



ECONOMIA MARCHE Journal of Applied Economics

Vol. XLIV, No.2, Ottobre 2025

Bridging the soft skills gap for a Sustainable Future: A Comparative Study of student and Employer Perspectives in Albania

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Abstract

This study investigates the persistent gap between soft skills taught in higher education and those demanded by employers in Albania's evolving innovation and sustainability-oriented economy. Using a mixed-methods approach, the research draws on survey data from 51 university students and 67 company representatives, complemented by a focus group with HR managers across key sectors. Results reveal a strong consensus on the importance of communication and teamwork ranked essential by nearly 80% of businesses and over 70% of students while significant deficits persist in problem-solving, self-management, and critical thinking. Only 38.8% of companies provide structured soft skills training, and 53.7% rate new graduates' competencies as only partially sufficient. Students identify group projects as their main source of soft skill development, with limited internship opportunities (17.6%) restricting experiential learning. Focus group insights reinforce that communication, adaptability, and ethical awareness are increasingly decisive for employability and entrepreneurship, yet underdeveloped in formal education. The study contributes new empirical evidence from a transition economy, demonstrating the need for co-designed curricula, systematic soft skill assessment, and sustainability-linked training programs to better align university outcomes with labor market expectations.

Keywords: *Soft Skills Gap, Challenges, Sustainability, Teamwork, Problem-solving, Communication*

Acknowledgments

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This research is part of the 101120390 - USE IPM - HORIZON-WIDERA-2022-TALENTS-03-01 project, funded by the European Union. Views and opinions expressed are however those of the authors only and do not necessarily reflect those of the European Union or the European Research Executive Agency. Neither the European Union nor the European Research Executive Agency can be held responsible for them.

The data of this part of the research has been gathered by the team of researcher's part of the project "USE IPM- Up skilling Researchers for Sustainable Entrepreneurship, based on innovation process management" from the University of Tirana, composed of Dr. Alba Skendaj, MSc. Ada Bici.

1. Introduction

Soft skills have emerged as critical drivers of employability, career growth, and organizational success in the 21st century. In today's labor market, soft skills are recognized as essential for employability, career advancement, and organizational effectiveness.

Almeida and Devedzic (2022) classify competencies into three key domains: technical, managerial, and personal attributes. Among these, soft skills represent core capabilities that affect both professional effectiveness and social interaction. While technical expertise is vital, it is insufficient on its own to achieve organizational objectives, as managers and other professionals must also rely on interpersonal, communication, and decision-making abilities to focus on performance and innovation.

The paper examines the soft skills gap in Albania, a transitioning economy facing evolving labor market demands. Many authors have studied soft skills (Kantrowitz, 2005; Rainsbury et al., 2002; Costa & Cipolla, 2025; Deming, 2017). Some of them emphasize their importance and impact on firm performance and success (Boyatzis, 1982; Weber et al., 2010), while others find them essential in uncertain times and dynamic environments, where innovation is important (Costa & Cipolla, 2025). For entrepreneurial success, Tem et al. (2020) highlighted that communication, critical thinking, and leadership were among the most desired competencies. What is certain is the fact that the demand for soft skills spans multiple domains of the 21st-century labor market.

Despite the growing recognition of soft skills as a key determinant of employability and organizational success, a persistent gap remains between the soft skills demanded by employers and those demonstrated by job seekers. Numerous studies have shown that research consistently shows that employers place high importance on interpersonal abilities like communication, collaboration, adaptability, and analytical problem-solving for effective performance, yet they report that many graduates and employees lack these competencies (WEF, 2023; McKinsey & Company, 2021; SHRM, 2019).

This gap poses challenges not only for recruitment but also for productivity and long-term business sustainability. Research in the Albanian context similarly indicates that the labor market faces a shortage of such higher-order skills, as technical qualifications often outweigh interpersonal and cognitive competencies (Bici & Spahiu, 2023).

Research addressing this soft skills gap in Albania remains very limited, leaving a possibility of fully understanding the perspective of employers and students related to the importance of soft skills in Albanian reality. In this paper, we address this gap by offering interesting insights about the most important soft skills in Albania, the different perspectives on soft skills between the two samples, and we try to modestly suggest some recommendations on how to close this gap. This study extends prior research on the role of soft skills by providing empirical evidence from a transition economy context, an area largely underexplored in the literature.

The paper is organized as follows. In the second and third section, we focus on the literature review about soft skills, their importance, and the current soft skills status in Albania. The methodology is presented in the fourth section, followed by key findings in the fifth section, and concluding with a discussion, implications, and conclusions section.

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2. Literature Review

What is meant by soft skills

In this paper, soft skills are understood as a cluster of interpersonal and self-management abilities that influence how people collaborate, communicate, and function in both professional and social contexts. Soft skills encompass interpersonal and intrapersonal abilities that shape how individuals communicate, collaborate, and engage in professional and social environments.

The evolution of the term soft skills reflects changing workforce expectations. Historically, technical skills were sufficient to perform most roles, but as work environments have become more collaborative and dynamic, soft skills have emerged as critical differentiators. According to Boyatzis (1982), competencies such as empathy, communication, leadership, and conflict resolution can significantly account for managerial performance and effectiveness. These competencies are increasingly viewed as essential for navigating uncertainty, fostering innovation, and sustaining productive working relationships (Costa & Cipolla, 2025). Moreover, Katz's (1974) classic categorization of managerial skills—technical, human, and conceptual, lays the foundation for understanding soft skills as essential human and conceptual abilities that facilitate effective leadership and collaboration. These competencies bridge the gap between academic achievement and real-world employability and are increasingly embedded in strategic talent development programs globally (Ritter et al., 2018).

Why are they important

Soft skills are fundamental for success in the modern workplace. In a rapidly evolving global economy, employers are increasingly prioritizing these competencies over technical expertise during hiring and promotion decisions (Tribble, 2009; Adecco Group, 2017). Studies show that soft skills are more difficult to teach on the job compared to hard skills and often contribute more to long-term success and adaptability (Deming, 2017). In sectors such as hospitality, IT, finance, and education, HR managers frequently observe a skills gap where candidates possess academic qualifications but lack the interpersonal qualities needed to thrive in team-based and client-facing roles (Bici & Spahiu, 2023).

The shift toward service-based economies and remote work has intensified the need for skills such as emotional intelligence, cultural awareness, flexibility, and leadership (Elmoutanna & Motii, 2022). In their study, Tem et al. (2020) highlighted that communication, critical thinking, and leadership were among the most desired competencies for entrepreneurs and employees alike. Furthermore, companies that invest in soft skills training often report improved employee engagement, higher retention, and greater productivity (Weber et al., 2010).

Soft skills also play a critical role in innovation and entrepreneurship. According to Okolie et al. (2021), the development of entrepreneurial competencies among students hinges not just on business acumen but also on self-awareness, risk management, and the ability to work effectively with others.

These findings are echoed by the Youth Business International (2019) framework, which emphasizes that future entrepreneurs will need to balance interpersonal and creative problem-solving skills to thrive in increasingly complex environments.

What skills are needed in the 21st century and the future

The 21st-century labor market is characterized by rapid technological disruption, global interconnectedness, and the rise of artificial intelligence. These transformations demand a workforce equipped not just with technical know-how but with a robust set of soft skills. According to the World Economic Forum (2023), the most critical skills for future employability include problem-solving, adaptability, creativity, communication, emotional intelligence, and collaboration.

In response to Industry 5.0, there is an increased emphasis on hybrid skills, where digital and soft skills coexist and reinforce each other (Poláková et al., 2023). Employers are seeking professionals who can manage ambiguity, navigate cross-functional teams, and lead innovation in diverse and technologically integrated workplaces. Data from Stephany and Teutloff (2024) indicate that demand for interpersonal skills is outpacing supply, with skill premiums rising sharply for those who combine technical expertise with soft skills.

The competencies demanded today are not only task-specific but also mindset-oriented. A growth mindset, resilience, and continuous learning have become defining characteristics of successful professionals (Costa & Cipolla, 2025). Additionally, adaptability is now seen as essential due to the increasing pace of workplace changes and career transitions. As Gonzalez Ehlinger and Stephany (2024) note, hiring is shifting toward a skills-first approach, especially in AI and green jobs, where formal degrees are often seen as less predictive of success than proven skills.

How education should shift to close the soft skills gap

To close the gap between academic qualifications and industry demands, education systems must evolve. Traditional models focused on lecture-based, theory-heavy instruction are increasingly seen as inadequate for preparing students for dynamic workplaces (Ritter et al., 2018). Instead, there is a growing push toward project-based learning, micro-certifications, and experiential learning, which provide more practical and context-rich opportunities to build soft skills (Musa et al., 2012).

Project-based learning (PjBL), in particular, has proven effective in nurturing teamwork, leadership, communication, and problem-solving abilities by simulating real-life challenges (Sharvari & Kulkarni, 2019). This model allows learners to apply theoretical knowledge to complex, ambiguous problems, mirroring the demands of contemporary work environments. Similarly, micro-credentials offer targeted, modular training that enables individuals to quickly gain competencies aligned with specific career goals, especially in areas like digital literacy and emotional intelligence (Buayai et al., 2025).

Costa and Cipolla (2025) advocate for a transformative shift in higher education where soft skills are embedded across curricula through interdisciplinary courses, experiential workshops, and service-learning projects. Furthermore, professional development for educators must be prioritized to equip them with the tools to foster these skills in students. Institutions that invest in such pedagogical innovation will better prepare graduates not only for employment but also for meaningful contributions to society and sustainable development.

