

Firms' Workforce Planning Orientations Under Structural Skill Shortages in North Macedonia

Predrag Trpeski, Violeta Cvetkoska, Filip Peovski, Marijana Cvetanoska, Gunter Merdzan, Kristijan Kozheski

Faculty of Economics – Skopje, Ss. Cyril and Methodius University in Skopje

Blvd. Goce Delcev 9v, Skopje, Republic of North Macedonia

{predrag.trpeski, violeta.cvetkoska, peovski, marijana.cvetanoska, gjunter.merdzan, kozheski}@eccf.ukim.edu.mk

Abstract. *Small, transition economies face chronic skill shortages and persistent emigration, which call for important decisions about workforce planning. Little is known about how firms make these decisions. Based on the resource-based human-resource architecture and semi-structured interviews with 29 companies in North Macedonia, this study develops a four-type typology of strategic planning orientations, reactive importers, domestic developers, conditional considerers and structural innovators, structured by planning horizon and labor source. The study extends the human-resource architecture to a structurally depleted labor market and finds that even proactive firms treat emigration as a contingency rather than a planning premise, a result that the strategic HRM literature does not predict.*

Keywords. strategic workforce planning, skill shortages, strategic human resource management, labor migration, resource-based view

1 Introduction

North Macedonia faces a structural tension in its labor market. On one side, prolonged emigration of working age residents depletes the domestic skill base while on the other, firms face persistent shortages of qualified workers across manufacturing, hospitality and the information and communication technology sectors. Recent comparative evidence confirms that skill shortages, skill mismatches and migration pressures jointly strain workforce stability in the country (Cvetkoska et al., 2025). For individual firms, these pressures are not abstract. Throughout this paper, skill shortage refers specifically to a sustained excess of employer demand over domestic supply for occupational profiles, while skill mismatch denotes the misalignment between the qualifications workers hold and those employers require. The two conditions frequently co-occur but are analytically distinct (Cvetkoska et al., 2025). Together they translate into unfilled vacancies, lost productivity and difficult

decisions about where to source talent. Such planning issues require firms to decide which capabilities should be developed internally or obtained externally, and which depend on cooperation with education providers, public institutions, intermediaries or foreign labor markets.

Strategic planning theory draws a distinction between organizations that deliberately anticipate resource needs and build capabilities and those that only react to scarcity when acute. This distinction in proactive versus reactive workforce planning is fundamental to strategic human resource management (SHRM), defined by Wright and McMahan (1992) as the pattern of planned human resource deployments and activities used to enable a firm to achieve its strategic objectives. But much of the empirical literature on SHRM is based on large firms in advanced economies. There is little research on the actual workforce planning practices of firms in a small economy affected by pronounced emigration and whether strategic use of migrant labor is part of these practices.

We address this gap by utilizing a reflexive thematic analysis of firms' perceptions obtained through semi-structured interviews with 29 companies operating in North Macedonia. The study is positioned to gain insights into how firms (predominantly SMEs) strategically plan their workforce in the context of skill shortage and where recruitment of migrant workers figures within the strategic options they consider. Thus, the contribution is twofold as we provide an empirically grounded typology of workforce planning orientations and analyze the conditions that push firms towards reactive rather than proactive strategies.

The study is conceptualized in the following manner. Section 2 provides theoretical background to the study while Section 3 is devoted to the methodological approach which includes the research questions, analytical framework and the survey design. In Section 4 we present the main findings, followed by their discussion in Section 5. The study's conclusions are drawn in Section 6.

2 Theoretical Background

According to the resource-based view (RBV), firms can achieve sustained competitive advantage through resources that are valuable, rare, inimitable and non-substitutable (Barney, 1991). Human resources qualify when their skills and tacit knowledge are not easily replicable, a logic that Wright, McMahan and McWilliams (1994) explicitly extended to the workforce. Thus, the RBV raises the central strategic interest of this study i.e., whether in the face of scarcity, human capital should be developed internally or acquired externally by firms. This was formalized as a human resource architecture by Lepak and Snell (1999) in which firms allocate employment across internal development, acquisition, contracting and alliance modes based on the strategic value and uniqueness of the skills involved. The framework offers a direct template for classifying firm responses to shortage, as internal development equivalent to training and education partnerships, and acquisition equivalent to external recruitment which potentially includes the recruitment of migrant workers.

