-taking and development of new types of insurance services. After the stabilization of the market, the roles may change in opposite directions. It is anticipated that offering integrated financial services to financial institutions which are able to provide all kinds of financial services "under one roof" will become a reality in the Republic of Macedonia.

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ONLINE CUSTOMER REVIEWS AS SOURCES OF INFORMATION

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ABSTRACT

Word of mouth communication (WOM) is a marketing tool with a primary purpose for communication and socialization, as well as promotion and sale of products, that takes place face to face, between sellers and buyers. With the advent of the Internet, WOM has transformed into eWOM, that is electronic word of mouth communication, which takes place between online sellers and online buyers through social networks and online store websites.

Consumers can exchange online messages, experiences, comments and leave rated reviews for products that they have already purchased online. This new way of eWOM communication has a great potential to influence online shopping intentions. In this context, the purpose of this paper is to analyse and explore the impact of eWOM communication on online purchase intentions. The quality and the credibility of messages, the consumers`needs and attitudes towards messages, the usefulness and the acceptance of messages by online consumers that can be transmitted through social networks and websites of online stores are analysed as determinants of on-line purchases. In this paper, the determinants of online messages are derived from the Information Acceptance Model based on Consumers` Needs and Attitudes (IACM). IACM is the research model of this paper, based on which the impact of online messages on consumers` purchase intentions, is analysed. Finally, an analysis of the two online platforms of eWOM communication was performed, by using adequate statistical methods, in order to determine, whether the messages transmitted through the Facebook pages of the online stores have greater impact on the online consumers` purchase intentions than the messages that are transmitted through the online websites` communication tools or vice versa. The results of the research give useful conclusions for marketers, in order to adapt their online marketing strategies for successful Facebook and web site online promotions and sales.

INTRODUCTION

Social media and networks have changed the way people communicate with each other. What makes social networks unique is that they allow users to articulate and make their profiles visible. With that, social networks have become very popular in recent years. For millions of users, these networks are their daily lives. Due to the growing interest of Internet users, the number of social networks is increasing. The latest data show that there are more than 3.6 billion users worldwide that have used social networks for any purpose in 2020, and this number is expected to grow to 4.41 billion in 2025 (Statista, 2021). Namely, users spend a lot of time on social networks, which can be proven by the report on Nielsen (2020), which indicates that the current world population of young people between the ages of 18 and 24, spend more than 100 hours per month on social networks. All of this results in the creation of relationships between individuals that would not otherwise exist. This is often not the main goal, and these acquaintances fall into "latent relationships" (Haythornthwaite, 2005) who also have some offline relationship.

The rapid and extensive growth of data and information about products and services placed on the Internet has led to the emergence of a new type of eWOM communication, called online customer reviews (OCRs). OCRs refer to evaluative recommendations generated by loyal online shoppers posted on the websites of online stores or by third parties. Research points out to OCRs as one of the most popular and important forms of eWOM (Sen & Lerman, 2007; Purnawirawan, Dens, & Pelsmacker, 2012). Senecal and Nantel (2004) in their research concluded that online shoppers who consider online reviews are twice as likely to choose and buy products as those who do not read online reviews and comments. Reviews from loyal online customers are considered an important new element in digital marketing (Chen & Xie, 2008) and thus become a key source of feedback (Dwyer, 2007).

Online stores, meanwhile, use these reviews as a tool to understand customers' attitudes towards their products to help develop relevant production, distribution, and marketing strategies (Zhang, Li and Chen, 2012). There are a number of studies that have demonstrated the importance of OCRs to the impact of eWOM on online shopping intentions. Similarly, Liu (2006) points out that the revenue of children's stores is directly influenced by the reviews read by online shoppers. The number of reviews in

the sales of the children's clothing and toy industry can also have a positive impact on sales.

DEFINING ONLINE CUSTOMERS REVIEWS

The focus of research on the tool "reviews" has unique goal, to influence the intentions for online shopping and thus increase sales. Conducting an online discussion of products leads to an increase in the awareness of potential online customers, which usually results in higher sales. Customer motivation driven by reviews is often reflected in sales volume, i.e. increasing reviews leads to greater customer awareness. Reviews can be positive, negative or neutral and depend on the wishes and intentions of customers to buy a particular product. Online reviews that have a strong dispersion can lead to a larger number of online sales (Dellarocas et al., 2007). With the rise of virtual communities, eWOM on Facebook is playing a key role in negotiating between online sellers and online shoppers.

There is a lot of research in the literature on the credibility of reviews and chats, i.e. their role in gaining the trust of online shoppers for the products and services offered on the Internet. Online shoppers view reviews and chats on Facebook and online store websites as a key source of information about the products they want to buy online and as a critical factor in facilitating the diffusion of information that is placed online (Wu and Kuntaraporn, 2006).

Reviews are defined as evaluative information generated by customers and published on the websites of online stores under the products offered for sale. OCRs are considered to be one of the most popular (Purnawirawan et al., 2012) and most important forms of eWOM. In recent years, OCRs have been explored in terms of how eWOM influences customer behavior (Chen & Xie, 2008; Lee & Co., 2015). However, OCRs differ from eWOM in several ways. eWOM is usually generated by either buyers or sellers as two-way communication between them, while OCRs are generated only by buyers (Cheong & Morrison, 2008). Furthermore, Facebook users who have their own Facebook pages generally have control over who can access their information. In contrast, OCRs are usually posted on the websites of online stores, such as eBay and Amazon, where there are no such restrictions, making them accessible and visible to all visitors. Finally, Facebook eWOM communication takes place between well-defined senders and recipients of messages, while OCRs reviews on Facebook and online store

websites are public and publicly announced and read. Taking into account these differences, Lee & BradLow (2011) argue that OCRs can be defined as a type of eWOM communication, but with unique and specific features.

In addition to OCRs, there are other types of product information sources available on the Internet, including vendor-generated information, third-party reviews, expert reviews, and referral systems. These sources also influence purchasing decisions. Sellers provide information about the products they offer on their websites or in the form of sponsored ads on their Facebook pages. However, such information generally differs from that provided by OCRs in: information confidentiality, information orientation, and standard form of information. OCRs are more reliable than the information generated by vendors. The advantages of the products or services that sellers offer are generally highlighted in the information generated by the sellers, while the inferior features are likely to be hidden. In contrast, online shoppers typically provide honest information based on their experience using the product or service.

Schindler & Bickart (2005) find that product information collected from online discussion forums has a greater impact on online shoppers than information generated by sellers. Online shoppers often think that OCRs are published without any incentives, unlike information created by sellers, which serves a specific purpose, which is to buy the product at any cost (Senecal & Nantel, 2004). On the other hand, sellers can participate in the discussions that their customers have on the Internet, because there is ambiguity regarding the identity and incentives of the customers.

ANALYZING SOURCES OF OCRs

Vendor-generated information often tends to be product-oriented, focusing on product attributes. OCRs, on the other hand, can be customer-oriented, and product attributes defined in terms of product performance and use can be combined with customers' personal feelings shared through OCRs (Bicart & Schindler, 2005; Park et al., 2007). OCRs, compared to information created by vendors, which are presented in a standard format, can be presented in any format, they can contain subjective or objective information, which includes emotions or feelings.

An important source of information about products sold online are "third party reviews" (e.g. Epinions.com, Consumer Reports). Third-party reviews are product information, mainly focused on product attributes and performance, and are usually

based on expert evaluations (Chen & Xie, 2008). Although third party reviews are similar to OCRs, here third party expert opinions offer a variety of information. Chen and Xie (2008) in their research identified a weak correlation between the rating of third-party reviews and the rating of online customer reviews as a result of the difference in information offered by third-party reviews and OCRs. Third-party reviews, however, do not have as much of an impact on buying intentions as OCRs do. Huang, Lurie & Mitra (2009) in their research show that the time that customers spend on the Internet depends a little on the presence of third party information, and therefore, the buyer is less likely to buy a particular product. Hence, it is clear that the role that third-party reviews play on online shopping intentions is different from the role that OCRs have for the same purpose.

Third-party reviews are characterized as an unbiased assessment of products or services provided by paid appraisers (Amblee & Bui, 2007). OCRs and expert reviews can offer a variety of information (Duan, Gu and Whinston, 2008; Lee and Bradlow, 2011). The source of information influences customer attitudes towards information, expert reviews and OCR. OCRs offer more practical and customer-oriented information and recommendations, so it is assumed that they are more convincing than expert reviews (Park et al., 2007). In this context, the OCRs have a greater impact on online shopping intentions than expert reviews (Dellarocas et al., 2007). Vermeulen & Siegers (2009) in their research of the hotel accommodation industry point out to the fact that customers make their choice under the influence of expert examinations and many take into account OCRs. Amblee & Bui (2007) in their research, however, suggest that the significance and importance of the effects of expert examinations and OCRs are almost identical.

Referral systems are an additional tool used to obtain product recommendations over the Internet. Referral system is a system that browses all the recommendations left by loyal online customers and makes a history of online purchases to identify the products that potential buyers want to buy (Lee & Kwon, 2008). The referral system is a type of referral source that influences online shopping intentions and is recognized as a type of eWOM. Similar to OCRs, the referral system reduces the uncertainty and difficulty that buyers face in making purchasing decisions. This type of eWOM is considered less trustworthy than OCRs on the one hand, but more influential than the reviews of online shoppers and professionals on the other hand.

Online shoppers leave product recommendations based on their personal experiences of using the product as a result of economic, emotional, social and functional motives (Shen & Cheung, 2013). Emotional motivation is the desire of customers to share experiences of using products, whether it is positive or negative motivation. Social motives refer to aspects that reflect one's social status, and functional motives refer to the need to provide information to future online shoppers. Social and functional motives are important for online shopping, while emotional motives are important for offline shopping.

Hennig-Thurau et al., (2004), in their research identified eight motives of customers to participate in eWOM, namely: motive to help other customers, motive to express negative feelings, motive for self-improvement, motive for helping online stores, a platform for sophistication of platforms, economic motives, social motives and seeking advice. Among these eight motives, motives for helping customers, self-improvement, social and economic motives and social communication are the main drivers of customer participation in OCRs. Schindler and Bickart (2005) in their research emphasize the fact that following negative product reviews, support in purchasing decisions and similar customer interests are the main drivers of eWOM messaging. Similarly, Huang and Yang (2012) in their research use a qualitative and quantitative approach for interpreting the results, concluding that the motives of customers to leave comments and reviews on Internet are driven by consumers' desire to use social networks for eWOM communication, the desire to share comments and the desire to express their negative feelings. They also conclude that all of these drivers, in addition to the desire to express negative feelings, have a positive effect on the needs and motivations of customers to leave reviews and comments about products on the Internet.