Soft skills have emerged as critical drivers of employability, career growth, and organizational success

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To bridge the growing soft skills gap, education systems must realign their priorities, integrating more experiential learning models, embracing modular credentialing, and forming closer collaborations with industry. The evidence overwhelmingly supports the need for a balanced and future-oriented approach to learning, one that equips individuals with both the technical knowledge and the human capabilities needed to navigate an increasingly complex and interconnected world.

3. Situation in Albania: where we stand

Research in Albania indicates that the labor market shortage is less about technical expertise and more about advanced capabilities such as critical thinking, creative problem-solving, innovation, and the ability to adapt in complex or uncertain environments (WEF 2023; McKinsey 2021; SHRM, 2019). According to the level descriptors of the Albanian Qualifications Framework (AQF), aligned with the European Qualifications Framework (EQF), such learning outcomes correspond to level 6, which is the general qualification level of a bachelor's degree.

National statistics show that approximately **25–26%** of Albanian youth (ages 15–29) are not in Education, Employment, or Training (NEET), a rate more than double the EU-27 average of 11% (UNICEF). Reports consistently identify a **skills mismatch**, notably deficiencies in digital and soft skills as a key barrier preventing young Albanians from competing effectively in the labor market. Surveys indicate over **70% of youth express a strong desire** to acquire both digital and soft competencies, yet many struggle to access quality training or relevant internships. The inadequacy of soft skills among graduates is confirmed by employers, who cite poor communication, critical thinking, teamwork, and adaptability as primary obstacles to employability.

Based on the previous study by Bici & Spahiu (2023), “Soft Skills of Youth Needed for Engagement in the Work Sphere and Launching Entrepreneurial Business”, which engaged human resources managers from various sectors through a focus group, the aim was to identify the most in-demand soft skills in the Albanian labor market. The study's findings showed that effective communication, critical thinking, adaptability, teamwork, innovation, and business ethics were rated as essential skills for professional success. Participants emphasized that soft skills are more important than technical skills, as the latter can be acquired through experience, whereas soft skills require time and systematic cultivation. The consensus among all participating companies was that the lack of soft skills among applicants is one of the main challenges to employment, considering these skills as fundamental to the personal and professional success of young people.

The limited availability of career counselling and structured job-matching services further compounds the problem; many firms prefer informal hiring networks, sidelining capable but less connected candidates. Consequently, although market vacancies exist, young Albanians often feel ill-prepared or discouraged from seeking them (UNDP). These findings underscore the urgent need for coordinated efforts among government, education, and employers to enhance soft skill development, integrate practical experiences into curricula, and strengthen institutional support for youth transitioning into the workforce.

4. Methodology

The methodology employed in this study adopts a mixed-methods approach, combining both quantitative and qualitative data collection techniques. A structured questionnaire was distributed to 70 bachelor-level students from the Faculty of Economy at the University of Tirana, resulting in 51 valid

responses. In parallel, 70 questionnaires were shared with representatives of Human Resources departments across various companies, yielding 67 responses, including 25 hard copies collected during the Job Fair held at the Faculty of Economy (FEUT). The questionnaires were designed by the authors, drawing upon key themes identified in the literature review, particularly the importance of soft skills, existing challenges, and proposed collaborative strategies to bridge the skills gap. Both student and company questionnaires were developed using Google Forms, which facilitated digital distribution and automatic aggregation of responses for analysis.

For the qualitative part, this study uses a focus group as the method of analysis because, compared to other qualitative techniques, focus groups allow researchers to explore complex social processes and interactions among participants. They are also beneficial for generating insights, testing new concepts, and refining theoretical ideas (Krueger & Casey, 2015; Bryman, 2016).

The Delphi method was developed during the 1950s at Rand Corporation to make effective use of potential intra-group interaction (Breiner, Cuhls, & Grupp, 1994). The method has proved to be especially appropriate when the subject matter lends itself to conducting subjective (qualitative) rather than quantitative analysis (Linstone & Turoff, 1975). The central aim of the Delphi method is to eliminate any confrontation among the experts and to allow judgment to be reached by consensus based upon increasing amounts of information becoming available. A Delphi study involves a number of considerations, including: (a) the selection of panelists, (b) the design of the questionnaire, (c) the provision of feedback, and (d) a decision on the number of rounds to be conducted (Yong, Keng, & Leng, 1988).

The methodology employed in this study is based on a qualitative approach, specifically the focus group method, designed to explore the perspectives, experiences, and attitudes of HR professionals and entrepreneurs regarding essential soft skills for young people entering the workforce or launching a business. This method complements a broader Delphi study within the project framework. The focus group was structured around a pre-defined protocol informed by a thorough review of literature on soft skills. Seven key thematic areas guided the discussion, covering interpersonal and intrapersonal skills, problem-solving, innovation, adaptability, and the role of soft skills in recruitment and entrepreneurial success. The focus group involved a small, purposefully selected sample of experts from HR and entrepreneurship, ensuring diversity in professional background, gender, and experience. Participants were selected based on their proven expertise in candidate recruitment, soft skill assessment, or successful business management. The session was held in a classroom setting and moderated by two researchers, supported by an assistant who took detailed notes and recorded the session. Discussions were audio recorded and complemented by visual materials such as PowerPoint presentations and printed prompts, which helped structure and stimulate the dialogue.

Data collection was followed by a qualitative content analysis, whereby responses were categorized based on thematic relevance and grouped by recurring patterns or unique contributions. This allowed for the identification of shared insights, priorities, and gaps in soft skill development among young professionals. The focus group also served as a platform to propose new skill sets and practical instruments for soft skill assessment during recruitment, and to formulate recommendations on how education systems and workplace environments can collaborate to foster the development of these competencies over time.

We conducted a focus group that engaged HR managers from various sectors (banking, tourism, telecom, IT) to identify key soft skills that support young people in entering the labor market or starting a business. The discussion revolved around 7 core questions designed to assess perceptions on soft skills relevance, development, and evaluation.

5. Key Findings from Quantitative Study

The findings of this study highlight a growing consensus among both companies and students on the critical role of soft skills in fostering sustainable and innovative business practices in Albania. The alignment of these perceptions offers both opportunities and challenges in redesigning educational strategies to bridge the existing skill gaps.

From the perspective of businesses (see Annex A), soft skills such as communication, teamwork, and problem-solving are considered fundamental, with nearly 80% ranking communication and teamwork as essential in their operations.

1. Which soft skills are critical in your company? (Pick up to 3)

67 responses

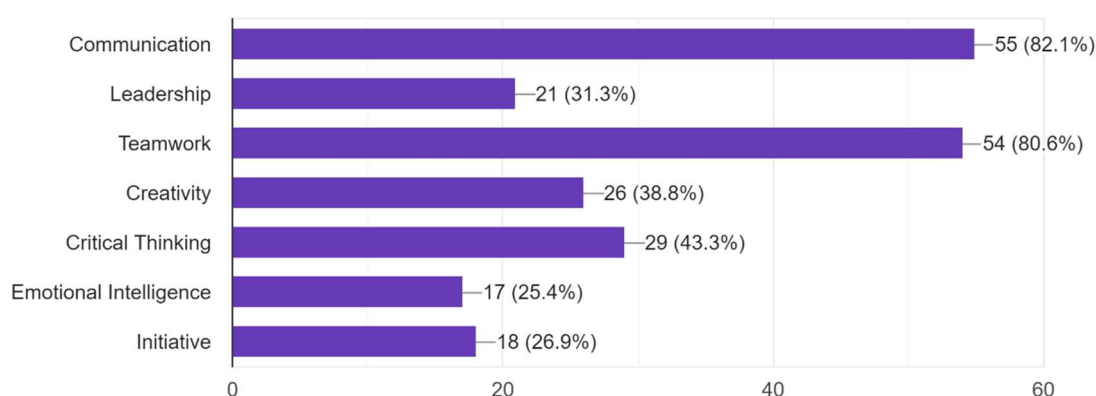


Fig.1: Soft skills critical for the company

This result is consistent with the conclusions of earlier studies conducted by Elmoutanna & Motii (2022) and Tem et al. (2020). A significant portion of companies (64.2%) view soft skills as equally important as technical competencies, and nearly a third (28.4%) consider them even more crucial in driving innovation and sustainability. This result is consistent with global research showing that adaptability, creativity, and teamwork increasingly outweigh technical expertise in determining organizational success (Bici & Spahiu, 2023; WEF, 2023; McKinsey, 2021; SHRM, 2019).

Similar conclusions by Almeida and Devedzic (2022) and Tem et al. (2020) emphasize that soft skills not only enhance entrepreneurial performance but also foster innovation and long-term competitiveness. However, despite acknowledging their importance, only 38.8% of companies offer structured internal training in soft skills, while another 38.8% provide such training sporadically. This signals a disparity between the recognition of soft skill relevance and the level of investment in their development within the workplace. Similar disparities have been documented by Ubfal et al. (2020) and Almeida and Devedzic (2022), where structured soft skills development programs remain limited, particularly among small and medium-sized enterprises.