The distinction between proactive and reactive planning is supported by the strategic talent management literature that stresses the systematic identification of pivotal positions and deliberate building of talent pools (Collings & Mellahi, 2009) and work on workforce planning under uncertainty (Jaillet, Loke & Sim, 2022). High-performance HR practices have been associated with significantly lower turnover and higher productivity (Huselid, 1995), suggesting that planning orientation has real implications in terms of performance.

When companies resort to external acquisition of migrant labor, integration becomes a strategic concern. Research on skilled migrant integration shows that firms cannot count on state actors to support long-term integration and must provide language, regulatory, and social support themselves (Hajro et al., 2019; van Riemsdijk & Basford, 2022), while recognition of foreign credentials also affects whether migrant skills are actually used (Pecoraro & Wanner, 2019). In the Western Balkans, the noted chronic problem with the ongoing emigration of educated youth and the long-term scarring of labor market entrants (Petreski, Mojsoska-Blazevski & Bergolo, 2017) undermine the domestic supply that firms would otherwise develop, while misalignment between vocational education and employer needs exacerbates these shortages (Bartlett & Pagliarello, 2016).

These contributions are theoretically rich, but a clear gap exists. The RBV and strategic HRM literature have evolved mainly in large firms in mature labor markets where domestic skills supply, even if tight, is not structurally depleted by emigration. By contrast, the literature on the Western Balkans documents the scale of outflows and their labor market consequences but does not consider how individual firms respond strategically. To date, no study has bridged these two

bodies of work to ask how firms in a small, emigration-affected economy translate, or fail, the logic of the human resource architecture into practice when the domestic talent pool is simultaneously depleted from above by credential emigration and from below by VET misalignment. The study contributes three theoretical insights to address this gap. First, it extends the human resource architecture of Lepak and Snell (1999) to a structurally depleted labor market, showing that the make-or-build choice is not a free strategic choice, but is constrained by emigration, institutional capacity and sector-specific regulatory factors that are not part of the original framework. Second, it adds planning horizon as a second organizational dimension alongside labor source, resulting in a more granular typology than architecture alone allows. Finally, it reveals that the proactive-reactive distinction, which is central to strategic HRM, behaves differently under structural shortage than the literature predicts that even proactive firms default to reactive postures with respect to the one condition, which is emigration, that most threatens their resource base. These contributions are developed through abductive analysis of interviews with 29 companies in North Macedonia, a context whose combination of SME dominance, acute emigration and EU candidate-status accession pressure makes it both empirically distinctive and theoretically generative.

3 Methodology

3.1 Instrument and Sampling

The instrument used for this study was a semi-structured interview consisting of 22 questions across five thematic blocks i.e., the company profile, assessment of labor availability and shortage occupations, the effectiveness of the education and training system, the threat of emigration, and strategic responses to shortage, which includes salary and adjustments to working conditions, internal training, cooperation with vocational education and training (VET) providers and higher education institutions (HEIs), as well as the recruitment of migrant workers.

The final sample comprises $N = 29$ companies operating in North Macedonia, purposively selected for sectoral and size diversity with voluntary participation. Company representatives (predominantly senior managers with direct responsibility for human resources, typically HR directors, CEOs or owners) were interviewed between May and August 2024. A combination of in-person and online surveying was used, with in-person interviews being limited to 1 hour. They were conducted in Macedonian language however, quotations presented here were translated into English by the research team and checked against the source transcripts by a bilingual researcher to preserve meaning. Thus, quotations are reproduced from these checked translations rather than being

paraphrased. The sample spans manufacturing (34.5%), information and communication technology (24.1%), financial services (20.7%), hospitality and tourism (13.8%), and the electricity, gas, steam, and air conditioning supply (6.9%) sectors. In terms of size, the sample ranges from micro-firms of four employees to large enterprises exceeding 2,900 employees. Specifically, Table 1 provides the firm size distribution within the sample, indicating a dominant proportion of small and medium sized enterprises (SMEs). To preserve confidentiality and enable traceability within the study, we reference each company by an anonymized code ranging from MKD_01 to MKD_29.

