

EMPLOYERS' PERSPECTIVE ON HIRING UKRAINIAN REFUGEES IN MONTENEGRO

UNHCR Snapshot Survey

JULY 2023

1. INTRODUCTION

Since the outbreak of the war in Ukraine on 24 February 2022, more than 13 million people have been uprooted from their homes, causing one of the largest population displacements in Europe since the Second World War.

Following the practice of the EU, the Government of Montenegro activated the Temporary Protection regime for all Ukrainian nationals that was supposed to last for one year. Due to a prolonged emergency situation, the temporary protection was extended until 11 March 2024.

Although Montenegro does not share borders with Ukraine, more than 100,000 Ukrainians have entered Montenegro since 24 February 2022. As of June 2023, there were over 40 thousand refugees from Ukraine who recorded some type of residence in the country.¹ This represents over 8% of the overall population of Montenegro, proportionally to its population, Montenegro is among the first in the world regarding the number of Ukrainian refugees hosted per capita.

Of that number, over 5,300 Ukrainians were holders of temporary protection as of July 2023.

Most of them reside in coastal municipalities (Budva, Bar, Herceg Novi, Ulcinj, Kotor, Tivat) and Podgorica.

To learn more about the employment opportunities for holders of temporary protection from Ukraine (hereinafter: Ukrainian refugees) in Montenegro, UNHCR Montenegro has conducted a snapshot survey. For this survey, employers were asked to state their needs in terms of the workforce profiles and express their attitude towards hiring Ukrainian refugees residing in the country.

As such, the survey should illustrate to what extent the employers are open to hiring Ukrainian refugees, whether they have some biases about this, and their stance concerning potential language, culture or other barriers that refugees may face.

The survey also aimed to identify employers willing to hire Ukrainian refugees and provide a more detailed overview of the number of available jobs with the breakdown by sector and geographical location.

The overall purpose of the survey is to contribute to the evidence-based response to the needs of Ukrainian refugees in Montenegro by providing measurable, qualifiable and relevant data to support the government in tailoring the support programmes.

¹ UNHCR considers all people fleeing from Ukraine as refugees regardless of whether they formally hold Temporary Protection status.

2. METHODOLOGY

UNHR survey was conducted as a complementary activity to the job fair for Ukrainian refugees organised in Budva from 15-16 June 2023. The job fair was organized by the Ministry of Labor and Social Welfare, the Chamber of Commerce, the Union of Employers, the Ukrainian embassy in Montenegro and UNHCR.²

The presence of employers at the job fair was a good opportunity for UNHCR to conduct a snapshot survey to understand better the employment prospect for Ukrainian refugees. For this purpose, UNHCR developed a questionnaire that was shared online with the employers who participated in the job fair.

A total of 28 employers responded to the questionnaire, including the major companies working in the sectors of tourism, construction services and retail.

The majority of employers are having their branches in the following municipalities: Budva (12), Podgorica (8), Bar (6), Tivat (7), Kotor (6), Danilovgrad (6), Herceg Novi (4) etc.

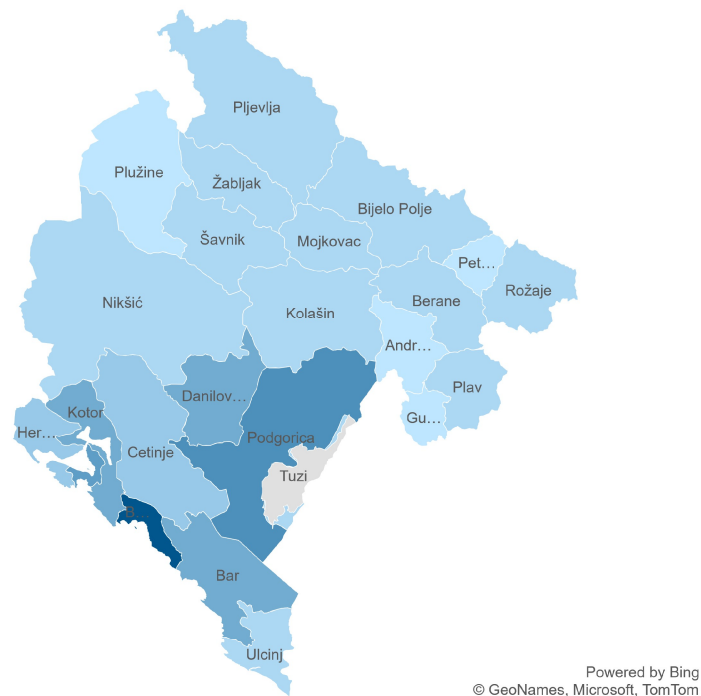
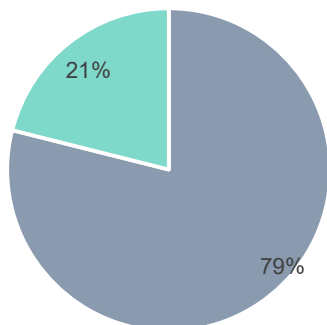


Figure 1. Geographical locations of available workplaces

² The job fair was fully funded by UNHCR

3. MAIN FINDINGS

Most employers who responded to the survey stated they would be willing to hire Ukrainian refugees.