2. Are soft skills more important than technical skills for innovation and sustainability?

67 responses

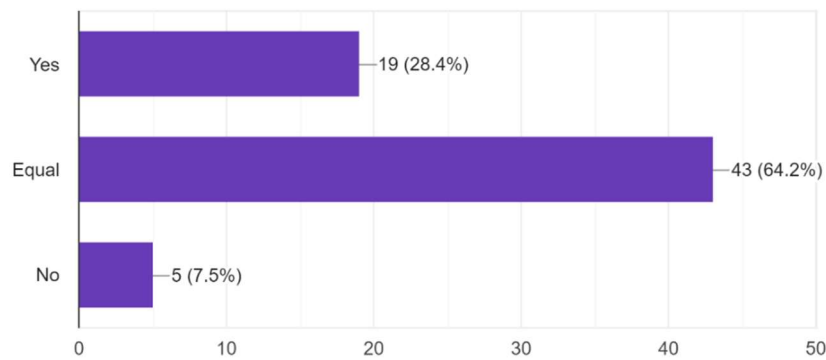


Fig.2: The importance of soft skills compare to technical skills

4. Does your company provide internal soft skills training?

67 responses

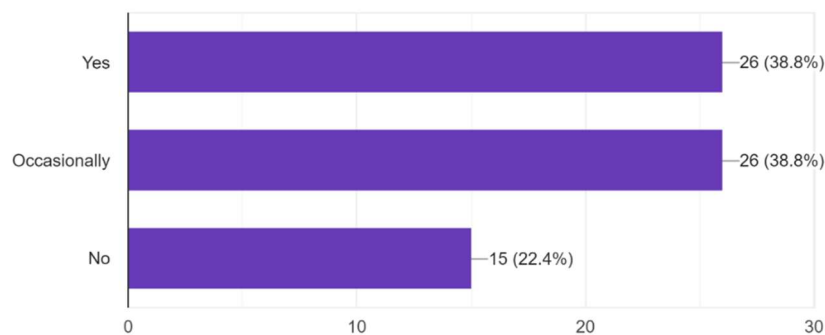


Fig.3: Internal soft skills training provided by companies

The perception that young employees possess only partially sufficient soft skills (reported by 53.7% of businesses) further underscores the gap between academic training and labor market expectations.

Problem-solving, communication, and self-management are among the most frequently cited deficiencies in new graduates. In their literature review, Tushar & Sooraksa (2023) also found that communication, problem-solving, teamwork, and adaptability are among the most commonly reported skills sought in graduates, and there is a mismatch between employer expectations and graduate competencies.

Encouragingly, findings of this study suggest that many Albanian businesses are becoming increasingly willing to participate in student development initiatives, such as internships, mentoring, and collaboration with universities on sustainability and innovation projects. Over 70% of firms in Albania report interest in engaging with educational institutions, and nearly 60% have already collaborated on initiatives related to sustainability and employability. This trend reflects a broader international movement, as noted by the World Economic Forum (2023) and OECD (2021), which highlight that partnerships between the education and business sectors are essential to preparing future talent. However, despite this growing willingness, most collaborations in Albania remain informal and short-term, underscoring the need for more structured frameworks and incentives to ensure continuity and meaningful impact (European Commission, 2023; McKinsey, 2021).

3. Do your younger employees (under 30) have sufficient soft skills?

67 responses

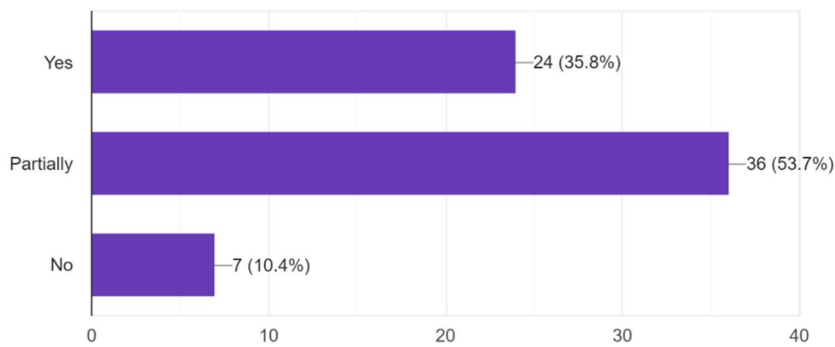


Fig.4: Soft skills among younger employees

11. Would your company support students through: (Select all that apply)

67 responses

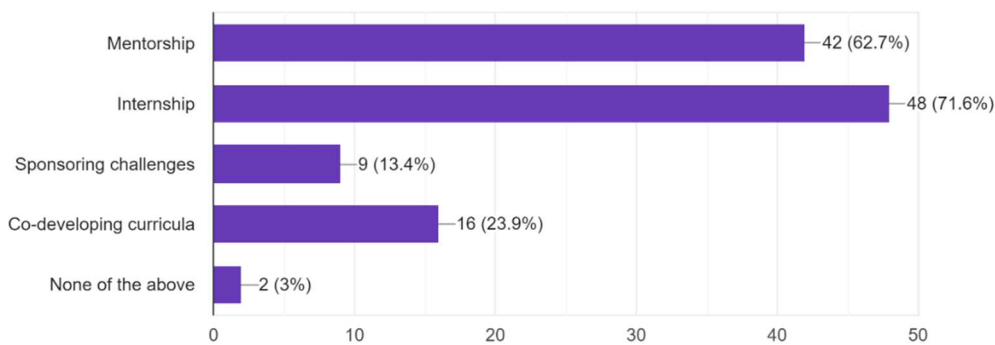


Fig.5 Students support by companies

10. What soft skill gaps do you observe most in new graduates? (Pick up to 2)

67 responses

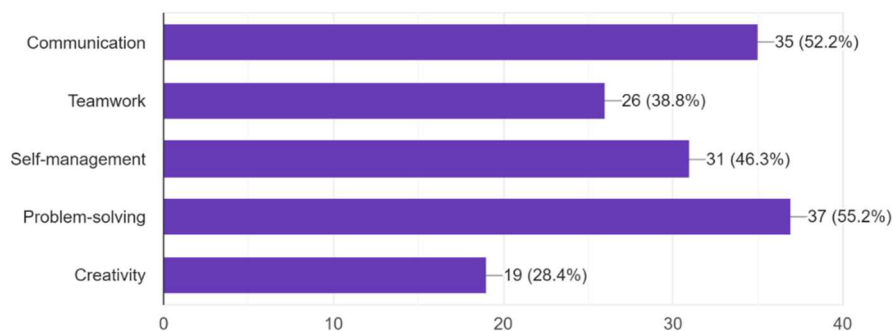


Fig. 6 Soft skills mostly found in new graduates

From the student perspective, there is a similarly high valuation of soft skills, particularly in the context of sustainable entrepreneurship (see Annex B). A combined 70.6% of students rated soft skills as highly or very highly important for launching or managing sustainability-focused ventures.

Numerous studies have found that students consistently rank communication, teamwork, and critical thinking among the most essential competencies for launching or managing ventures (Tang, 2020; Almeida & Devedzic, 2022), which are consistent with the findings of our study. Communication and critical thinking are perceived as the most important skills in our findings, aligning closely with business expectations. Studies conducted in higher education settings similarly show that students recognize soft skills as critical for translating innovative ideas into responsible businesses (Tushar & Sooraksa, 2023).

However, students report that current academic programs only partially support the development of these competencies. The primary mode of soft skill acquisition is through group projects (66.7%), with internships playing a relatively minor role (17.6%). Similar findings have been documented in various higher education contexts, where soft skills training is often limited to classroom-based activities rather than integrated through experiential or work-based learning (Tang, 2020; Jackson, 2016). Group projects and teamwork exercises remain the predominant mode of developing communication, collaboration, and problem-solving abilities, while internships and practical activities play a minor role (Tushar & Sooraksa, 2023). This reflects a broader challenge in aligning higher education with labor market needs and highlights a missed opportunity to strengthen soft skills through authentic, real-world learning experiences (OECD, 2021).

4. Rate the importance of soft skills for starting or running a sustainable business.

51 responses

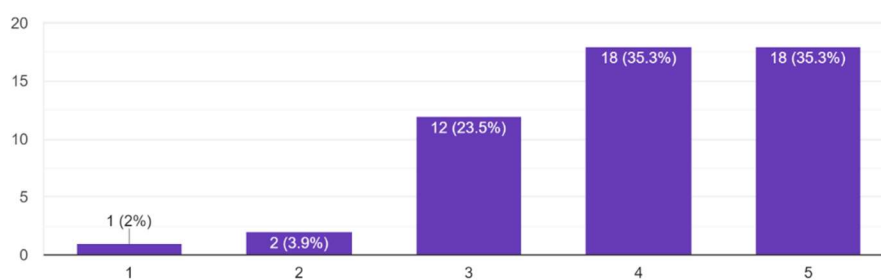


Fig.7 The importance of soft skills for starting or running a sustainable business