COMMUNICATING CORPORATE MESSAGES THROUGH DIGITAL TOOLS

Online shopping website communication clocks work in the same way as Facebook Messenger and also have three members: the sender of the message (online shoppers), the moderator or interface, the platform through which the messages are sent and the recipient of the message (online sellers). Through these online chats, buyers communicate with online sellers, solicit offers, ask questions and, if satisfied with the information offered, make purchasing decisions.

After purchasing the products, online shoppers try and use them for a period of time. The next step is to leave reviews for their satisfaction with product's usage with a rating from one to five. The review consists of five stars and one asterisk means that the buyer is not satisfied, two asterisks indicate that the buyer is not satisfied, but still gives a chance for the next purchase, three asterisks that he is satisfied, but could have been better, four asterisks that he is satisfied, but something was not good enough (material, delivery, delay, payment, etc.) and five stars is a sign that the online customer is completely satisfied with the product and service provided through online shopping. In these reviews, the communication is one-way, ie online shoppers rank their satisfaction or dissatisfaction for the usage of the products, in contrast to the communication hours where the communication is two-way and takes place in real time. Online shoppers also have the opportunity to leave comments under the asterisks in order to express their satisfaction or dissatisfaction descriptively. Online sellers can, but do not have to, respond to comments left. It depends on their will and desire to respond.

Customer behavior after completing the product purchasing process should also not be overlooked, since sometimes they are dissatisfied with the products, and may want to return them or replace them with other products. Therefore, it is important for online stores to have a well-developed return and exchange policy. Namely, if sellers expect customers to buy online again, they should conduct offline and online positive word of mouth communication.

There are certain risks and disadvantages that online shoppers face when shopping online. In the phase of search and evaluation of information by customers, there is a certain degree of risk of receiving incorrect information about the products, or simply the existence of errors in the descriptions, prices for the products or the method of delivery . Some websites require customers to register before searching for products, so customers face the risk of security of the data left (Comegys et al., 2009; Wang et al., 2012). Also due to the nature of online shopping, buyers take risks when buying, because they are not able to touch and try the products before buying. They also risk in the payment process because they pay with their debit or credit card where they have to leave their personal information, as well as the card number and CVV number. The risk in online shopping is not only present in the buying process, but also continues after the purchase, because the personal data of the buyers can be misused.

FACTORS INFLUENCING DECISION-MAKING

There are several factors that influence the decisions of consumers to buy products from online stores. The situation with the COVID-19 pandemic is additional factor. Consumers can buy any product, at any time without going to the store, thus avoiding the crowds and reducing the possibility of infecting with COVID-19 virus. Then they canfind the same product at a lower price by comparing different websites at the same time. Furthermore, they sometimes want to avoid the pressure of face-to-face communication with sellers, etc. These factors can be classified into four categories: convenience of purchase, availability of information, available products and services, and cost-effectiveness (Laudon and Traver, 2019).

1. Convenience to buy

In their empirical research, Wang et al., (2012) concluded that the benefits offered by the Internet is one of the factors that influence consumers' decisions about online shopping. Online shopping is available to online shoppers around the clock compared to traditional stores, as it is open 24 hours a day, 7 days a week. Shoppers not only search for products on the Internet, but also online services. Some online stores have online customer service available 24 hours a day, online shoppers can ask questions, get the necessary support or help, which gives them an advantage and convenience in shopping (Hermes, 2020). Some people shop online only to avoid face-to-face interaction with sellers because they feel uncomfortable while negotiating with sellers, while others do not want to be manipulated and controlled by sellers. There are buyers who have a negative experience with sellers or just want to make their own decisions without the presence of sellers. Therefore, online shopping from online stores is the right choice for them.

2. Availability of information

Internet facilitates access to data, so sellers usually provide customers with more information about the products they would use when making a purchase. However online shoppers cannot touch and feel products and services before making purchasing decisions. Online shoppers can get information about the products they want to buy through the communication chats on the websites of the online stores, but also from the reviews of the products left by other customers. They can read those reviews before making final purchasing decisions.

3. Available products and services

E-commerce has many online transactions, through online store websites offering customers a wide range of products and services, as well as opportunities to review, compare and select the best products and services offered. Shoppers can search the internet very quickly and find all kinds of products from all over the world that they can buy only online. Most online stores have their own websites and Facebook pages where they sell and promote products or services, regardless the fact whether they already have a physical store or not. Many traditional online stores sell certain products only online to reduce retail costs or to offer customers a wider range of sizes, colors or other features that they could not display in stores.

4. Cost and time efficiency

Through online shopping, customers are offered better deals, i.e. they can get the same products that they would buy in a store, but at a lower price. Online stores offer customers a variety of products and services, giving customers more chances and opportunities to compare prices from different websites and find products with lower prices. Some websites, such as Ebay, offer customers products through auction or "best bid" to make a good deal on their product. Also, this way of selling makes shopping fun like a real game of chance. Finally, given the fact that online shopping can take place anywhere and anytime, this way of shopping makes life easier for shoppers because they do not have to get stuck in traffic, look for a parking place, wait in cash register queues in stores and similar..

Online shoppers usually buy products from a well-known brand, or from online stores that they know and for which there are only positive reviews on the Internet. Online shoppers' trust is one of the most critical psychological factors that influence the success or failure of online stores. Furthermore, the security of personal data is another psychological factor that makes consumers to change their minds about shopping online because they are concerned that online stores could misuse their personal data, especially their credit card or debit card (Laudon and Traver, 2019).

The literature lists several factors that make it difficult to buy from online stores such as: the intangibility of online products and services, the inability to make social contact, dissatisfaction with online shopping, managerial implications, implementation of online services and similar.

5. Online products are intangible and intangible

Products that are bought online can not be seen and touched, as well as tried before buying, which is often the only obstacle for online shoppers. Customers are less likely to buy, for example, clothing through the website of a particular online store because they cannot try on or actually touch the clothing (Comegys et al., 2009). People can only see the products on the computer screen, then they would try the products in a store with a physical location and the probability of buying them is much higher. In most cases, online shoppers prefer to examine the products first and then decide if they want to buy them. Some people find that information about products placed on the websites of online stores is not enough for them to make purchasing decisions online, so they would be disappointed if they buy a product and it does not meet their expectations. Furthermore, there is the fear of whether their product will be replaced with another product, whether they will be able to return the product, whether their money will be returned and so on.

6. Inability to make social contact

While some buyers will probably be relieved of the pressure of sellers, others will feel lonely and find it very difficult to choose the right product and thus become frustrated if they cannot get professional help from an experienced seller. Some people simply depend on social connection and socializing and rely on other people's opinions when making purchasing decisions. There are also shoppers who shop only in a traditional store because in that way they have fun and socialize with the sellers, and would be limited if they shopped online.

7. Dissatisfaction with online shopping

The experience gained for online shopping often influences the creation of a repurchase decision. When shopping online, customers can get completely different products from the ones they ordered or low quality products, damaged products or cheap products. Nowadays many online sellers do not agree to return the products or the money with which the ordered products were paid. Product delivery is another factor influencing online purchasing decisions. Slow or late delivery also discourages the customer from repurchasing online (Comegys, et al., 2009).

CONCLUSION

When online marketers want to persuade and retain customers, they need to know their customers well and know what problems they are facing with in order to focus their sales strategy on retaining their customers and overcoming the problems they are facing when shopping online. They need to find all possible ways to easily and simply motivate shoppers to buy from them. Online store websites also play a very big role in online shopping. In this context, websites should be on the one hand, easy and fun to browse, filled with content that would be interesting to potential online shoppers, with a user-friendly interface and easy navigation. Online store websites should also offer a sense of security and safety, because online shoppers are most afraid of misusing their credit and debit cards, as well as their personal information (Constantinides, 2014). When an online store receives an approved certificate, such as eTrust (electronic trust) it becomes more trustworthy and more secure for customers. This will make the website more secure and increase the trust of the customers, which will automatically lead to increased sales. For example, Scribendi, an English-language editing and proofreading service, has an SSL certificate from VeriSign - the most trusted sign on the Internet. When visitors see the green bar, they immediately buy these services. The sales increase by 27% if this certificate is used (Verisign, 2021)

Online sellers can reduce anxiety and increase customer confidence when shopping online with offering only branded products on their websites or even have their own brand, as it does Amazon (Korgaonkar and Karson, 2007). Branded products, along with the security and safety measures of customers 'personal data and credit or debit cards, provide guaranteed sales for online stores, and reduce online customers' concern for data security. Online stores can use an integrated mechanism in order to increase customers' confidence that their personal data is insured, as well as to provide security measures to avoid the misuse of credit or debit payment methods.

Online store websites should have enough information about the products they sell online, but should not be overloaded with descriptions and ads for them. Posting unstructured or useless information on websites can reduce the usefulness and ease of use of websites (Bigné-Alcañiz et al., 2008). Also, online stores and retailers need to constantly update their web pages with new data, as well as check texts and product descriptions for printed errors. Information quality and visual design are important elements of a website that greatly influence the purchasing decision. Online shoppers

would not be interested in browsing websites and buying a particular product if they do not have the ability to easily search and compare products. Key elements to attracting potential customers to websites are the process of creating modern website designs for online stores, as well as sophisticated and user friendly interfaces. Finally, the process and method of online payment is another key element for conducting online shopping (Wang et al., 2012). It should be verified, lightweight, trusted and secure.

The online services offered to customers are just as important as the quality and appearance of the websites of the online stores. According to Hermes (2020) for 72% of online shoppers, well-conducted online services are a major trigger for increasing their shopping satisfaction. Online stores need to provide added value to the services offered and try to provide successful feedback from their customers. These include services that quickly provide feedback to online customers through communication chats. The most popular services offered by online stores are: downloading software, creating an e-form for leaving additional information by customers, monitoring the status of the order and delivery, returning the comments left by the buyers under the products where they commented and the like. If these services are not implemented in a timely manner, or are implemented without success, the desire and intention of the customers to buy the products will decrease or disappear completely.