Table 1. Firm size distribution

Size (no. of employees)	n	% of total	Company codes (MKD_X)
Micro (< 10)	1	3.5%	14
Small (10-49)	11	37.9%	06, 07, 15, 16, 18, 19, 22, 23, 24, 26, 29
Medium (50-249)	9	31%	01, 08, 09, 12, 20, 21, 25, 27, 28
Large (≥ 250)	8	27.6%	02, 03, 04, 05, 10, 11, 13, 17

3.2 Research Questions

Within this exploration, the research problem is the identified gap between the rhetoric of strategic workforce planning and its practice in firms operating under chronic emigration and skill shortages. The study is guided by three research questions:

1. What strategic approaches do firms in North Macedonia use to address skill shortages?
2. To what extent are these approaches proactive or planned rather than reactive i.e., improvised?
3. Where does the recruitment of migrant workers fit within firms' strategic options, and what conditions constrain it?

The three questions are deliberately sequenced. Prior to any evaluations, it is necessary to establish what strategies exist in this context as opposed to assuming that the categories developed in the SHRM literature transfer directly to a small economy. The second research question introduces the evaluation, by testing those strategies against the proactive-reactive distinction that the theoretical background identifies as the key marker of strategic intent. The third narrows down to the specific mechanism that has emerged as the most visible response by companies to structural labor scarcity in North Macedonia.

3.3 An Integrative Analytical Framework

Combining the theoretical background and the research questions proposed, we develop the analytical

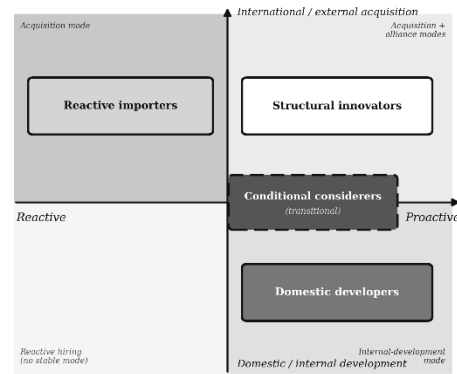
framework that organizes the present study. The human resource domain supplies one axis i.e., the dominant labor source, ranging from internal development of domestic talent to external acquisition that may extend to migrant labor. The proactive-reactive distinction from strategic talent management and workforce planning theory supplies the second axis within the typology or the planning horizon. The combination of the two axes leads to four positions a company may take. Each of these correspond to a different combination of architectural mode and planning stance. Such framework is depicted in Fig. 1, which also positions the four firm types, which were derived from the interview data. The analysis was abductive rather than purely inductive, where the two dimensions of the framework, i.e. planning horizon and dominant labor source, were derived deductively from the resource-based and strategic-planning literature, while the placement and characterization of the four types within that framework emerged from iterative coding of the interview material. The typology is therefore a structured interpretation of the data rather than a claim of grounded emergence. Subsequently, each position is then populated with cases in the following section.

Interview responses were analyzed thematically. Coding focused on five strategic dimensions derived from the human-resource architecture (Lepak & Snell, 1999) specifically how shortages are identified, the planning horizon, internal development through training, collaboration with VET and higher education institutions as well as external acquisition, which primarily focuses on migrant workers recruitment. Coding was conducted independently by two researchers, with discrepancies resolved through discussion until consensus was reached; no formal inter-rater reliability coefficient was calculated, consistent with the interpretive rather than content-analytic approach adopted. Thematic development continued until no new strategic orientations were observed across the remaining interviews. Based on this, responses to the migrant recruitment theme were classified by a general perspective of active use, active consideration, conditional openness, or rejection which are then cross tabulated against each firm's broader planning orientation. Thus, Table 2 presents the coding matrix that guided type assignment, illustrating how each dimension was operationalized and which empirical signals were treated as indicative of each level. Consequently, a two-dimensional typology was constructed, which is organized by planning horizon (reactive vs. proactive) and dominant labor source (domestic vs. international).