5. Which soft skills are most important for sustainability-driven entrepreneurs? (Pick up to 3)

51 responses

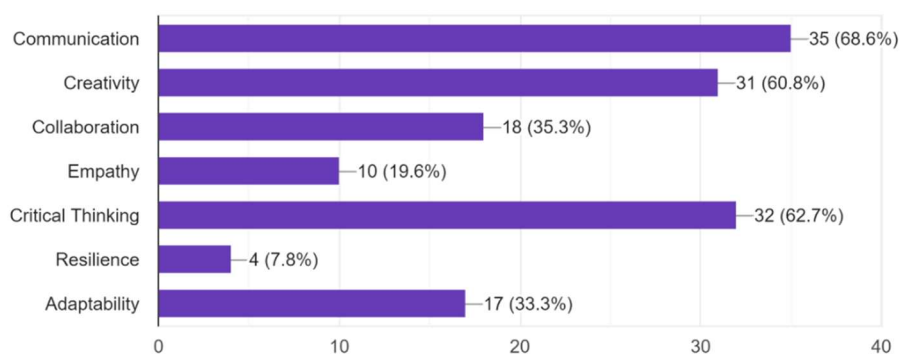


Fig. 8 Most important soft skills for sustainability-driven entrepreneurs

7. What are the main sources of soft skill development at your university?

51 responses

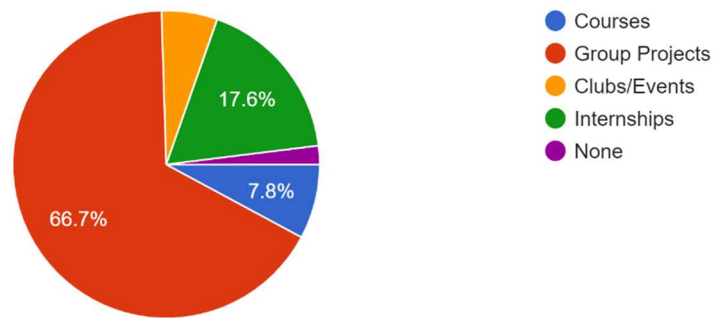


Fig. 9 Main sources of soft skill development at the university

6. Do you believe you are developing these skills in your current program?

51 responses

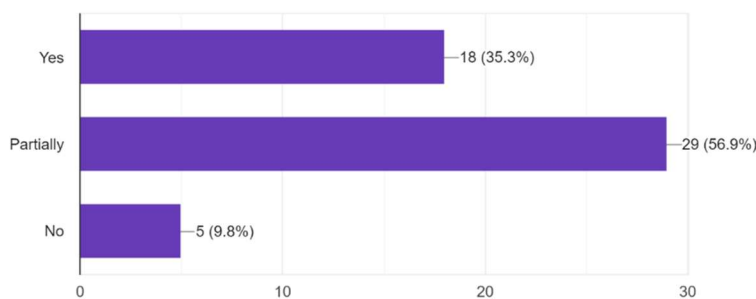


Fig. 10 Soft skills developed by the current study programs

Moreover, while 92.2% of students advocate for the formal integration and assessment of soft skills within university curricula, their perceptions of their institutions' engagement with sustainability are modest. Similar findings have been reported in studies across Europe, showing that students often perceive sustainability and social entrepreneurship as peripheral rather than integral components of higher education (Lambrechts et al., 2018). Only 29.4% believe that their universities actively promote sustainability or social entrepreneurship, with 41.2% indicating that such promotion is only somewhat present. In contrast, students express a strong desire for universities to take a more proactive role in sustainability through awareness campaigns, skills training, funding support, and collaboration with community stakeholders (OECD, 2021).

12. Do you believe soft skills should be formally assessed and developed in all study programs?

51 responses

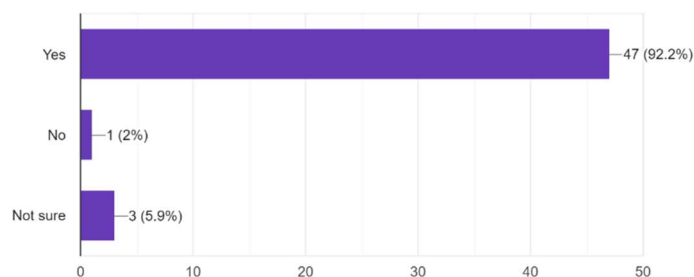


Fig. 11 The need for soft skills assessment and development by the study program

13. What kind of support would best prepare you for launching a sustainable business?

51 responses

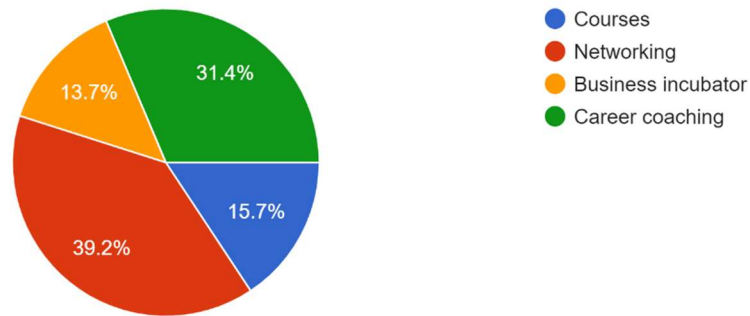


Fig. 12 Student support needs to launch a sustainable business

14. In your opinion, what role should universities play in promoting sustainability through entrepreneurship?

51 responses

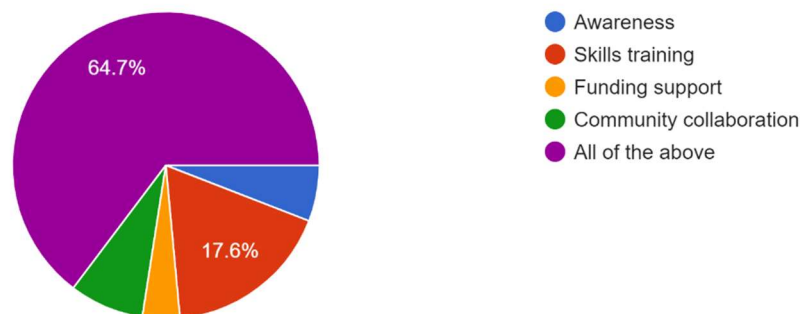


Fig. 13 The role of the universities in promoting sustainability through entrepreneurship

Collectively, these findings indicate a clear mismatch between academic outputs and labor market needs, especially in the domain of soft skills and sustainability readiness. The data points to an urgent need for systemic changes in higher education, particularly in Albania, where curriculum reforms, university-industry partnerships, and experiential learning frameworks can serve as key levers for enhancing graduate employability and societal impact.

Future efforts should focus on developing formal mechanisms to assess and cultivate soft skills, promoting sustainability-driven internships and mentorships, and embedding real-life project-based learning into academic programs. Such strategies would not only improve alignment with industry needs but also empower students to become agents of sustainable innovation.

6. Key Findings from Qualitative Study

The focus group findings further reinforce the role that soft skills play in workforce integration, entrepreneurship, and sustainable development, particularly in Albania's evolving economic and social landscape. Participants, including HR professionals and sectoral experts, identified a broad spectrum of soft skills deemed essential for young professionals, entrepreneurs, and leaders alike. These ranged from

effective communication, resilience, adaptability, and critical thinking, to more nuanced competencies such as networking, negotiation, and ethical integrity (A. Bici, 2023).

A major consensus emerged around a core set of skills such as communication, resilience, adaptability, critical thinking, problem-solving, and teamwork, as indispensable across industries, consistent with findings of other studies (Elmoutanna & Motii, 2022; Tem et al, 2020; Tang, 2020; Almeida & Devedzic, 2022). HR professionals expressed concern over the growing difficulty of finding these competencies among young job seekers, especially in client-facing and high-pressure roles. Sectors like tourism and services placed particular emphasis on emotional intelligence, interpersonal relationships, and ethics, underscoring the need for relational intelligence in “people-first” industries.

Importantly, managerial skills such as decision-making, leadership, and presentation abilities were highlighted as crucial, especially for high-responsibility or client-driven roles, synchronizing with findings of other authors (Tem et al, 2020; Tang, 2020) However, participants reported a notable lack of understanding among young hires regarding organizational structures and role expectations, pointing to a critical disconnect between formal education and workplace realities. This gap underscores the importance of early and sustained development of soft skills, ideally starting at the secondary education level.

The discussion also revealed that critical thinking, opportunity recognition, and risk management are significantly underdeveloped among recent graduates. Similar findings have been documented in various higher education contexts (Tang, 2020; Jackson, 2016). These shortcomings were attributed not to a lack of potential but to limited exposure to internships, real-world challenges, and structured problem-solving opportunities during academic programs. Several participants expressed concern over individualistic tendencies among youth, which conflict with the collaborative nature of most modern work environments.

Creative thinking and innovation were also discussed as essential yet misunderstood competencies. Many job candidates, it was noted, confuse innovation with large-scale transformation, neglecting its role in everyday improvements and continuous learning. The ability to innovate, adapt, and respond flexibly to change was seen as a strong predictor of both individual and organizational success.

In addition to the core set, further soft skills such as business ethics, research ability, continuous learning, and public speaking were identified as critical yet frequently overlooked in traditional recruitment assessments, consistent with other studies. (OECD, 2021; WEF, 2023; Almeida & Devedzic, 2022).

These competencies are increasingly relevant in knowledge-based and service economies, where employees are expected to learn continuously, communicate effectively, and navigate complex ethical and professional scenarios.

In terms of recruitment practices, participants highlighted that soft skills are often assessable through structured interviews, group tasks, CV analysis, and role-play scenarios. Especially in sectors like IT, the synergy a candidate brings to the team can determine their selection, sometimes even outweighing their technical qualifications. A systematic literature review of soft skills in information and communications technology (Mohammed et al., 2024) reveals that graduates, particularly in ICT fields, are strong in technical skills but have significant deficits in communication, teamwork, and problem-solving. These findings reinforce the idea that soft skills are not only desirable but also measurable and actionable in professional settings.