Online customer satisfaction depends on many factors that directly or indirectly influence the purchasing decision. In the last decade, online shopping has grown exponentially due to the fact that it is a more economical and convenient approach to shopping compared to traditional shopping. However, in the beginning, the transition towards more modern method of purchasing, creates a feeling of concern among buyers regarding the following: leakage of personal information, fraud through the Internet, inconsistency between the ordered product quality and the desired quality, failed delivery, etc. Today, these problems are minimized because people recognize the benefits of online shopping. The massive use of both communication tools placed on the websites of online stores, the chat and the reviews, have a great impact on the intentions of online shopping

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THE IMPORTANCE OF FULL IMPLEMENTATION OF THE PROVISIONS OF ASSET RECOVERY IN THE FIGHT AGAINST CORRUPTION

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ABSTRACT

The fight against corruption has no effect if from the perpetrator of the corrupt act have not been confiscated the goods or assets that he acquired illegally.

This paper highlights the obstacles to international cooperation for the return of the stolen asset. It is a fact that in the past, almost two decades, since the adoption of UNCAC, a lot has been done in the field of prevention, criminalization, as well as international cooperation, but in the area of asset recovery, greater results are missing.

It is basically property acquired in a corrupt manner, mainly in developing countries and transferred to developed countries. In this way, criminals gain enormous wealth, and on the other hand, poverty in the country of origin increases due to loss of resources.

The paper presents specific examples of asset recovery. These are cases where the procedure lasts for many years, involving high political figures, and huge sums of money.

The paper gives several recommendations for improving the internal regulations of the countries, but also for the international cooperation in order to increase the detection of cases of stolen asset taken in other countries.

Rapid honest cooperation between requesting jurisdiction and requested jurisdiction is essential for detecting, seizing, freezing, confiscating and returning a stolen asset.

The importance of the StAR Initiative is great, but still the dark number of corrupt acts with a stolen asset, transferred to another jurisdiction, is large.

KEYWORDS: asset recovery, corruption, international cooperation, rule of law, criminal justice

JEL CLASSIFICATION: K14

INTRODUCTION

„Withholding of illegally acquired property gains in a criminal manner undermines justice and stimulates crime"

If an analysis is made of the fulfillment of the UN Convention against Corruption (UNCAC) adopted in 2003, it will be noticed that there is no equal realization of its pillars. Namely, in the past 17 years a lot has been achieved in the field of international cooperation, also in the pillars for criminalization and prevention, but the pillar for asset recovery requires additional engagements.

Cooperation between UNCAC member states is more difficult when it comes to returning material goods – treasures that have been criminally acquired and transferred from one (damaged) country to another. This is actually the general hypothesis of this paper, in order to propose potential solutions to improve the situation.

Numerous obstacles, of normative and operational nature, disable or slow down stolen asset return procedures, which has a negative impact on both the fight against corruption and international relations and cooperation.

Due to the above obstacles, it is considered that huge fortunes have been taken out of developing countries by former or current political leaders, thus the challenge is in developed countries: to prevent money laundering, to return funds to jurisdictions of origin, to help of developing countries in strengthening institutional capacity.

RESEARCH METHODS

Within the paper, the method of content analysis is applied in order to determine the details that are obstacles in the practical implementation. Then a comparative method is used in order to show the differences between the countries in the application of the existing solution.

The statistical method, through data analysis, as well as the historical method also take their place.

The paper presents several case studies, which reflect the problems in practice. The author of the paper, in the final part and the conclusions, offers solutions to improve the situation and overcome the problem.

1. NORMATIVE STRUCTURE - UNCAC

Corruption poses a significant threat to security and stability. It undermines democracy, destroys the rule of law and undermines citizens' trust in government institutions. Corruption hinders social and economic development, discourages investors and threatens the market.

Corruption is a great threat to the common values of civilization, it creates instability and violates many aspects of action in the security, economic and human dimensions.

Chronologically, the fight against corruption has always been important, but the current one is created in the early 90s of the last century, after the end of the Cold War.

The issue of prevention and repression of corruption has become relevant since 1990, due to the negative impact of corruption on all segments of life, rule of law, human rights, democracy, economic stability and development. Since 1990, significant international legal acts for the prevention and repression of corruption have been adopted by several global and regional organizations.

Thus, on October 31, 2003, the UN General Assembly adopted the Convention against Corruption (UNCAC), signed in Merida, Mexico, on December 9, 2003. By mid-2020, the Convention has been signed by 181 UN member states. Its main goal is to promote and strengthen measures for effective and successful prevention and fight against corruption. The Convention is a global mandatory response to corruption and other unlawful acts that adversely affect the rule of law.

The Convention consists of four pillars and an Implementation Mechanism: Preventive measures, Criminalization and law enforcement, International cooperation, Asset recovery, and Technical assistance and information exchange.

Unlike the previous partial approaches (eg. only prescribing criminal offenses) UNCAC systematically approaches the fight against corruption. UNCAC obliges signatory members to build a legislative and institutional framework for the implementation of its provisions.

At the third UNCAC Implementation Meeting, held in Doha, November 2009, a UNCAC Implementation Evaluation Mechanism was established, and UNODC is responsible for implementing and evaluating UNCAC implementation.

The main objectives of UNCAC are:

a) to promote and strengthen, in the most effective way, measures to prevent and combat corruption;

b) to promote, facilitate and support international cooperation and technical assistance to prevent and combat corruption, including asset recovery;

c) to promote integrity, accountability and good governance with public works and state property,

- **Asset recovery**

One of the four pillars of UNCAC is asset recovery (Chapter V). Asset recovery refers to the process by which the proceeds of corruption transferred abroad are recovered and repatriated to the country from which they were taken (jurisdiction of origin) or to their rightful owners. The return of property illegally acquired and transferred to another state is one of the greatest values of the Convention, but at the same time the longest-negotiated point. A precise account of the proceeds of corruption circulating the globe is not possible, but the World Bank estimates that developing countries lose US$20-40 billion each year due to corruption (Kevin M. Stephenson, Larissa Gray, Ric Power, Jean-Pierre Brun, Gabriele Dunker, Melissa Panjer, 2011).

The problem with effectiveness is also highlighted by the OECD, so in the period 2010-2012, only US $1.398 billion assets were frozen and US $147.2 million were returned by OECD countries (Larissa Gray, Kjetil Hansen, Pranvera Recica-Kirkbride, Linnea Mills, 2014), which shows that are needed global efforts to improve asset recovery systems and increase cooperation and coordination between jurisdictions.

UNCAC (Article 53) provides for direct recovery of assets, whereby a foreign state is able to initiate a civil action in a foreign jurisdiction to establish title and ownership of property. It also means that courts should be able to order compensation or damages to a foreign state and recognise them as legitimate owners of property. In such a case the defrauded state, represented by counsel, will stand – like any ordinary private plaintiff would do – before the foreign jurisdiction(s) where proceeds of corruption are located and will claim their repatriation to its national treasury.

The Convention emphasizes prevention as an initial approach, by building measures to strengthen the oversight of the accounts of public officials and members

of their families, especially in the case of large bank accounts. In addition, here is the obligation for banks to inform the competent financial institutions in case of inflow of funds from abroad in larger amounts.

The confiscation and return process includes three main stages: identifying and tracing assets; freezing and confiscating assets; and recovering and returning assets (Article 55).

In the process of identification it is necessary to make a concretization (or a connection to goods acquired through the use of an illegal assets) and to prove that exactly those assets were illegally acquired. Tracing assets means tracking the "money path", their movement through bank accounts or the purchase of movable and immovable property, which requires a good regulatory framework, quality human resources and international cooperation.

Freezing and confiscating the proceeds of corruption stops the assets from being used for further criminal activity. According to the OECD it is the permanent deprivation of assets by order of a court or other competent authority (Identification and Quantification of the Proceeds of Bribery, The World Bank, OECD, 2012). Assets can be confiscated in two ways: property-based confiscation, which requires the identification of a particular asset; or value-based, which is based on the monetary value of assets that cannot be materially recovered.

According to article 57 UNCAC, once corrupt assets have been identified and legally confiscated they must be returned to their prior legitimate owners. Namely, in case of embezzlement of public funds, the confiscated property should be returned to the requesting state, in case of proceeds of any other offense covered by the Convention, the property should be returned by providing proof of ownership or recognition of the damage caused to the requesting state.

The return of assets to the requesting state is the culmination of a process filled with mutual legal cooperation between States (Articles 46, 57 UNCAC), which establishes justice and prevents illicit enrichment.

Effective asset recovery provisions support countries' efforts to address the most damaging effects of corruption while at the same time sending a message to corrupt officials that they will have no place to hide their illegally acquired funds.

2. MECHANISMS FOR IMPLEMENTATION – THE STOLEN ASSET RECOVERY INITIATIVE (StAR)

The Stolen Asset Recovery Initiative is a partnership between the World Bank Group and the United Nations Office on Drugs and Crime (UNODC) that supports international efforts to end safe havens for corrupt funds. StAR works with developing countries and financial centers to prevent the laundering of the proceeds of corruption and to facilitate more systematic and timely return of stolen assets.

StAR provides platforms for dialogue and collaboration and also facilitates contact among different jurisdictions involved in asset recovery. Since its establishment thirteen years ago, StAR has assisted many countries in developing legal frameworks, institutional expertise, and the skills necessary to trace and return stolen assets.

The StAR Initiative was established in 2007 and is a response to the difficulties faced by states in trying to reclaim illegally acquired property in another country. StAR is an international response to the deletion of "safe havens" for hiding corrupt assets, ie, the initiative puts international cooperation at the forefront.

The StAR initiative relies on four pillars:

Creating the basics - helps countries to create a normative and institutional framework, as well as to gain practical experience.

Partnership - connects governments, regulators, financial institutions, civil society, both from developing countries and from financial centers, where illegally acquired assets are transferred.

Innovation - StAR initiative creates and shares the latest and most adequate solutions.

International standards - affect the effective application of the provisions of Chapter V (Asset recovery) of UNCAC, ie the provisions on restitution of property acquired through unlawful conduct and corruption.

19 countries received StAR assistance in 2019, and in the same time continued its engagement with global and regional multilateral organizations to foster greater international cooperation on cases, policy, and general approaches to asset recovery, and participated in a range of additional events and networks to encourage connection between practitioners—governmental and non-governmental, private and civil

society sectors—sharing similar goals (StAR Annual Report 2019, The World Bank, UNODC).

3. OBSTACLES TO ASSET RECOVERY

Numerous analyzes show that the obstacles to the return of illegally acquired property in the requesting state are grouped into three basic groups: general, normative and operational (Kevin M. Stephenson, Larissa Gray, Ric Power, Jean-Pierre Brun, Gabriele Dunker, Melissa Panjer, 2011).