Table 2. Typology of workforce planning orientations

Dimension	Reactive	Moderate	Proactive
Shortage identification	Vacancy pressure only, without monitoring	Informal awareness, exit conversations	Formal KPIs, exit interviews, labor market tracking
Planning horizon	No written strategy	Salary and training adjustments	Formal talent pipeline, VET/HEI partnerships on dual education
Internal development	Ad hoc, in-house only	Some structured training, no institutional ties	Systematic cooperation with VET providers and universities
Emigration response	No strategy, contingency framing	Wage retention efforts, no formal plan	Retention embedded in HR strategy, structured monitoring
Migrant recruitment stance	Active use without integration plan	No use, sector or legal barrier cited	Planned use or deliberate international sourcing

The framework is diagnostic, not normative, by design. It does not assume that internal development is always better, because there are some sectors, at some scales, for which external acquisition is the sensible response. What the framework reveals is whether a firm's sourcing choices are the result of thoughtful design or a haphazard response to shortage. Both the resource-based and resource-dependence traditions would predict that firms facing a known, sustained threat to their core resource would make explicit plans for it. Testing whether that prediction holds in a structurally depleted labor market is the empirical task the framework allows. One aspect of the framework requires a special comment. The lower-left quadrant, which is the reactive planning with a domestic-only labor source, is theoretically possible but empirically shown to be unoccupied in this sample. No firm depended exclusively on isolated domestic hiring without either investing in some internal development or resorting to migrant labor when domestic supply failed. We believe that this absence is not accidental. This suggests that a steady state of reactive hiring from a structurally depleted domestic pool is not sustainable as firms that cannot develop domestically and do not recruit internationally are eventually forced to either invest in training, import labor or exit the market. The empirical vacancy of the quadrant thus supports the theoretical expectation that structural scarcity forces strategic choice rather than permitting indefinite shifts.

**Figure 1.** The resource-based human-resource architecture mapped to strategic workforce planning, locating the four firm types

4 Findings

The severity and uneven distribution of shortage were initially confirmed by the interviews. Assessments ranged from comfortable to acute. A dairy processor (MKD_15) rated the availability of suitably qualified labor at the very bottom of the scale, reporting that all employees arrive without prior knowledge and are trained on the spot. An electrical manufacturer (MKD_18) described availability of skilled labor as very difficult, noting the absence of local vocational schools producing adequate profiles. A hospitality firm (MKD_28) summarized the sectoral position bluntly:

Overall, as a company and a sector, we are in serious trouble. Availability is currently very difficult. (MKD_28)

On the contrary, several financial sector and large manufacturing companies (for example MKD_03 and MKD_12) reported minor difficulties, attributing this to their perception as “*desirable employers*”. We find that shortages are concentrated in lower-skill manufacturing, hospitality as well as specialized technical roles, with moderate cases within the financial sector.

Companies were almost unanimous in their perceptions that material rewards and compensations as well as internal training are their primary instruments in tackling shortages. However, since their strategic orientations notably diverged, we identify four distinct types. Table 3 summarizes the typology which is in line with the analytical framework presented in Fig. 1.

Table 3. Typology of workforce planning orientations

Type	Horizon	Labor source	Company examples (MKD_X)
Reactive importers	Reactive	Migrant	01, 19, 28
Domestic developers	Proactive	Domestic	02, 05, 10, 21
Conditional considerers	Proactive	Boundary; domestic development with latent international acquisition	20, 23, 24
Structural innovators	Proactive	International / remote	11, 16, 27