Finally, the focus group emphasized the critical role of the education system in embedding soft skill development. Educational institutions must go beyond knowledge delivery to promote collaborative learning, reflective practices, real-life project engagement, and communication training. This would help cultivate graduates who are not only technically prepared but also emotionally intelligent, adaptable, and

socially responsible. The collective insights from the focus group support the overarching conclusion that soft skills are foundational for 21st-century success, often surpassing technical knowledge in long-term importance. Participants underscored the shared responsibility among educators, employers, and policymakers to invest in the development and recognition of soft skills from an early stage. Strategic interventions such as curriculum reforms, cross-sector partnerships, and innovative assessment tools will be essential to ensure that the next generation of professionals is prepared not only to participate in the labor market but to lead it toward more sustainable and inclusive outcomes.

7. Discussion, implications, and conclusions

This study provides a comprehensive analysis of the soft skills gap in Albania's labor market. This research offers an in-depth examination of Albania's soft skills gap in the labor market.

A key outcome of the research is the significant convergence between companies and students in recognizing the importance of soft skills. However, this convergence is tempered by clear disparities in perception and practice.

While over 70% of businesses identify soft skills as essential and acknowledge their role in sustainability, many still report critical deficiencies in new graduates, particularly in problem-solving, self-management, and organizational awareness. This aligns with findings by Robles (2012) and Andrews and Higson (2008), who highlight consistent gaps between employer expectations and graduate capabilities. Employers also highlight the difficulty of assessing these competencies during recruitment and lament the limited training investment within companies, a challenge similarly noted by Clarke (2018). These findings reinforce the need for more structured interventions in education and workplace training to close the soft skills gap.

From the student side, the desire to develop soft skills is evident, yet academic structures provide limited opportunities for experiential learning. Internships, mentorships, and sustainability-linked projects remain underutilized. Students express moderate confidence in their preparedness but indicate that universities insufficiently support skill development beyond group projects. Similar findings have been reported by Jackson (2013, 2016) who notes that while students recognize the importance of employability skills, higher education often fails to provide authentic, practice-oriented experiences.

Focus group insights underscore that the soft skills deficit is systemic and multifaceted. Participants advocate for deeper collaboration between academia and industry, emphasizing the need for co-designed curricula, project-based learning, structured feedback, and early interventions starting at secondary education levels. These findings are consistent with Jackson (2016) and Andrews and Higson (2008), who highlight that sustained partnerships between universities and employers are essential to align educational outcomes with workplace realities. On the other hand, emotional intelligence, ethics, and innovation were also emphasized as essential for a resilient and future-ready workforce, findings that stand side by side with findings of Heckman and Kautz (2012), who demonstrate that non-cognitive skills strongly influence long-term career performance and ethical behavior.

Bridging the soft skills gap requires coordinated efforts. Closing the soft skills gap calls for joint effort.

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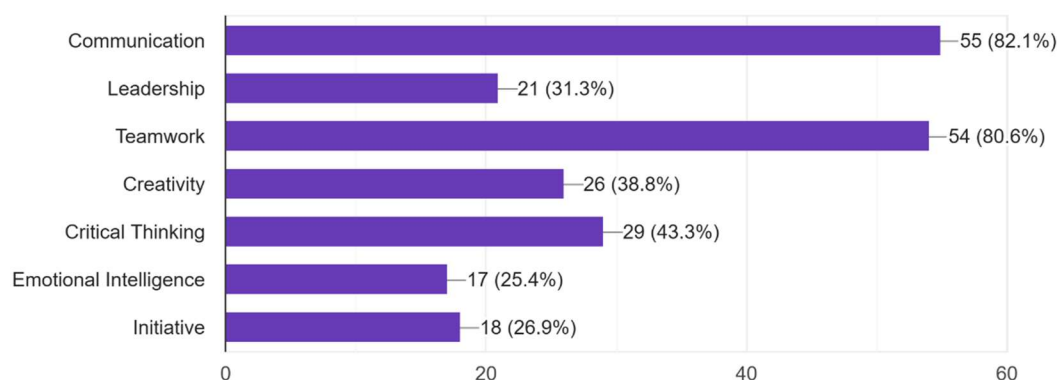
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ANNEX A. RESULTS FROM BUSINESS QUESTIONNAIRE

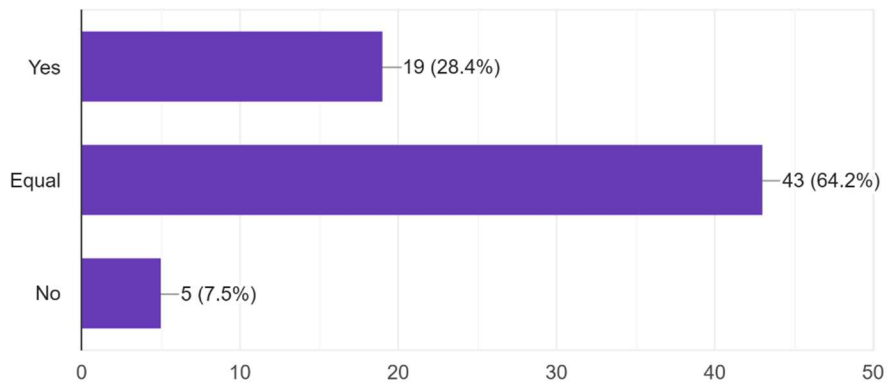
1. Which soft skills are critical in your company? (Pick up to 3)

67 responses



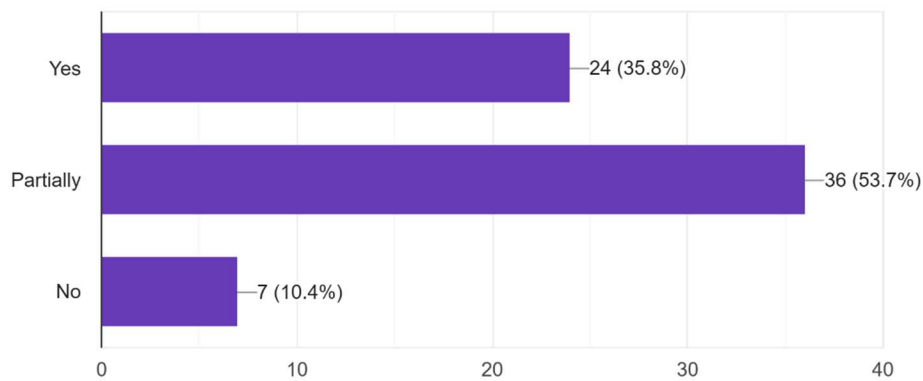
2. Are soft skills more important than technical skills for innovation and sustainability?

67 responses



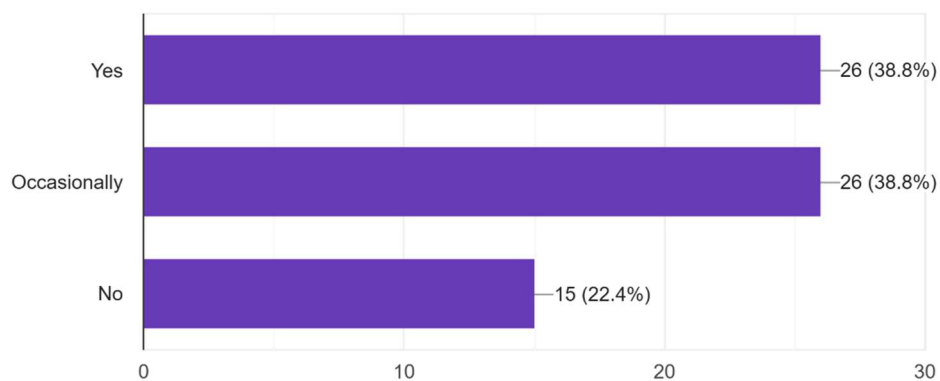
3. Do your younger employees (under 30) have sufficient soft skills?

67 responses



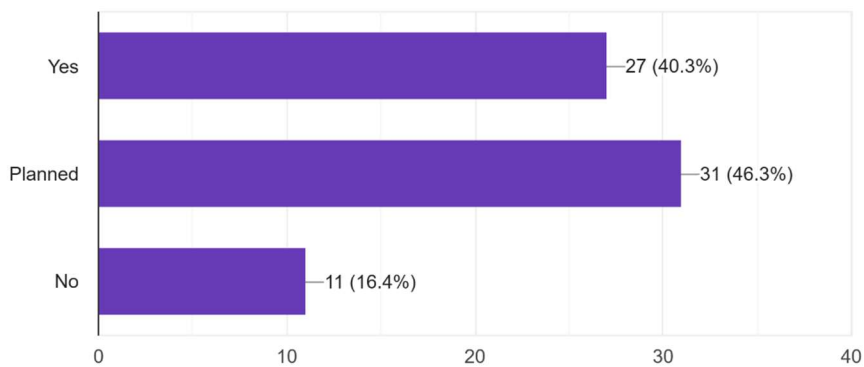
4. Does your company provide internal soft skills training?