General obstacles to the efficient implementation of the property restitution procedure include general circumstances, ie, which have a broader impact on the implementation of overall policies.

a) Namely, the implementation of effective policies for return of assets requires "political will", ie the current holders of power in the country to have a commitment to fulfill international obligations that include the global fight against corruption, confiscation and return of illegally acquired property. This is one of the most relevant preconditions for successful and effective international cooperation in asset recovery cases. The absence of will may be in the country to which the assets were transferred, but it may also be in the country of origin (it all depends on the specific circumstances of the case). The speed with which the case is handled is an indicator of the approach to the issue. In addition, it is possible that the economic interests of the requested state will prevail over the cooperation and return of assets, especially in the case of large companies which play a significant role in the economic life of the requested state.

At the same time, the above indicates a lack of trust, as a serious obstacle to cooperation. Namely, with the signing of international acts, the states are obliged to build internal instruments and cooperation. Lack of trust prevents a quick response (often crucial to securing illegally acquired assets), has an impact on the collection and exchange of intelligence or the freezing, seizure, confiscation, and repatriation of the proceeds of corruption. Lack of trust can cause delays or even refusal to provide assistance to originating jurisdictions seeking to recover stolen assets.

The procedure of the institutions of the requested state is crucial, ie, the speed and comprehensiveness of their reaction depends on whether, and to what extent, stolen assets will be returned to the requesting state.

Prerequisite for success in the whole process is countries to have a comprehensive asset recovery policy. Building a comprehensive asset recovery policy, both in developed and developing countries, implies applicable legislation on asset recovery, creation of strategic documents, strengthening of institutions, sufficient resources, training for practitioners, creation of specialized research units.

However, in both developed and developing countries, these policies may encounter various obstacles. Thus, in requested jurisdictions, various obstructions are possible, such as not responding to the submitted request or responding after several months thus compromising any investigative efforts to speedily track assets or completely passive attitude, giving priority to daily obligations or rejecting requests with weak arguments.

On the other hand, originating jurisdictions, often from the developing world, do not have enough sufficiently skilled practitioners with international experience and an adequate understanding of international conventions and standards to submit legally sufficient requests for mutual legal assistance. Besides that, some jurisdictions may face difficulties because investigating authorities lack independence or lack of capacity for complex investigations, resulting in incomplete requests or actions by developing countries when informed by developed countries or financial centers for suspicious capital originating in developing countries (in such cases there is a space for suspicion of political influence).

Strategic plans are especially important in the whole process, together with action plans for their implementation. Thus, the key elements on which the effect of the Strategy depends are: the publicly expressed "political will" of the highest holders of power, thematic involvement of the competent institutions according to their competencies, active involvement of civil society, creation of specialized investigative units that focus on stolen asset recovery cases, cooperation with the business sector, cooperation with other countries and international organizations, creating new tools for quick response regarding asset recovery.

b) Another general obstacle to conducting the stolen assets return procedure is the lack of resources. It is a process, namely, first it is necessary for the competent institution for investigations to have satisfactory financial resources, then to invest in quality staff - investigators (both in terms of their selection and additional training).

Resources should be adequate for all stages of action, ie investigations, prosecution, judiciary, co-operation and co-ordination bodies. Quality human resources are a prerequisite for the realization of the complex process of returning assets that have been acquired in a criminal way.

Developed countries have the necessary financial resources and have opportunities to develop their institutions in every aspect: human potential, technical conditions, operational activities. However, they are able to provide mutual legal assistance to developing countries in strengthening their capacity, so that they can help developing countries mitigate their resource problems, thus achieving the required level of return on stolen assets.

Every country, developed or developing, should have an appropriate number of properly trained financial investigators, prosecutors, and judges to address asset recovery cases involving both domestic laws and international conventions and standards.

c) International legal assistance for the return of stolen assets requires prompt action. Channels for transmission of mutual legal assistance requests and follow-up communication are crucial factors in the timeliness of processing requests. The rapid transmission of requests and direct communication with competent officials to provide clarification are highly recommended in an effective mutual legal assistance process, especially for high-priority cases.

If more entities - institutions are involved in the process of submitting the request, then the whole procedure will be slower, and thus the chances of its success will be lower, both due to the passage of time and due to the possibility of "leaking" the information to the persons under investigation.

The speed with which the procedure for repatriation of stolen assets is carried out is especially critical in cases where politicians (former or current) are involved. In such cases, it is advisable to minimize the number of institutions in the procedure when implementing mutual legal assistance.

The dilemma arises as to whether direct communication in high-profile cases (involving politicians or assets of immense value) should be approached, avoiding the usual steps of mutual legal assistance, thus increasing the chances of success of the claim procedure, or necessarily take all steps of mutual legal assistance, although it

would mean a longer procedure with all the risks it carries with it. This dilemma is somehow overcome by UNCAC, article 48 states in case of necessity to create and use channels of direct communication in order to achieve the goal of seizing the property gained from crime. Besides that, EU permits direct transmission for a wide range of informal assistance matters, including investigative actions and freezing and confiscation orders. It also permits direct contact between practitioners dealing with informal assistance requests (Council Framework Decision 2003/577/JHA on the execution in the European Union of orders freezing property or evidence, Council Framework Decision 2006/783/JHA on the application of the principle of mutual recognition to confiscation orders).

Normative obstacles are a result of differences in legislation, then the dominance of the national norm over the international, as well as the existence of legal gaps. They are an obstacle to mutual legal assistance and the return of stolen assets.

a) Differences in legal traditions between jurisdictions introduce challenges throughout the asset recovery process. Differences can be a common reason many requests to be sent back for more information.

There are more differences between civil law and common law jurisdictions that may introduce barriers to the asset recovery process, they can refer to: Tools available for restraint or confiscation, Evidentiary requirements, Procedures to obtain assistance, including Terminology.

These are differences that can significantly affect not only the speed of the procedure for return of stolen assets, but whether such a procedure will occur at all. To overcome such differences between jurisdictions with different legal traditions, jurisdictions should provide easy access to information about asset recovery within their legal system, including relevant statutory provisions and information about proof requirements, capacities, types of investigative techniques.

b) There are several legal bases for providing mutual legal assistance in criminal and asset recovery cases, as follows: a) international conventions containing provisions on mutual legal assistance in criminal matters, such as UNCAC, b) domestic legislation allowing for international cooperation in criminal cases, c) bilateral mutual legal assistance agreements.

The point is that the legal form of mutual legal assistance should be functional, but it is advisable to ratify the most important international acts, such as the UNCAC, regardless of the legal solutions in the domestic legislation or the existence of bilateral agreements. Because in this way the unification of the procedure is achieved (although in the international act only the general guidelines are given). Whether or not a country ratifies the UNCAC, for effective mutual legal assistance, it is very important that domestic law prescribes the crimes contained in the UNCAC.

Modern technology allows stolen assets to be transferred from one location to another at the push of a button. Therefore, the question arises, at what moment to start mutual legal assistance, to wait for the official request for finding and confiscation of assets from the requesting state or to do it earlier - by receiving a notification that in the investigation phase serious information has been received indicating stolen assets. The answer to this question are the provisions of the Second Additional Protocol to the European Convention on Mutual Assistance in Criminal Matters (2001, Article 1) and the European Union Convention on Mutual Assistance in Criminal Matters (2000, Article 3), which allow certain administrative procedures to be undertaken before the court is involved in criminal proceedings.

Freezing of property is an action of the requested state in accordance with the provisions on mutual legal assistance, but the requesting state must within a reasonable period (eg. 30 days) submit the necessary documentation to prove that it is an illegally acquired asset that should be return to the requesting state - the victim. The whole procedure should pay attention to human rights, especially the right to property, situations of unjustified restriction of the guaranteed right should not occur. This is one of the legal risks in the whole procedure.

c) Another obstacle to an effective procedure for returning stolen assets may be banking secrecy. Banks and other financial institutions in most jurisdictions are prohibited from divulging personal and account information about their customers except in certain situations mandated by law or regulation. Some jurisdictions deal with banking secrecy by giving prosecutors the ability to obtain information about the existence of an account but requiring that the prosecutor seek a judicial order to obtain additional information about the contents and transactions of the account. In some jurisdictions, a bank can not divulge any information to a prosecutor about a bank

account without judicial approval (Kevin M. Stephenson, Larissa Gray, Ric Power, Jean-Pierre Brun, Gabriele Dunker, Melissa Panjer, 2011).

To overcome this obstacle, the solution should be sought in the national legislation by creating provisions that will impose an obligation on financial institutions to report to the supervisory bodies transactions above a certain amount, which opens a legal opportunity to check the movement of money (if there are suspicions of the crime of "money laundering"), while through mutual legal assistance space is created for quick reaction and freezing of assets, of course, upon a request submitted by the requesting state. In addition, a good solution is a legal obligation for public officials to give up banking secrecy upon taking office.

d) If there are major legal differences between the countries regarding the necessary evidence that the requesting state should submit to the requested state then there will be difficulties in obtaining mutual legal assistance for freezing and confiscation of the requested stolen assets. The creation of similar legal criteria on this topic, based on the provisions of UNCAC and similar international instruments, is a prerequisite for effective mutual legal assistance.

Besides that, requests for assistance containing incomplete information, but a clear nexus between the offender and the assets, should be accepted if the requested state appears likely to be able to locate assets based upon the submitted information.

e) Plea agreements are a useful tool for completing proceedings quickly. Part of that cooperation generally includes the defendant's willingness to disclose where and how illicit assets are concealed, thus eliminating the need for complex and lengthy investigations, resulting in a more effective and swift asset recovery and conserving valuable resources of law enforcement and the judicial system.

The final decision regarding the plea agreement is made by the court. The court reviews the draft agreement and decides whether to accept it or not. If he accepts it, he makes a verdict to convict the defendant, but if he does not accept it, then the case is returned to the public prosecutor.

There are differences between the legislations that have introduced the plea agreement as an instrument for the efficient completion of proceedings. Thus, in some, an integral part of the agreement is the issue of confiscation of illegally acquired assets, while in others it is not an integral part, for example in Macedonian legislation the

measure of confiscation of assets obtained through crime can not be subject to agreement (Law for Criminal Procedure, article 484, Official Gazette of the Republic of Macedonia No. 150/2010).

This situation requires additional efforts to unify national legislation on the content of the plea agreement (in countries that accept it as a legal instrument). More broadly, at the international level it is necessary to create strong bridges for cooperation, in this issue, with the states that do not have a plea agreement in the national legislation.

f) International immunities are often an obstacle to mutual legal assistance in corruption cases or to the prosecution of foreign officials holding assets in financial centers. While the intention of immunity provisions is to enable a foreign official to act freely, such laws also have had the effect of shielding officials suspected of corruption from criminal prosecution.