To describe each type, we need to account for the whole sample. Fourteen of the 29 firms fit neatly into one of the four types. The other 15 concentrated in financial services, mid-sized manufacturing and ICT are in a separate analytical middle ground. They plan more deliberately than reactive importers, but they lack the formal talent pipelines of domestic developers, and they do not use or seriously consider migrant labor. They occupy the proactive-domestic zone of the framework but have not made the sustained institutional commitments that characterize domestic developers. Instead of deliberately assigning them to fit into an existing type or to a fifth category based on limited evidence, we view this group as the modal centre of the sample and those are companies whose planning is adequate for normal conditions but not for the structural scarcity they face. Their prevalence (approximately 52% of the sample) suggests that the most common organizational response to skill shortage in this context is neither deliberate strategy nor improvised reaction, but a moderate, domestically oriented pattern that postpones difficult economic choices. The four named types are the analytically distinctive positions at the edges of this distribution, and it is where strategic differentiation is most visible and most consequential.

4.1 Type 1: Reactive Importers

The first group considers migrant labor as a stopgap, to be used if domestic recruitment has failed, with little planning for integration. These companies are mostly in hospitality and are in low skill manufacturing. The most obvious example is a hospitality firm (MKD_28) which described an active but improvised contracting arrangement:

Yes, we have already contracted with two companies that bring labor from Nepal. We expect 40 new hires soon. The documentation takes a really long time, but I heard positive experiences from colleagues in the sector who concluded such

contracts a few months ago and already have foreigners working in their premises with good results. It remains to be seen what our experience will be in this domain. (MKD_28)

Similarly, a dairy-processing firm (MKD_01) explained that it had applied for ten workers from Nepal while waiting eight months for approval, presenting this as an answer to an immediate gap in manual labor rather than a planned capability. Another hospitality operator (MKD_19) said it had already hired workers from India and Albania and was waiting for more to come. A second dairy processor (MKD_15) was explicit that import is its default coping mechanism, having rated local labor availability at zero:

As a company, we solve the lack of workers by importing workers from abroad. Until now, we have employed two workers from India in our company and two more from Nepal should arrive. (MKD_15)

For these firms, recruitment of migrants is reactive as it is triggered by acute vacancy pressure, agency mediation, and conducted without a stated integration or retention plan. The mode corresponds to the acquisition quadrant of the human-resource architecture, but without the complementary alliance or development activity that would render it strategic.

4.2 Type 2: Domestic Developers

A second, larger group of companies pursues a deliberately long horizon strategy of building domestic talent with an explicit rejection of migrant recruitment labeled as unnecessary. A pharmaceutical manufacturer (MKD_10) noted:

Our company has a main focus on employing residents from North Macedonia. Only in this way will population migration be reduced. (MKD_10)

This group is characterized by formal education partnerships. One food manufacturer (MKD_02) mentioned that they pioneered university scholarships fifteen years ago while an energy company (MKD_05) has a dual-education project for electrical fitters. An insurance company (MKD_21) directly expressed the make-or-buy logic of the RBV, saying that it is better to create staff rather than acquire them ready-made, even though it is difficult, long and expensive. That same insurer summed up the developmental philosophy perfectly:

We don't get the frame ready, we have to create it. (MKD_21)

For these firms, internal development is not the second-best option, but the heart of strategy which is pursued over a long horizon through deliberate institutional partnerships. They fall within the internal-development quadrant of the framework and plan proactively within that quadrant.

4.3 Type 3: Conditional Considerers

A third group occupies a transitional position. They are proactive in their domestic development holding migrant recruitment as a latent option not yet activated, these firms sit at the boundary between the domestic-developer and structural-innovator quadrants rather than a quadrant of their own. They have no migrant recruitment strategy in place but would adopt one should domestic options prove insufficient. The fruit-and-vegetable processor (MKD_24) was most explicit, reporting that the admission of skilled migrant workers is in the plan and expressing hope it would help fill positions where professional staff are lacking, while flagging administrative, language and cultural challenges. A confectionery producer (MKD_23) and an ICT firm (MKD_20) expressed similar conditional openness. At the domestic level, these firms plan proactively, but they see migrant labor as a contingency rather than an active channel.