67 responses



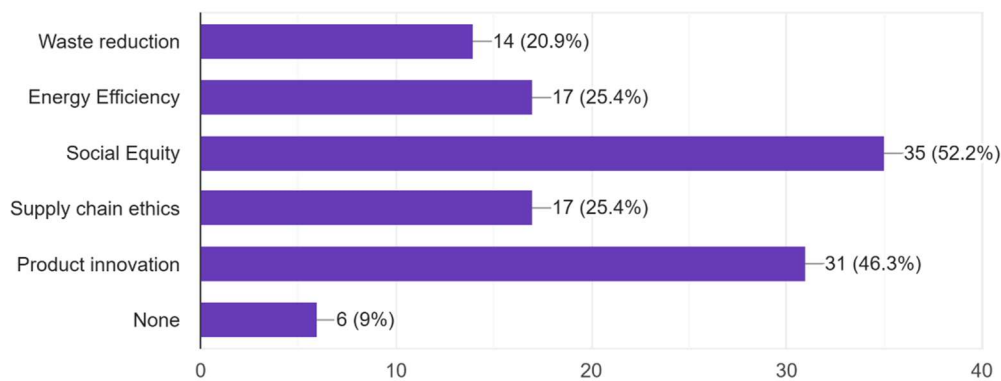
5. Does your company have sustainability initiatives in place?

67 responses



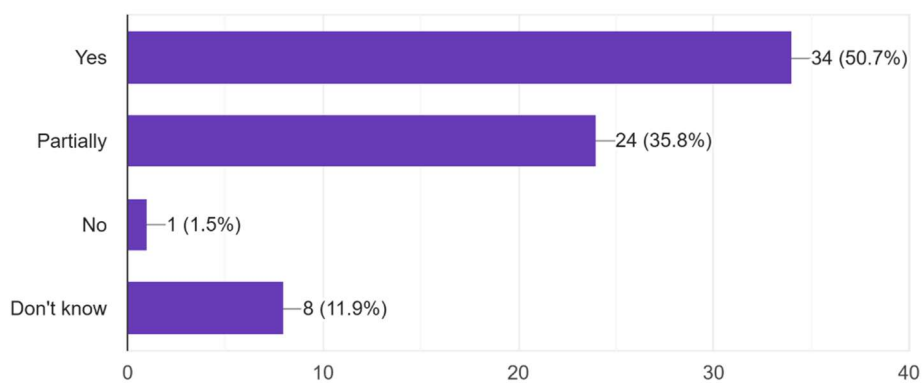
6. Which areas are prioritized in your sustainability strategy? (Pick up to 2)

67 responses



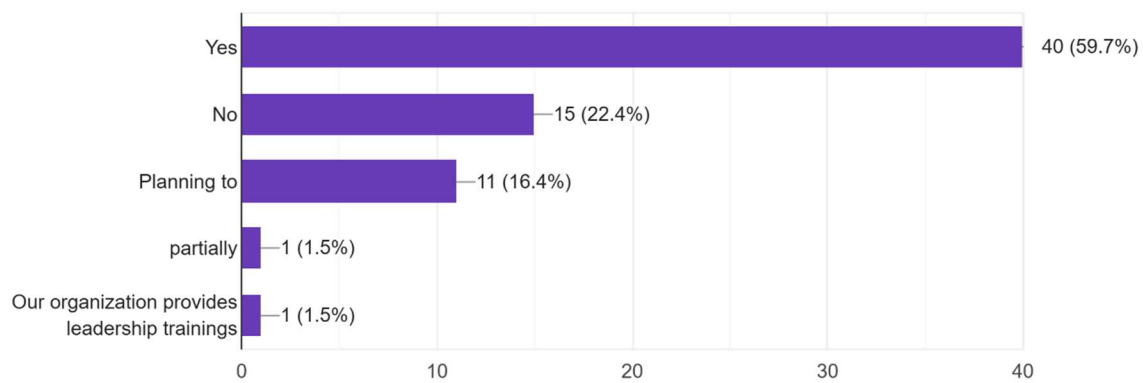
7. Do you link soft skills with success in your sustainability initiatives?

67 responses



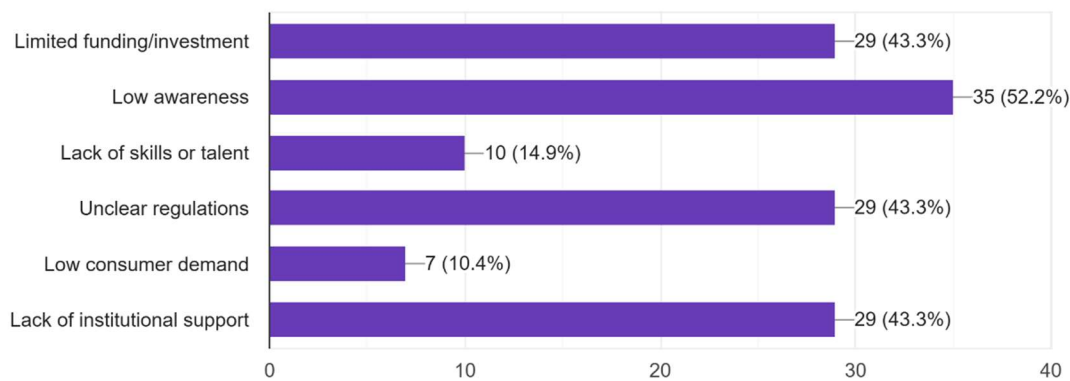
8. Has your company partnered with educational institutions on sustainability topics?

67 responses



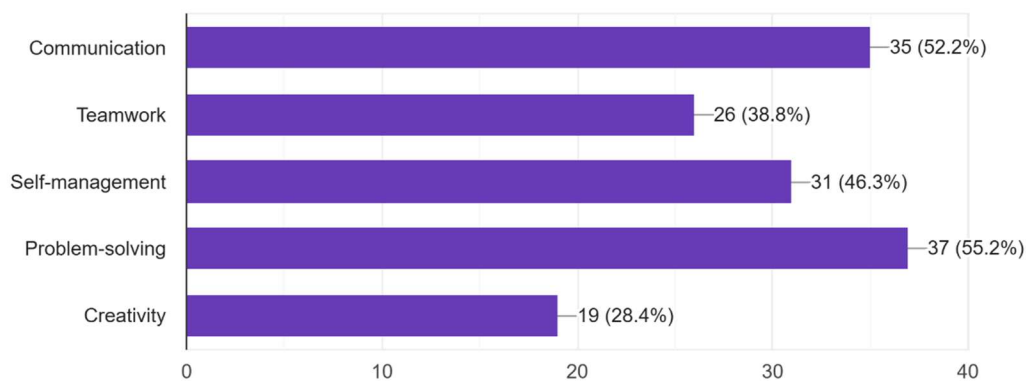
9. What do you see as major barriers to sustainable business development in Albania? (Select up to 2)

67 responses



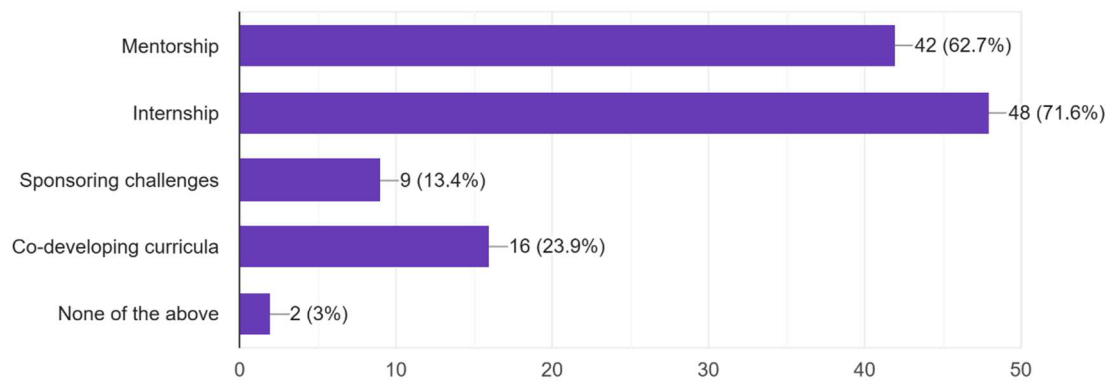
10. What soft skill gaps do you observe most in new graduates? (Pick up to 2)

67 responses



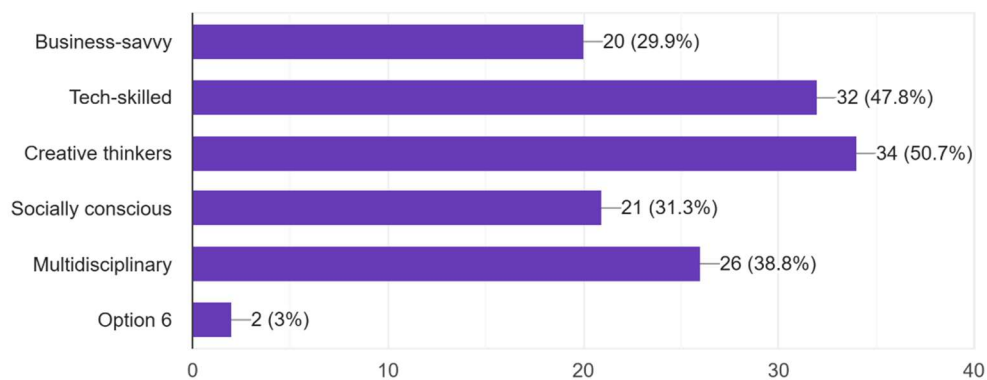
11. Would your company support students through: (Select all that apply)

67 responses



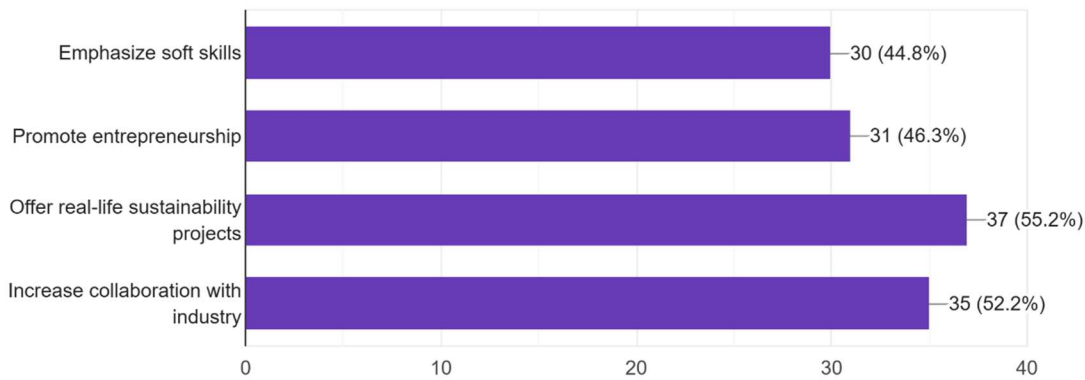
12. What kind of graduates would better meet your sustainability goals?