In order to remove this obstacle, it is necessary to distinguish between crimes committed in connection with the official activity and acts that have a private character, the immunity should not apply for the second.

The space for mutual legal assistance will be open if the immunity of the current / former public servant is revoked by the requesting state. In that way, there will be no obstacle for the requested state to take actions for freezing and confiscation of stolen assets.

If the immunity is applied or not waived, the public prosecutor should file charges against other persons or entities involved in the case.

g) According to article 57 of UNCAC, States parties should have in place such legislative and other measures as may be necessary to enable its competent authorities to return all confiscated property (minus expenses incurred) to the jurisdiction from which it was stolen.

On the other hand, Article 14 (3) (b) of the UNTOC leaves space for jurisdictions to consider entering into an agreement to share recovered assets with originating jurisdictions, if they do not have provisions in domestic law.

Essentially, for all offenses covered by UNCAC the return of stolen assets to the requesting State should be complete, while for other offenses the return of stolen assets should be based on an agreement between the two jurisdictions.

Operational obstacles have a procedural character, affect the speed of the procedure. Overcoming them requires a network for coordination at the international level, as well as building close procedural policies and solutions.

a) In the realization of mutual legal assistance in the return of stolen assets, acquired by committing a crime, the speed of action is especially important. Therefore, states are required to designate focal points for the first contact, so that the whole procedure can begin.

The determination of focal points can be formal or informal. Formal determination of institutions is recommended (usually the Ministry of Justice) with data on the specific person or persons, published on the website of the institution or in regional - global databases. Jurisdictions should identify a primary and secondary focal point within their central authority, as initial contact point for inquiries on making requests for assistance.

Sometimes, in order to achieve the goal of mutual legal assistance, individual contact can be crucial, so that the informal focal point will be essential in the procedure.

Contact details should be accurate and regularly updated, ie., not to happen if the person changes his / her job and thus loses contact between institutions.

b) Regarding the above, state authorities should make available mutual legal assistance laws, regulations and tools, along with explanatory guidelines and sample requests for assistance.

In addition, the competent institutions designated as focal points for mutual legal assistance requests should, in partnership with relevant domestic agencies, to provide ready access to laws and regulations on mutual legal assistance on the Internet (for example, in the Republic of North Macedonia the focal point is the Sector for International Legal Cooperation, within the Ministry of Justice (https://www.pravda.gov.mk/sektor/3), while the legal basis is the Law on International Cooperation in Criminal matter ("Official Gazette of the Republic of Macedonia", No. 124 from 20.09.2010). Besides that, should issue and regularly update guidelines for foreign jurisdictions on requirements for making mutual legal assistance or other requests, including a template for a request and sample requests, and update them regularly. Also, the central authorities designated as focal points should issue written policies and procedures on mutual legal assistance to assist

relevant staff to initiate and transmit requests and to facilitate the timely processing of requests from foreign jurisdictions, as well as, to provide relevant staff with formal and on-the-job training on mutual legal assistance laws, regulations, and policies and on procedures for making mutual legal assistance requests.

c) Another obstacle to obtaining mutual legal assistance may be the structure of requests, ie, inappropriate requests, requests with irrelevant information, vague requests, unfocused requests and poor translation.

When faced with a poorly drafted request, requested jurisdictions should communicate the deficiencies to the originating jurisdiction, a process that should improve the quality of future requests and ensure that the request will be executed as desired. Originating jurisdictions should try to ensure that their requests are clear and focused and do not use legal terms without explanation.

Mentoring of asset recovery specialists is another effective way to assist originating jurisdictions. This approach provides the opportunity for knowledge and skill transfers over an extended period of time. Developed countries can integrate assistance with mentoring and capacity-building programs in direct cooperation with the originating jurisdictions or as part of their assistance packages through multilateral organizations.

In order to overcome this obstacle, requested jurisdictions should, under agreement, provide assistance and training through the placement of liaison magistrates, prosecutors or legal mentors in originating jurisdictions, particularly those with a significant number of requests or high-value matters. In addition, originating jurisdictions should increase the quality of translation by using professional translation services.

In the field of mutual legal assistance, Switzerland should be mentioned as a good practice, namely, Switzerland has established a Web site for mutual legal assistance requests (https://www.bj.admin.ch/bj/en/home/sicherheit/rechtshilfe/strafsachen.html), which enables the authorized persons, on a daily basis, to be informed and up to date with the status of the submitted request.

d) In order for the mutual legal assistance procedure to be effective, it is necessary to achieve a balance between two goals, respect for human rights and

freedoms, on the one hand, and confiscation and return of stolen assets, on the other hand.

Reality shows that when a case is opened against a person for confiscation of stolen assets, he will try to use the short period of time, which is not legally covered by a ban, to hide the requested property or to transfer it to a close persons, in order to avoid justice and retention of stolen assets. This is where international cooperation is needed, in order to fill legal gaps. This requires prompt action (taking into account the right to appeal, and other remedies available to the suspect).

Due to the above, requested jurisdictions should prioritize requests when informed of the urgency and create special procedures to expedite requests where originating jurisdictions advise that assistance is urgently required.

In order to use resources efficiently, originating jurisdictions should establish a reasonable monetary value threshold for assets below which they will not seek assistance unless there is high public interest in the recovery of assets.

e) In line with the above, sometimes the requested jurisdiction may request detailed information on assets, which the requesting jurisdiction may not have.

To overcome such an obstacle, states should develop and maintain publicly available registries, such as company registries, land registries, and registries of nonprofit organizations. Such registries should be centralized and maintained in electronic and real-time format, so that they are searchable and updated at all times.

f) When we talk about stolen assets from one country and transferred to another country, we primarily mean about bank accounts. In addition, bank accounts can be placed in the name of another person, which further complicates the procedure. To overcome this obstacle, states need to establish a national bank registry to retain account identification information, including beneficial owners and powers of attorney.

International cooperation requires states to provide information from such registries to foreign jurisdictions conducting investigations without requiring a formal mutual legal assistance request. This minimizes delay without alerting the asset holder to the investigation, thereby avoiding the risk that the assets will be moved or dissipated before the investigation is complete.

4. SECOND ROUND OF UNCAC EVALUATION, WITH A SPECIAL FOCUS ON ASSET RECOVERY

The effective implementation of UNCAC is assessed through the Implementation Review Mechanism (IRM). The Mechanism promotes the purposes of the Convention, provides the Conference of the States Parties with information on measures taken by States parties in implementing the Convention and the difficulties encountered by them in doing so, and helps States parties to identify and substantiate specific needs for technical assistance and to promote and facilitate the provision of such assistance. In addition, the Mechanism promotes and facilitates international cooperation, provides the Conference with information on successes, good practices and challenges of States parties in implementing and using the Convention, and promotes and facilitates the exchange of information, practices and experiences gained in the implementation of the Convention (https://www.unodc.org/unodc/en/corruption/implementation-review-mechanism.html).

The first cycle of the Review Mechanism started in 2010 and covers the chapters of the Convention on Criminalization and Law Enforcement and International cooperation. The second cycle, which was launched in November 2015, covers the chapters on Preventive measures and Asset recovery.

The second round of evaluation identified the problems faced by countries in implementing the provisions of the Convention, especially in the area of asset recovery. However, the problems in developing and developed countries are not the same.

Thus, it is noticed in North Macedonia that there is no national institution specialized in the tracing, securing and confiscation of assets (the same remark for Slovenia (Executive summary - Slovenia, Implementation Review Group 2020). On the other hand, the competencies and cooperation of the state institutions that have authorizations in the field of asset recovery are not clear (Executive summary - North Macedonia, Implementation Review Group 2020). It is noticed in Bosnia and Herzegovina that the asset recovery regime is in the early stages of development, and that there is no coordination between the institutions of the constituent units, ie. the establishment of domestic inter-agency coordination mechanisms is needed (Review Report of Bosnia and Herzegovina, UNODC, 2020). That the activities in Bosnia and

Herzegovina are at an early stage is shown by the following recommendations: to adopt the necessary measures to allow confiscation for all offenses under the Convention, and to take measures to allow direct enforcement of foreign judgments and orders for confiscation or the recommendation to continue efforts to put in place a mechanism for the transfer of confiscated assets to requesting countries. In addition, it is recommended to the above countries taking measures to allow for the sharing of asset declarations with competent authorities in other jurisdictions and provisions on the reporting of accounts held in foreign jurisdictions.

Developed countries, on the other hand, face other challenges in implementing UNCAC, especially in the area of asset recovery. For example, the United Kingdom has a comprehensive legal and regulatory framework for asset recovery and has demonstrated effective inter-agency coordination leading to international cooperation on asset recovery. To facilitate successful asset recovery, the United Kingdom places specialist advisers, some as liaison magistrates and prosecutors, in priority countries to assist with mutual legal assistance, extradition and European arrest warrants, or as criminal justice or asset recovery advisers (Executive summary – United Kingdom of Great Britain and Northern Ireland, Implementation Review Group 2020). The evaluation for the UK recommends continuing with positive practices and experiences, in particular continuing efforts to improve the effectiveness of the suspicious activity reporting process; then increase financial transparency by publishing data on foreign accounts, as well as monitor the operation of the asset recovery mechanisms to ensure that they are applied to the fullest extent possible for seizures, confiscations and return procedures coming into the UK.

Liechtenstein, one of the countries with the highest GDP per capita, has a well-established legal regime for asset recovery. The mutual legal assistance framework of Liechtenstein allows for spontaneous transmission of information such as suspicious transactions or unusual payments by legal entities. Liechtenstein has been actively participating in the Lausanne process to develop guidelines for the efficient recovery of stolen assets and identify good practices and concrete steps in international cooperation to ensure effective procedures for freezing and returning stolen assets. Liechtenstein's good practice is considered to be the issuance of domestic freezing orders without a warrant from a foreign court, based on a request for mutual

legal assistance or media reports. Despite the strong role of return on stolen assets, Liechtenstein is still advised to finalize the transposition of the fourth EU anti-money laundering directive (2015/849) to address the existing gaps in its anti-money laundering / counter-terrorist financing legislation on domestic politically exposed persons and beneficial ownership registers (Executive summary – Liechtenstein, Implementation Review Group 2020).