4.4 Type 4: Structural Innovators

A smaller group rethinks the sourcing problem strategically by widening the talent pool through international and remote channels. An ICT firm (MKD_27) framed emigration not as a loss to be contained but as a reason to redesign sourcing:

Broadening international talent pools, offering remote or hybrid job opportunities and attractive benefits along with the highly competitive salaries can be great strategies in this regard. (MKD_27)

Another ICT firm (MKD_16) reported openness to hiring migrants for online cooperation in cases where a need arises, while a multinational subsidiary (MKD_11) already employs foreign nationals. For these firms, the distinction between domestic and migrant labor is seemingly dissolving into a single international talent strategy.

4.5 The Reactive Default in Emigration Planning

Across all four types, interviews revealed almost a total absence of formal strategy for managing emigration. Companies that have sophisticated internal development systems believe there is no such thing as a dedicated plan. One insurer (MKD_09) said that it does not have a concrete strategy and does not see the need to develop one, as it has not faced the problem yet and will develop coping strategies in case of future threats. Similarly, an electrical manufacturer (MKD_18) and an ICT firm (MKD_16) said they had no formal, written strategy. This means that even proactive domestic developers are reactive in their planning to emigration itself, treating it as a contingency to be addressed once realized rather than a foreseeable structural condition. It should be noted that structural innovators have the clearest evidence drawn from a small number of ICT firms. The type

should therefore be read as an analytically identified tendency whose prevalence across other sectors and firm sizes requires careful confirmation in a larger sample.

5 Discussion

5.1 Answering the Research Questions

The typology directly answers the first two research questions. The Macedonian companies use a common baseline of reward and internal training, but they are different in strategic orientation along two axes based on how far ahead they plan and whether they look for talent at home or abroad. Following Lepak and Snell's (1999) human-resource architecture for mapping firms, domestic developers fall into the internal development quadrant, reactive importers into the acquisition quadrant, and structural innovators into a hybrid of acquisition with alliance and contracting modes.

For the third research question, migrant recruitment surfaces as a real, though mostly marginal, strategic option. Very few firms are doing this actively and, where they are, it is overwhelmingly in a reactive mode, triggered by acute shortage of lower skill roles. More strategic use was often prevented by three conditions. First, administrative and legal friction. Documentation and work-visa procedures were lengthy, with one (MKD_01) citing an eight month wait. Second is the integration burden. One electrical manufacturer (MKD_18) commented that migrant workers are totally dependent on the firm for accommodation, food, transport and healthcare, with an uncertain tenure, as "*the economy is not yet ready*". Third, the sector-specificity and language barriers must be emphasized. Financial sector firms, such as MKD_03 for instance, found migrant recruitment to be incompatible with locally regulated, and importantly, Macedonian language intensive work. These conditions match the limiting factors and the integration-support gap identified by van Riemsdijk and Basford (2022).

The most strategically important finding is the reactive default in emigration planning. Although the structural driver of shortage in the Western Balkans is emigration (Petreski et al., 2017), firms tend to treat it as a contingency rather than a planning premise. The strategic HRM literature would predict that firms exposed to a known, sustained threat to their core resource would explicitly plan for it (Wright & McMahan, 1992), while the resource dependence tradition would predict active buffering against environmental scarcity. This is suggested by the fact that even sophisticated domestic developers do neither, suggesting that the lack of formal emigration planning is structural rather than a simple capability deficit. It indicates that the binding constraint is not the intention of managers, even besides the companies' clear investment in talent, but the lack of frameworks and

institutional support to enable them to shift from reactive responses to anticipation. This is not an obvious consequence.

A second observation concerns the role of technology as a strategic substitute. Two firms framed automation as an alternative to both domestic recruitment and migrant labor. For instance, a confectionery producer (MKD_23) noted that a large part of its work can increasingly be performed by machines, with another manufacturer pursuing the same logic. Automation within the framework effectively shifts a firm's position by eliminating its dependence on the labor source axis altogether. This option is more readily available to capital-intensive firms than to service-intensive firms and helps explain why hospitality firms gravitate toward the reactive-importer position while some manufacturers can remain domestic developers.