67 responses



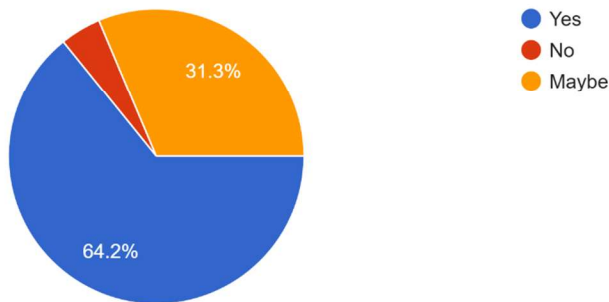
13. How should Albanian universities better align with sustainability goals?

67 responses



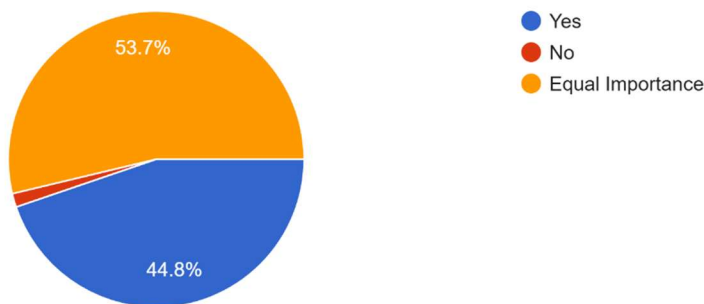
14. Are you interested in joining a national platform for green innovation and talent development?

67 responses



15. Do you think soft skills will become more important than technical skills in future leadership roles?

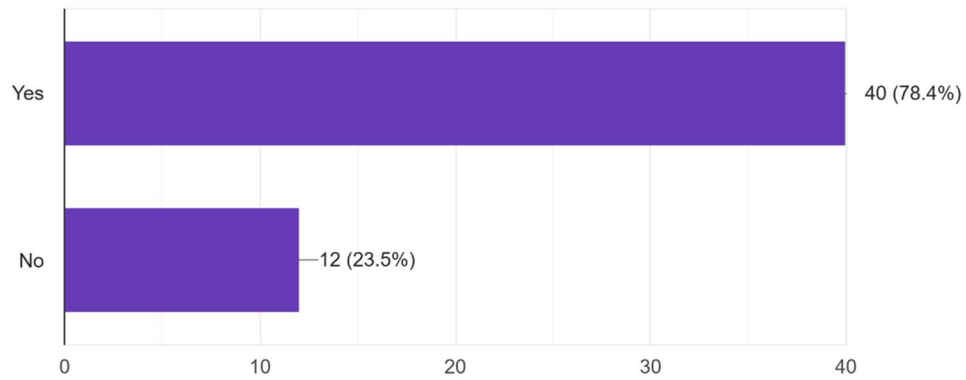
67 responses



ANNEX B: STUDENTS QUESTIONNAIRE

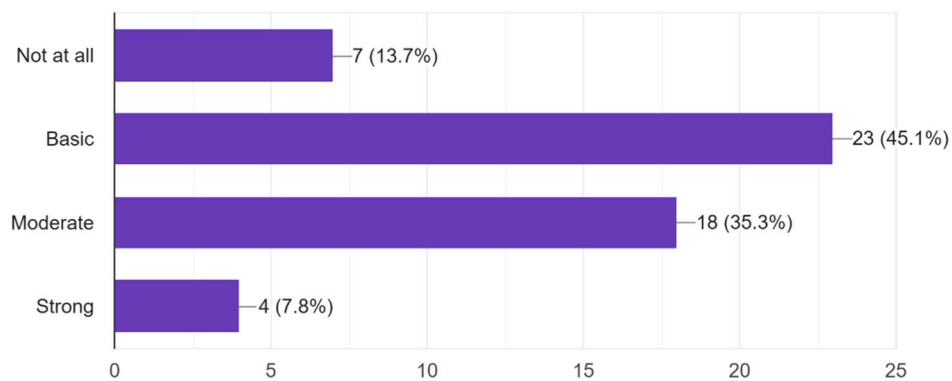
1. Have you heard of the term "sustainable entrepreneurship"?

51 responses



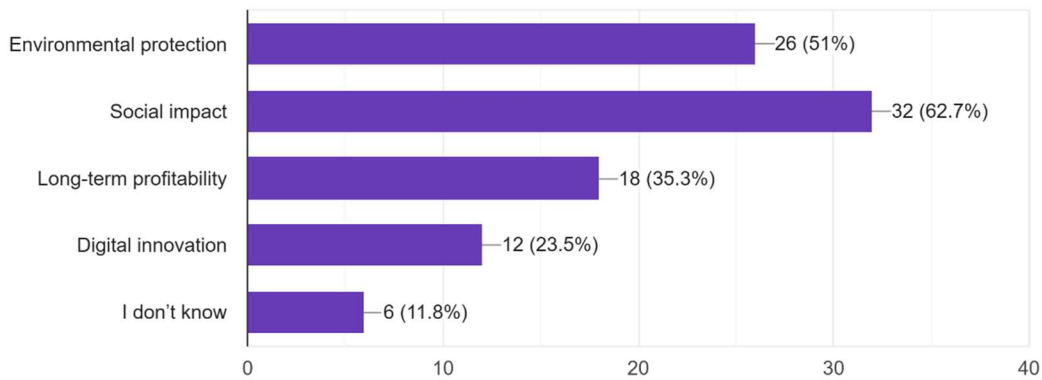
2. How well do you understand it?

51 responses



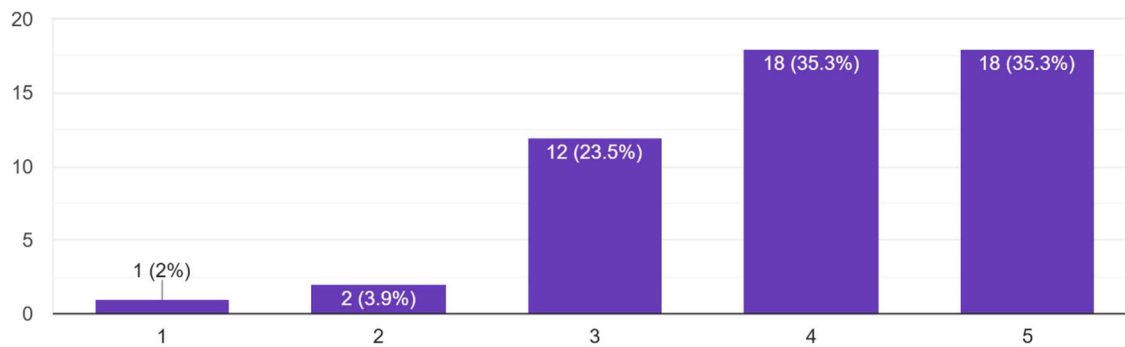
3. Do you associate sustainable entrepreneurship with: (Select all that apply)

51 responses



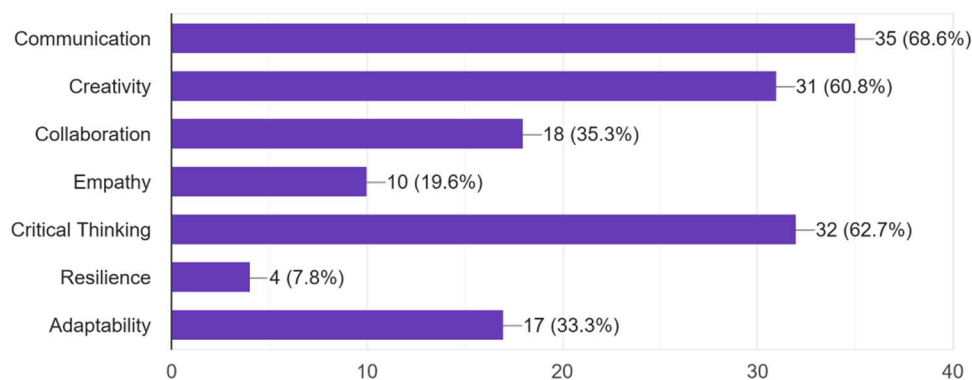
4. Rate the importance of soft skills for starting or running a sustainable business.