Despite the good legislative and institutional framework for asset recovery, Germany still has recommendations for improvement, such as: to continue efforts towards improving the data collection system concerning mutual legal assistance requests by exploring ways to compile relevant information and statistics; or to continue with steps to capacitate the newly established Financial Intelligence Unit, including through the provision of necessary resources and satisfaction of increased staff requirements to effectively carry out its mandate (Executive summary – Germany, Implementation Review Group 2020).

France has established the Agency for the Management and Recovery of Seized and Confiscated Assets as a public administrative body under the joint supervision of the Ministry of Justice and the Ministry of the Budget. Regarding asset recovery, France emphasizes cooperation and speed of information transfer. This is being done through various secure channels, such as the Egmont Group Secure Web and INTERPOL I-24/7 systems.

Similar to the UK, France designates liaison magistrates in several countries to facilitate the processing of mutual legal assistance requests, including for asset recovery. Then, the establishment of a dedicated platform for the identification of criminal assets.

The evaluation provides several recommendations for France: including the assets of spouses and minor children among the assets subject to declaration requirements; to take the necessary measures to ensure that confiscated property is returned, in accordance with UNCAC, even in the absence of an agreement with the requesting state (Executive summary – France, Implementation Review Group 2020).

As a separate category to be mentioned are the countries known as "tax havens" or Offshore destinations.

Offshore - can be defined as business opportunities offered by countries abroad, which usually cannot be used in the home country. This term refers to business activities through the use of banks, transactions or companies abroad. The registration of a company in offshore financial centers and consequently, the opening of accounts in offshore financial centers is not always done in order to commit abuses but is also done due to lower costs for running the business.

Offshore companies around the world offer a range of benefits for companies, and to start this type of company does not require much capital (for example, to start a company in Anguilla, Belize, Panama, St Vincent requires from 850-1000 euros, https : //www.sfm.com/company-registration-cost), the company operates without accounting obligations and submits annual reports to local authorities. No tax is paid on profits, nor is there a need for a local director.

In offshore financial centers, in addition to offering lower operating costs to companies, maximum privacy is provided because the names of owners and directors do not always have to be publicly recorded in trade registers.

Right here, in the possibility of hiding the real owner of the company creates the danger of money laundering or the removal of stolen assets from the country. Therefore, during the evaluation of the implementation of UNCAC (in the area of asset recovery) some of the mentioned countries were given several recommendations (eg, Panama, https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/ ImplementationReviewGroup / ExecutiveSummaries2 / V1908012e.pdf).

5. CASES FROM PRACTICE

According to data from the StAR Initiative, from January 2021 (https://star.worldbank.org/corruption-cases/assetrecovery/?term=), they have 246 stolen asset cases in their database.

According to them, the most common jurisdictions in which the asset is transferred are: USA (68), Switzerland (36), United Kingdom (26), France (7). While, as jurisdictions of origin most often appear: Nigeria (28), Ukraine (14), Libya, Philippines (13), Mexico (9).

It is noteworthy that there is no case for the Balkan countries, especially for the countries that emerged with the break-up of the former Yugoslavia. In the early 90's,

the process of privatization of state capital took place in the mentioned countries. Thus, in Macedonia (today North Macedonia) the privatization process created social problems because more than 200,000 people lost their jobs. This process has had an impact on further developments, such as the growth of organized crime, corruption, and generally major problems with the rule of law. Meanwhile, the social image in the country is crystallizing, so those who managed to become owners of state-owned companies today have a strong influence in the overall political-economic and social life, while having a huge capital in the country and abroad (especially in developed countries and financial centers).

Case 1 - Libya

If we take as a case study the cases in which Libya appears as a country of origin, we will notice that all the cases refer to the former ruler Muammar el-Qaddafi (and related entities and individuals). These asset recovery cases began in 2011, and the requested jurisdictions are the United States, the United Kingdom, Australia, the Netherlands, Austria, Switzerland, Sweden, Canada, Germany, and South Africa. From mentioned 13 cases, only four have been completed, one case is partially completed, while the rest are ongoing.

One completed case is ID: ARW-139 (https://star.worldbank.org/corruption-cases/assetrecovery/?f%5B0%5D=sm_field_arw_jurisdiction_origin%3ALibya), in which the Netherlands returns US $ 2 billion in previously frozen money to the Libyan National Transitional Council. A similar case is with ID: ARW -130, in which US $ 1.2 billion in Libyan assets had been located and frozen in Austrian financial institutions (https://star.worldbank.org/corruption-cases/node/18428).

Starting from the fact that most cases for Libya are still ongoing (almost a decade), ie, stolen asset has not been returned to the country of origin, shows how complex and slow is the whole procedure for returning stolen asset, although we have public declarative statements especially from the requested jurisdictions (where the stolen asset is located). This negatively affects the country of origin because the material goods needed for its development cannot be obtained.

Case 2 – Ukraine

Out of a total of 14 cases for Ukraine, eight concern Pavel Lazarenko. He is a former Ukrainian politician and former Prime Minister who in August 2006 was convicted and sentenced to 97 months in prison in the United States for money laundering, wire fraud and extortion. According to United Nations (Kravets, David, 2006), approximately US $ 200 million was embezzled by Lazarenko during 1996–97 from the government of Ukraine.

According to the Swiss Ministry of Foreign Affairs, US $ 5.4 million remain frozen (Stolen Asset Recovery Initiative - Corruption Cases - Pavel Lazarenko (Switzerland) - 2017-07-20-1.pdf (Case ID: ARW-154)).

It should be noted that out of the eight cases for Lazarenko, only one case has been completed, the rest are ongoing.

When talking about Ukraine it is necessary to mention the case of former President Viktor Yanukovych. It is a seized asset in Switzerland, worth US $ 175 million (https://star.worldbank.org/corruption-cases/node/20328 (Case ID ARW-228)). It is specific to the case that the funds went through accounts in numerous jurisdictions, including Cyprus, British Virgin Islands, Austria, Liechtenstein, Great Britain, the Netherlands and Switzerland. The procedure in this case is still ongoing, ie. the asset is still being treated as frozen.

Case 3 – Nigeria

Jurisdiction of origin with the largest number of cases in the StAR Initiative database is Nigeria. The cases mainly concern three people: Diepreye Alamieyeseigha (Nigerian politician who was Governor of Bayelsa State in Nigeria from May 1999 to December 2005), James Ibori (Nigerian politician who was Governor of Delta State in Nigeria from May 1999 to May 2007) and Sani Abacha (He was a Nigerian military general who served as the military head of state of Nigeria from 1993 until his death in 1998).

Five cases have been opened against Diepreye Alamieyeseigha, four of which have been completed and one is ongoing. The completed cases include the jurisdictions of Cyprus, Denmark, South Africa and the UK (https://star.worldbank.org/corruption-cases/assetrecovery?f%5B0%5D=sm_field_arw_jurisdiction_origin%3ANigeria (Case

ID ARW-50 51, ARW-52, ARW-54)), and about US $ 18 million was returned to Nigeria, funds that through several companies Alamieyeseigha took out in the mentioned countries, some of them invested in real estate, while some were in bank accounts.

In the fifth case for Alamieyseigha the requested jurisdiction is US. These are two real estates in Maryland and Massachusetts worth about US $ 1.1 million, and there are suspicions of money laundering (Case ID ARW-55). The procedure in this case is still ongoing.

Six cases have been opened against James Ibori and all are ongoing. The requested jurisdictions are the US, UK, Hong Kong and India. Proceeds from corruption worth about US $ 35 million (real estate and bank accounts) are frozen (https://star.worldbank.org/corruption-cases/node/19585).

14 cases have been opened against Sani Abacha, most of which are ongoing and several have been completed. Case ID: ARW-211 is one of the completed and with it Liechtenstein returned about US $ 224 million to Nigeria, funds that were found to be corrupt from the Nigerian national budget.

In another completed case (ID: ARW-250), Switzerland returned US $ 321 million to Nigeria in 2017 (https://star.worldbank.org/corruption-cases/node/20494). An additional US $ 160 million was returned to Nigeria from Jersey in 2003, ie funds that were corruptly removed from Nigeria by Sani Abacha and his associates (Case ID: ARW-165).

In 2007, US $ 723 million was returned to Nigeria from Switzerland (Case ID: ARW-167).

Data on completed cases, as well as ongoing ones, show that huge sums, expressed in billions of US dollars, were corruptly stolen from Nigeria during the rule of Sani Abacha.

6. STEPS FOR BETTER RESULTS

Success in stolen asset recovery requires coordinated action by all stakeholders in both requested and requesting jurisdictions, including those responsible for setting policies, law enforcement and justice officials, banks, private companies and their intermediaries (e.g., lawyers), development cooperation actors, civil society, and the media.

A high-level commitment to asset recovery is especially important, namely, both developed and developing countries need to adopt and implement comprehensive strategic policies to combat corruption and recover assets.

Adequate funding is needed to support asset recovery, including funding for investigations, prosecutions, international cooperation, training of domestic and foreign practitioners, policy development work, and institutions.

Both developed and developing countries need to ensure that they have a broad range of mechanisms in place, such as the abilities to rapidly freeze assets, to confiscate in the absence of a conviction, to return assets as part of a settlement agreement, and to reverse or shift the burden of proof.

It is especially recommended developed countries to be proactive, to ensure that they are able to proactively identify and freeze the assets of allegedly corrupt officials and establish incentives for domestic practitioners to initiate cases. Such domestic actions should be followed by international cooperation with the relevant foreign jurisdiction, including spontaneous disclosures and actions to build capacity and trust.

Build capacity in developing countries is a necessary condition for better results in return of the stolen assets. Asset recovery requires effective investigations in both, the requested and requesting countries, and many developing countries may need technical assistance to take such action. Development agencies can support the training and mentoring of developing country practitioners.

The transparency of the achieved results is especially important, as a roadmap for the next steps. Thus, statistics on law enforcement activities are essential for showing that countries are fulfilling their high-level commitments; they also help to guide domestic policy development, resource allocation, and strategic planning.

Regarding the above, we should mention the extremely important Proposal for a Multilateral Agreement on Asset Recovery prepared by Transparency International and UNCAC Coalition (https://ungass2021.unodc.org/uploads/ungass2021/documents/session1/contributions/TI_UNCAC_Po_Coalition_Coalition_ .12.6.2020.pdf) and submitted to UNGASS against Corruption 2021. It is a Proposal based on several international legal acts,

including the Lima and Oslo Statements on Corruption Involving Vast Quantities of Assets.