The framework also explains why migrant recruitment is so rarely strategic. To move from the reactive-importer to the structural-innovator position, complementary investments are needed in integration support, alliance relationships and remote-work infrastructure. The acquisition mode does not supply that. The great majority of firms that lacked these complements remained reactive even when they were actively importing labor. A handful of structural innovators (notably ICT firms, such as MKD_27) had already built the remote and international infrastructure that enables external acquisition to work as deliberate strategy.

5.2 Conditions Shaping Strategic Choices

Locating the firm types within the framework raises the question of what pushes a firm toward one quadrant rather than another. The interviews point to three recurring drivers. The first is sectoral capital intensity. Capital-intensive manufacturers can substitute automation for labor and sustain internal development, gravitating toward the domestic-developer position. On the other hand, labor-intensive hospitality firms cannot and are pushed toward reactive imports of migrant workers. The second is the regulatory and linguistic specificity of the work. Financial sector firms (for example MKD_03 and MKD_21) judged migrant recruitment incompatible with locally regulated, language-intensive roles, which anchors them in the domestic quadrants irrespective of the level of planning sophistication. The third driver is firm scale and employer brand. Large and well-known employers (MKD_04, MKD_10, MKD_12) reported that their positioning in the labor market produces less identified shortages, allowing a proactive, development-led posture, whereas small firms facing the same shortage lack that buffer and react.

These determinants are largely structural, rather than discretionary, which redefines the central paradox. This reactive default is not merely a failure of managerial foresight but the predictable result of firms'

location in the labor market such that the complements necessary for proactive strategy i.e., capital, brand, regulatory fit, or even institutional support are missing. In such case, structure conditions strategy and policy that changes those conditions (e.g. easing work-permit administration or strengthening sector-aligned vocational training) would do more to move firms towards proactive planning.

5.3 Limitations

The findings have several limitations. The study design is qualitative and the sample is small and purposive, so the typology is analytical and theoretical rather than statistically generalizable, as the relative size of each type in the wider population is unknown. Evidence is cross-sectional and self-reported as perceptions by company representatives which may exaggerate the coherence of the stated strategies. Additionally, the study only captures the employer perspective as migrant workers experience, and whether employer strategies succeed from the receiving side, are outside the scope of this study. Finally, the analysis is limited to a single economy and, even though it is representative of the Western Balkans, sectoral and institutional particularities limit direct transferability to other contexts. Future research could test the typology quantitatively across a larger firm sample, track firms longitudinally to observe movement between positions as well as incorporate migrant worker perspectives to assess whether employer strategies succeed from their side. Extending the framework to other Western Balkan economies would establish how far the four-type structure travels beyond North Macedonia.

6 Conclusion

This study examined how 29 firms in North Macedonia strategically plan their workforce under skill shortage, and where migrant labor fits in such context. It contributes a four-type typology i.e., reactive importers, domestic developers, conditional considerers, and structural innovators, which are organized by planning horizon and labor source. It shows that migrant recruitment is mostly a reactive instrument constrained by administrative friction, integration burden, and sector specificities.

The findings suggest that for managers, considering emigration as a planning assumption rather than a contingency and coupling any recruitment of migrants with a deliberate integration plan would change firms from reactive to proactive positions. The structural innovators in the sample demonstrate the move is possible: they built remote-work infrastructure and international talent pipelines before acute shortage forced their hand, turning external acquisition from a stopgap into a planned capability. Partial automation combined with ongoing internal training provides a

different route for firms in labor-intensive sectors to avoid the reactive importer position.

The analysis suggests to policymakers that the binding constraints are predominantly structural and hence, addressable by policies. Cutting administrative friction in work permit procedures, where the months-long obstacle that has been cited repeatedly, would reduce the cost of strategic migrant recruitment. Improving the alignment between vocational education and employer needs would broaden the domestic-development option, while providing support for integration services would lighten the burden that currently falls entirely on individual firms. Importantly, each such measure changes the structural conditions that determine in which quadrant a firm might realistically be placed, a finding that calls on strategic HRM theory to incorporate institutional depletion of domestic labor supply as a boundary condition to the proactive-reactive planning distinction.

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