51 responses



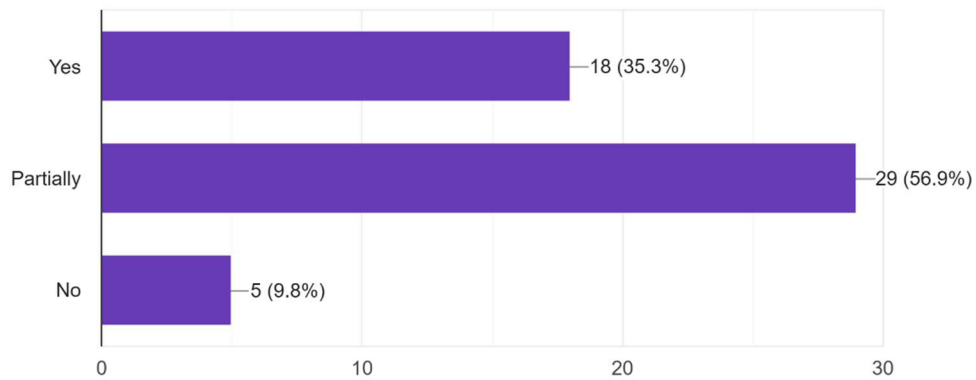
5. Which soft skills are most important for sustainability-driven entrepreneurs? (Pick up to 3)

51 responses



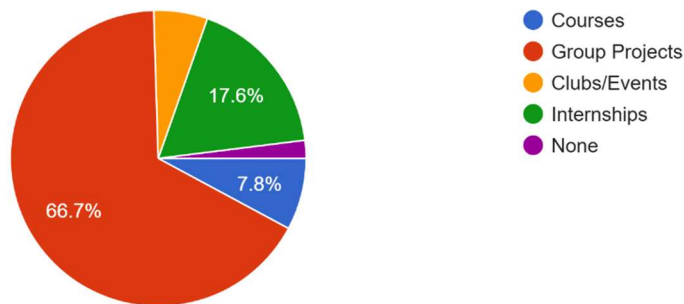
6. Do you believe you are developing these skills in your current program?

51 responses



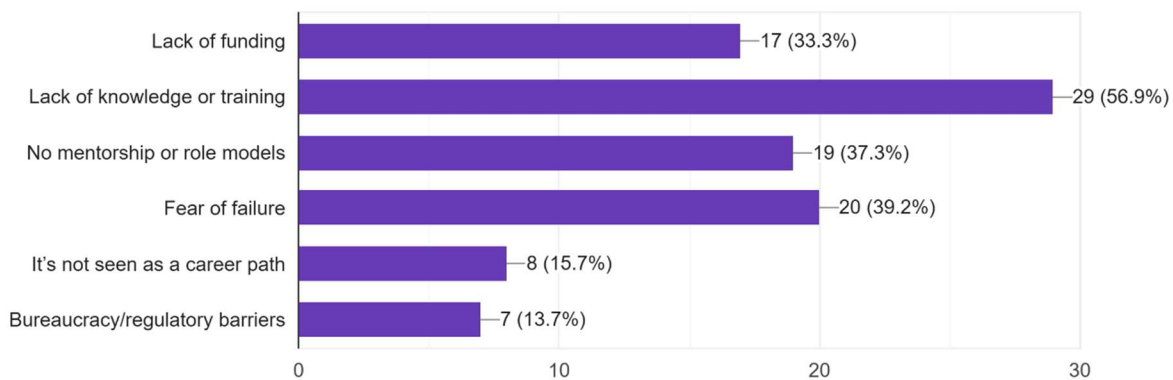
7. What are the main sources of soft skill development at your university?

51 responses



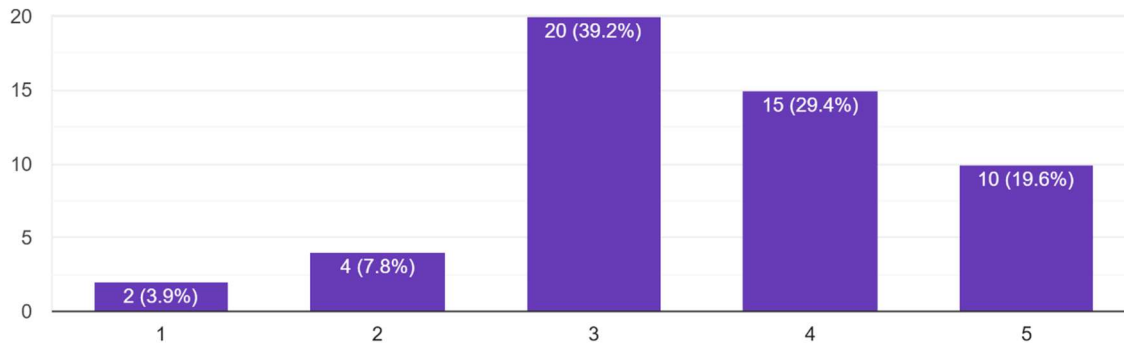
8. What prevents students from engaging in sustainable entrepreneurship?

51 responses



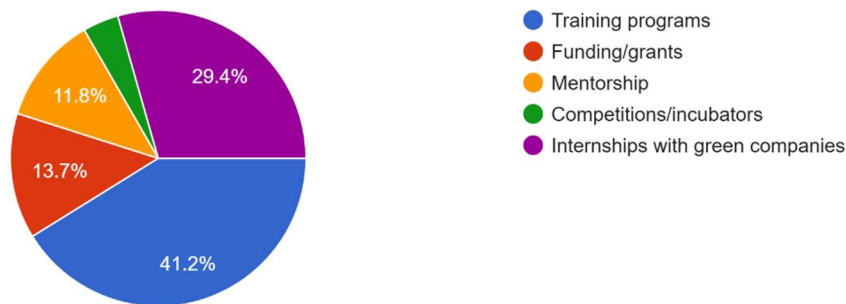
9. How motivated are you to become a sustainable entrepreneur?

51 responses



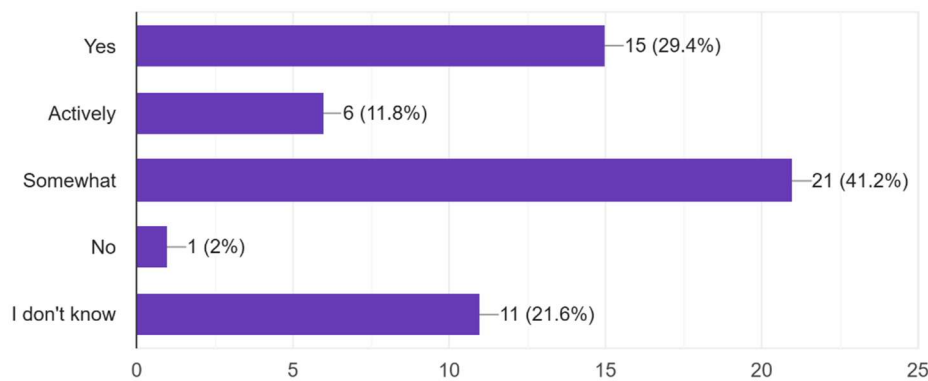
10. What would most encourage you to pursue a sustainability-focused business?

51 responses



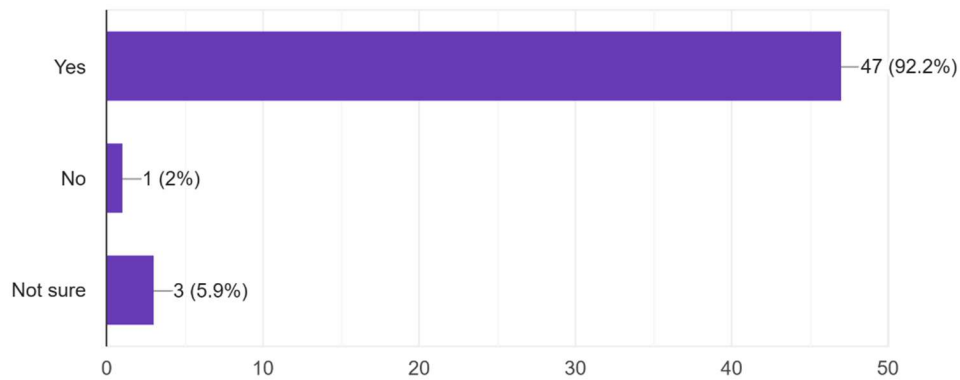
11. Does your university promote sustainability or social entrepreneurship?

51 responses



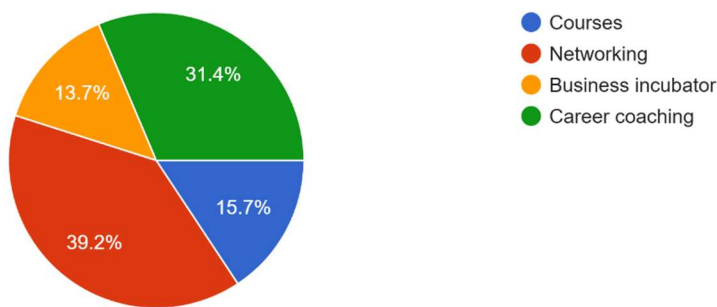
12. Do you believe soft skills should be formally assessed and developed in all study programs?

51 responses



13. What kind of support would best prepare you for launching a sustainable business?

51 responses



14. In your opinion, what role should universities play in promoting sustainability through entrepreneurship?

51 responses