Of note is the fact that after a decade of lobbying, on 01.01.2021 the US Congress passed the Corporate Transparency Act (https://thesentry.org/2021/01/01/5106/us-passes-corporate-transparency-act-expert-commentary-available/), which bans anonymous shell companies in the country. This decision is in line with global efforts for ownership transparency, anti-money laundering and stolen asset detection.

CONCLUSION

Justice requires the return of property to the state from which it was criminally seized. Usually the victims of the stolen asset are the countries in transition, ie the developing countries. These are countries that have weak institutions, low level of professionalism, political influence, and as a result are not able to prevent the illegal transfer of stolen assets from the country of origin.

Such property also threatens the functioning of the legal system of developed countries or financial centers, in which the stolen asset is usually transferred. Money laundering is a danger to their institutional system.

Due to the above, intensified international cooperation is needed in the field of detection of stolen asset and its return to the country of origin.

Asset recovery is one of the pillars of UNCAC that requires more energy and commitment to achieve the goals of the Convention.

Obstacles to effective detection, freezing, confiscation and return of stolen assets are of different nature, but all obstacles can be overcome if there is effective cooperation between countries at bilateral and multilateral level.

Supports for stolen asset handover initiatives, such as the StAR initiative, need to be supported. The paper presents several cases on which the StAR initiative works, but the problem with detecting a stolen asset is very large, ie the dark number is huge.

It is necessary to multiply the efforts of countries in the field of asset recovery, because injustice can not be the basis of law.

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NEED FOR ENTREPRENEURIAL EDUCATION - DESIGNING AN EDUCATIONAL WORKSHOP

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ABSTRACT

Education has a vital role to play in developing the knowledge, skills, attitudes and values that enable people to contribute to and benefit from an inclusive and sustainable future. Learning to form clear and purposeful goals, work with others with different perspectives, find untapped opportunities and identify multiple solutions to big problems will be essential in the coming years. Education needs to aim to do more than prepare young people for the world of work; it needs to equip students with the skills they need to become active, responsible and engaged citizens. In other words, education needs to become more entrepreneurial.

The subject of this work is the "Educational Workshop" treated as a specific method of work with an emphasis on the process and manner of work. The paper is conceived as a review and the goal of this work is to, before all, theoretically elaborate what the educational workshop is, as well as to respond to several more meaningful questions regarding: for example, the role of the coordinator (facilitator) of the workshop, the structure and the design of a educational workshop, as well as the entrepreneurial characteristics and skills that should be obtained. We deem that the treatment of these issues will aid all those who, in one way or another, are involved in the educational process, when organizing and implementing educational workshops. This paper contributes understanding of entrepreneurial behavior by showing that creativity is an important antecedent of entrepreneurial intentions.

KEYWORDS: educational workshop, educational process, entrepreneurial education, facilitator

JEL CLASSIFICATION: I20

INTRODUCTION

We are facing unprecedented challenges – social, economic and environmental – driven by accelerating globalisation and a faster rate of technological developments. At the same time, those forces are providing us with myriad new opportunities for human advancement. The future is uncertain and we cannot predict it; but we need to be open and ready for it. The children entering education in 2020 will be young adults in 2030. Schools can prepare them for jobs that have not yet been created, for technologies that have not yet been invented, to solve problems that have not yet been anticipated. It will be a shared responsibility to seize opportunities and find solutions.

To navigate through such uncertainty, students will need to develop curiosity, imagination, resilience and selfregulation; they will need to respect and appreciate the ideas, perspectives and values of others; and they will need to cope with failure and rejection, and to move forward in the face of adversity.

The educational workshops have clearly defined rules which explain how they are to be managed, they have their forms and work techniques, as well as methods of assessing their success. What all educational workshops have in common is the personal and active involvement of every participant, communication that involves feedback, respecting diversities, developing tolerance and mutual acceptance, exchanging personal experience and developing positive authority. The basic characteristics of the educational workshop are: personal engagement, working in small groups, active participation of all, various forms of work - work in pairs, in small groups, social games, discussion, brainstorming (Leslie, 2000), supportive atmosphere in the group and by the facilitator, respecting the needs, emotions and manner of functioning of each participant, work on a mutual topic, including the personal experience of each participant (experiential learning).

To educate means to simultaneously preserve the past in what we expect for the future, at the present moment. Educational action is so spontaneous that we could say it is natural for human beings. In other words, to produce and transmit education is human nature.

1. THE NEED FOR ENTREPRENEURIAL EDUCATION

Entrepreneurship and innovative behavior have long been associated with creativity (Amabile, 1996; Nystrom, 1993), and recent literature suggests that creative

individuals are more likely to engage in entrepreneurial behavior (Ward, 2004). Creativity is closely related to innovation (Paulus and Kenworthy, 2018). Innovation is also considered to be a fundamental phenomenon of social and economic business advancements (Markopoulos et al., 2020).

In the foreground, the entrepreneurship is mostly associated with the economy as a way to ensure the survival and growth of enterprises. In this context we can also talk about creative economy, which according the Report of the United Nations conference in Trade and Development is defined as "the cycles of creation, production and distribution of goods and services that use creativity and intellectual capital as primary inputs.." The development of the creative side of the person is of great importance for the economy of each country (Oliveira and Melo, 2018). Souitaris and his colleagues pointed that entrepreneurship education contributes to the development of business through a variety of different ways (Souitaris, Zerbinati, & Al Laham, 2007). Van Auken in his paper pointed that Common entrepreneurship education goals include "openness to change, willingness to adapt to new situations and ability to work in an uncertain environment" (Van Auken, 2013). The authors Kicckul and his associates emphasize that entrepreneurship education is moving towards focusing more on design thinking and creativity skills (Kickul, Gundry, Mitra, & Bercot, 2018).

However, as a way of behaving, in fact, entrepreneurship must inevitably be adopted and applied in various spheres of life, if we want to provide an appropriate way to respond to the challenges of modern living, such as: uncertainty, rapid changes, high competitiveness, risk etc. In that context we are increasingly talking about social entrepreneurship. (Bayarcelik and Tasel, 2019) Entrepreneurship is also present in education, sport, health institutions, etc.

Efforts to introduce the entrepreneurship in the educational process have long been present, but what is noticeable is that for the most part when we talk about the presence of entrepreneurship in educational programs we are talking about the theoretical content of entrepreneurship. They are needed in terms to getting acquainted with the philosophy of entrepreneurial behaviour, but what is really needed is the development of entrepreneurial skills and entrepreneurial behaviour of students. Such skills can be acquired only through application of appropriate teaching methods that will provide active learning. Active learning is also known as

learning/awareness approach and puts the students in focus of the entire process. This concept elevates the role of the student on an equal level with the teacher, whose role is only to guide. This type of learning, in addition to providing the necessary quantum of theoretical knowledge, also enables the student to experience personal development and develop the necessary skills. Opposite this is the traditional educational process which is based on frontal teaching and passive knowledge transfer, also known as the tutoring/teaching by teachers (Fayolle and Klandt, 2006).

Our world is accelerating. Our world has become so complex, and the transformation is accelerating with the growing use and sophistication of technology. Independent of class, race, gender and nation we get access to information and can experience different realities at the same time. Technology enables more comfort, and the first progress with Artificial Intelligence and Virtual Realities devices has given a glimpse what will come on that timeline. Personalized learning does not stop within the walls of a school. People have not been ready to learn in a self-directed way but can make a jump in our evolution with peers and the infrastructure of technology. With their knowledge and consciousness, it is time to liberate themselves. During early days the use of information technology is just reinforcing outdated structures like the hierarchy in the learning process. Handing out tablets and following standardized curriculums does not necessarily mean innovation. Technology has not only enabled various forms of individualizing the way people are learning. Personal needs and learning habits are identified and met through computer games, individually composed education programs. Technological solutions give virtual access to expert knowledge of areas of interest. It enables the creation and sharing of knowledge among peers (Bean, 2011).

The main problem of the traditional education is focusing on the past, gaining knowledge and passive understanding of the material with absolute detachment from it. On the contrary, entrepreneurial approach is focused on the future, including creativity and insight rather than simple knowledge. It is about active understanding with emotional involvement and attempt to influence others through communication skills. The traditional education is focused on the concept, while entrepreneurial approach is aimed to skills development (Manimala and Thomas, 2017) (Ismail and Sawang, 2020).

To show how important is entrepreneurial education and what are the consequences of its absence, we can use the results of a one previous research about impact of the type of education on the current innovation of entrepreneurs in Macedonia. From the conducted research it can be seen that frontal teaching as a traditional type of teaching many years ago in Macedonia, with little application of practical teaching and mostly passive role of students didn't show any correlation with current innovation of business owners. Namely, the innovation of such enterprises is as a result of a process of imitation, either congenital skills or skills acquired in another way during life, but not as a result of skills acquired during the educational process.

The teaching methods used in the education of the respondents can be seen from Figure 1. The most common are the theoretical contents, including contents for entrepreneurship, while practical teaching was the least applied.

Figure 1 – *Teaching methods*
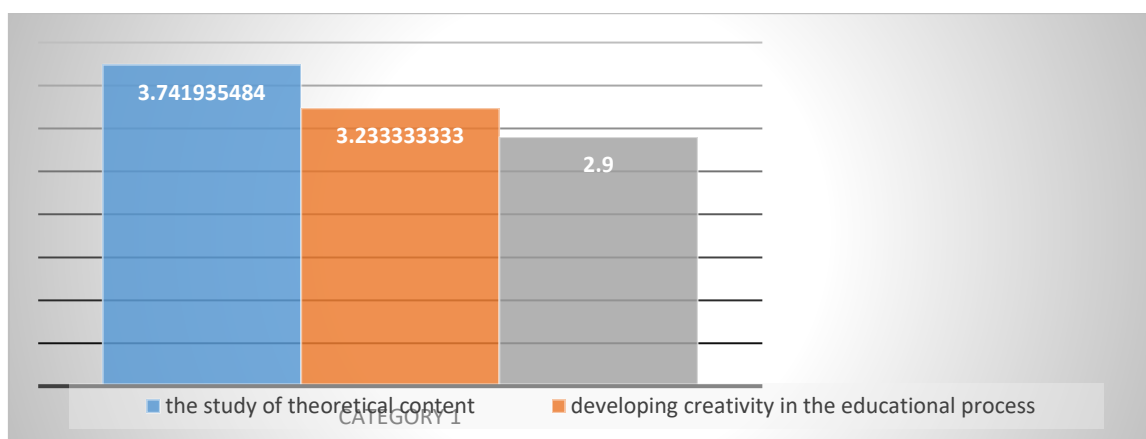
Source: Serafimovska, H., Popovski, V. and Sofijanova, E., (2018), "Implications of the Educational System on the Development of Entrepreneurship and the Innovation of Enterprises in the Republic of Macedonia", *Economic Development,* 2018, No. 1-2, Institute of Economics – Skopje, pp. 172-187

However, in order to achieve the desired effects and apply appropriate methods, it is necessary to clearly set the outcome expected from entrepreneurial education. In the simplest sense, it can be said that these are skills and characteristics typical for entrepreneurs, such as creativity, tolerance for uncertainty, appropriate attitude toward risk-taking, independence, perseverance, communication skills, leadership skills, flexibility, efficiency etc (Monhanty, 2005). Of course, for the concept of entrepreneurial education to be complete, it must be determined exactly which skills and knowledge for entrepreneurship development are appropriate for each level of

education, and what should be expected. These are the recommendation what should content the entrepreneurial education programme at each level (Kent, 1990):

- **Educational programs intended for primary school** should be focused on building entrepreneurial attitudes and entrepreneurial characteristics among young people from an early age. It is best to see entrepreneurial potential of an individual from an early age, so that the student during development can be directed to an appropriate educational program in order to develop into a real entrepreneur. Because this implies high developed educational system that is not easy to create, in order to overcome imperfections of the existing one, it is simplest the entrepreneurial educational programs to include elements that will generally develop entrepreneurial characteristics in all students, such as: perseverance, goal orientation, maintaining motivation, etc. Risk-taking is one of the key features of entrepreneurs, but in science community there is divided opinion about how good is to develop a tolerant (calculated) attitude toward risk-taking at an early age, and how it would manifest itself in different situations and by different individuals.

- **Educational programs for secondary schools** should have compulsory contents from economics and entrepreneurship. Adolescent need to be trained in decision making. Economics is a science of decision making and everyone should be able to choose the right alternative and to learn to accept the consequences of the decision made. Also, the young people should gain basic knowledge about the functioning of the market economy and get acquainted with the necessary prerequisites for entrepreneurship. A side from the expectations from the professional economic profiles, educational programs for secondary schools should guarantee acquisition of characteristics such as innovation, self-confidence, acceptance of responsibility for one's own action and so on.

- **In educational programs for academic level,** in addition to the content in the field of economics, finance and small business (for economics professional programs) all programs should contain specific content on the essence of entrepreneurship. In general, theoretical contents should be minimized and more practical teaching should be practiced for direct introduction to both entrepreneurship and the contents of other subjects through case studies,

games and simulations, creating business plans and facing problems and challenges that really stand in the way of entrepreneurs, gaining practical experience in real companies and other institutions appropriate to the profile of education.

According to Jones and his associates, the core objective of entrepreneurship education is new venture or value creation (Jones et al., 2018). They point that, the learning environment of entrepreneurship classrooms is likely to incorporate current business trends but also future growth trajectories. Nielsen and Gartner emphasize that entrepreneurship education should be transformational so that individuals undergo a change from being a student to also considering themselves as being an entrepreneur (Nielsen & Gartner, 2017). They considere that this is important as more students are needing to work to support their studies and entrepreneurship provides a good employment opportunity.

One of the teaching methods that can be used for the needs of entrepreneurial education and which guarantees such educational results is, of course, an educational workshop.

2. DESIGNING AN EDUCATIONAL WORKSHOP

2.1 Concept of an educational workshop

Every educational workshop has a clear and previously defined plan – scenario, the quality of which in great measure is a bearer of its success. The core of the scenario is made of structured activities which are a result of a concrete request introduced by the facilitator of the workshop and are united around one topic. One activity is most commonly made out of several demands which are mutually connected. The workshop as a work form may be applied to all ages, so that the topic, dynamic, and organization of the activities are adjusted in relation to the age differences. It needs to be emphasized that the number of participants in a workshop is to be between 15 and 20. The workshop is made out of several activities and it usually takes between one and two hours.

The educational workshop needs to implement the following stages:

1. The round "How Are You?" (activity through which the participants are to be gradually introduced to the context of the workshop);

2. Introductory activity (which aims to physically "move" the participants);

3. Initial activity (which has the goal to cause various feelings, stances, experiences, which is to be the subject of the next step in the workshop);

4. Main activity (which has the goal to give form to the previously caused experience and to exchange it with the others;

5. Evaluation of the main activities (has the goal to give form to the experience and name it, if necessary, to enrich it and allow the participants an emotional relief);

6. Conclusive activity – which could be any form of game or opportunity to try out some new behaviour (in which case there should be another conclusive activity);

7. Evaluation of the workshop by the participants (Walsh, 1997).

Thus designed the workshop has before all an educational purpose. The educational workshop should always be directed towards obtaining constructive social skills. Only with a solid structure and a well-organized scenario, active participants, positive atmosphere and environment, as well as good preparation and expertise of the facilitator of the workshop may a productive educational workshop be organized.

The communication based on feedback is important for the educational workshop. One of the best ways to provide excellent communication between the participants and the facilitator is active listening. When building good communication, active listening is as important as what is said as well as the manner in which it is said. This is why it is so important that the educational workshop does not implement only listening – but active listening, meaning constant, careful and serious (The National Association of Head Teachers, 2007).

2.2 Relevant research for designing educational workshops

In 2015, a research was conducted on the topic *Promotion and support for the development of the educational activity of schools* (Apostolova Nikolovska, 2015) with a suitable sample of university professors. The questionnaire and didactic models of educational workshops were distributed to a suitable sample of 25 professors from the pedagogical faculties in the Republic of Macedonia in (Skopje, Stip, Bitola, Tetovo and the Institute of Pedagogy). They first analyzed a set of seven educational workshops and then they made evaluation in terms of the presence of pedagogical didactic

components: during the workshops - components of proactivity, compatibility with the teaching contents, polymorphism and polymethodicity are present, whether they require pedagogical competencies, whether extracurricular activities can be used, whether preschools can be used, whether they can be used in teaching, whether they can upgrade to the level of practicum, whether they can be integrated in the higher education didactic methodological training of future teachers and finally whether they correspond to the real needs of the community.

Professors with a grade of five value proactivity during workshops. This is even more so because during the workshops the successful relationship between the student and the teacher is primarily because there are elements of: personal affection; knowing; interests; attitudes and values; various numerous methods and forms of work. All this is confirmed by the positive evaluation by the professors for these pedagogical-didactic components. The obtained results show that almost 77% of the professors think that these models can find practical application by teachers in extracurricular activities, professional services in schools, by teachers in working with parents and students. Also, nearly 70% of teachers believe that these models can find further application in out-of-school, and in all entities working on this issue in order to further improve the quality of educational activity in schools.

The professors from the pedagogical faculties positively evaluate the models of the workshops and consider that the teachers from the subject teaching and those who teach in the secondary education should be trained according to this concept of models, ie they state that such a concept of models can be applied in academic didactics.

2.3 Role of the coordinator-facilitator of the educational workshop

The coordinator of the educational workshop should always control the conditions and environment in which the work is done. He/She should respect the participants and contribute towards their self-discipline and taking responsibility as opposed to obedience as external motivation of the participants.

What the facilitator aims for is to achieve for the participants to love what they do, instead of doing whatever they like. The basic question for the facilitator of the workshop is: What do I want the participants at this workshop to learn and how do I achieve that? The following is of great importance for the coordinators-facilitators:be relaxed when you come to the workshop; always be punctual- be well rested when you

come to the workshop, do not organize complicated games; give simple explanations ; give precise and clear directions; watch, observe everything that is happening in the workshop; be careful; be cheerful ; in case of a problem remember the rules; allow whispering; work with the optimal number of participants: 15 to 20; hear out all the participants; introduce new things in the workshop; adjust the workshop for various age groups; relax, the workshop cannot be a complete failure; after every workshop write down the good and bad experiences.

The role of the coordinator of the workshop should be that of a facilitator i.e. a person who facilitates and supports the work process in the group. The coordinator should constantly follow everything around him/her and should try to balance the needs of all the group members, as well as the needs of the program (previously created scenario). This means that the facilitator should pay attention to the entire work in the workshop.

CONCLUSION

In the face of an increasingly volatile, uncertain, complex and ambiguous world, education can make the difference as to whether people embrace the challenges they are confronted with or whether they are defeated by them. And in an era characterised by a new explosion of scientific knowledge and a growing array of complex societal problems, it is appropriate that curricula should continue to evolve, perhaps in radical ways.

Scientific knowledge is creating new opportunities and solutions that can enrich our lives, while at the same time fuelling disruptive waves of change in every sector. Unprecedented innovation in science and technology, especially in artificial intelligence, is raising fundamental questions about what it is to be human.

It is time to create new economic, social and institutional models that pursue better lives for all. It is time of necessity for constant development of entrepreneurship. One way to achieve this is to implement entrepreneurial education, which means application of educational methods that enable active study and development of the creative side of individuals.

We can go further and say that the development of education in the near future may even include meditation techniques as an appropriate response to the challenges of the outside world.

To cope with fast changing world we must develop entrepreneurial approach in education, which is focused on the future, including creativity and insight rather than simple knowledge. It is about active understanding with emotional involvement and attempt to influence others through communication skills. The traditional education is focused on the concept, while entrepreneurial approach is aimed to skills development.

One of the teaching methods that can be used for the needs of entrepreneurial education and which guarantees such educational results is, of course, an educational workshop. The appropriateness of this method stems from the opportunity that the educational workshop provides to achieve active learning and puts the students at the focus of the whole process. This method raises the role of the student on an equal level with the teacher, whose role is only to lead, ie to coordinate. This type of learning provides the required quantum of theoretical knowledge and also enables the student to experience personal development and develop the necessary skills, exactly what is needed to develop a proactive entrepreneurial person. The educational workshop is a serious thing and requires great engagement both by the coordinator and the participants. The purpose of the educational workshop is to achieve certain knowledge and skills, in this case entrepreneurial skills such as: perseverance, goal orientation, proactivity, maintaining motivation, decision making etc. During the workshop the coordinators should focus on the visible and practical skills of the participants. The goals of the workshop should always implement the criteria assessing these skills.
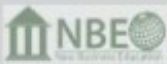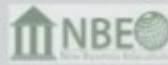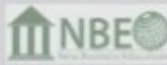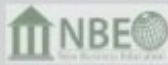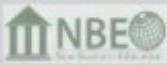
The paper opens the possibility for future research about the state of the current education system, the gap between current teaching skills and those that need to be developed for an entrepreneurial approach to education and more active learning.

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