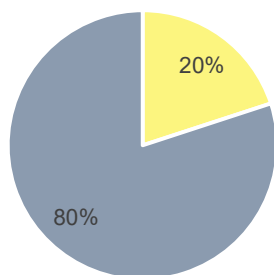
This question was answered by 19 employers, of whom 79% said to be ready to hire them.

Figure 2. Willingness to hire Ukrainian refugees

It is of concern, however, that 21% of the respondents said they do not want to hire Ukrainian refugees without offering a reasonable justification for such a statement.

Most respondents claimed to have needed a workforce (67%). Of them, 70% are companies looking for up to ten people, while the remaining 30% of employers said they could accommodate more than ten new workers. Among them, the most significant employers have expressed the need to hire over 20 workers.

Twenty per cent of the respondents said they had employed Ukrainian refugees. The most important among them are the large retail, construction and hospitality companies.



On the other hand, 80% of employers have not hired Ukrainian refugees so far. When asked why, the majority claimed that Ukrainian refugees were not interested in jobs.

The employers also mentioned the unavailability of a database/information on active job seekers among Ukrainian refugees.

Figure 3. Percentage of employers that employed TP holders from Ukraine

One in four respondents said to have had problems with hiring Ukrainian refugees. They mentioned unclear status and procedures, language barrier, inadequate match in terms of needs and qualifications etc. It is encouraging, though, that the employers said they knew who to address in case of problems.

On the question of the language barrier, three of five respondents said to have experienced that the language barrier affected the productivity of their company's work, and two out of five respondents said that cultural differences affected the dynamics of the work process.

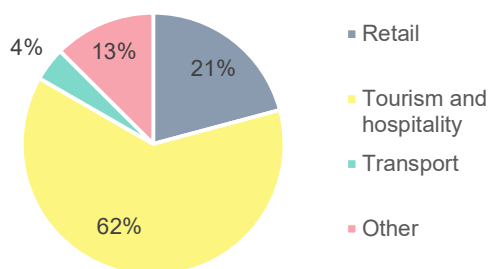


Figure 4. Areas of jobs available

In some cases, inadequate language skills resulted in a decrease in the average daily wage for employed Ukrainian refugees. This was reported by an employer who has the capacity to employ many workforces and consequently, this could have affected a larger number of Ukrainian refugees.

The majority of interviewed employers offer jobs in tourism and hospitality (62%), retail (21%) and transport (4%). Thirteen per cent of the remaining employers stated other various categories.

In more specific terms, over half of all jobs offered are within the food and beverage sector (56%).

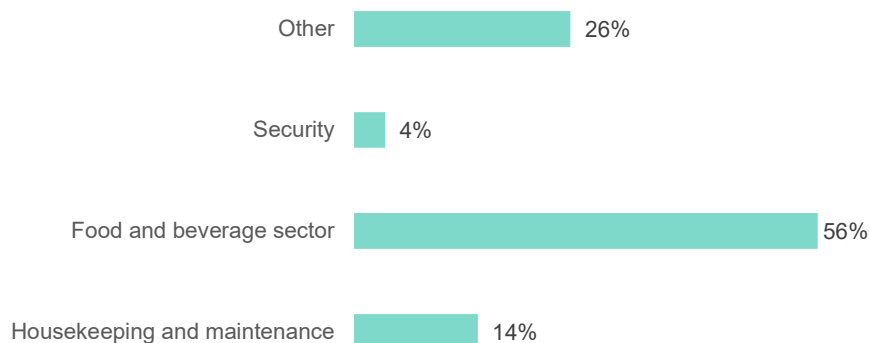


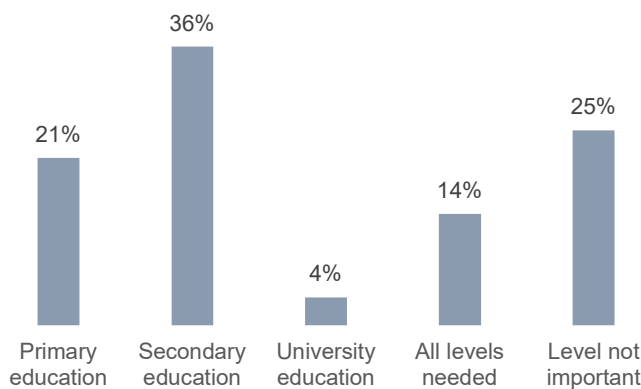
Figure 5. Sectors of jobs available

Interesting data were received related to the level of education needed to perform the jobs. Namely, the jobs offered are mainly for employees with low-educational profiles.

Over half of the jobs offered (57%) required a high school diploma or below. In addition, as many as 25% of employers (in seven instances out of 28) stated that the level of education was considered irrelevant.

Taking into consideration the previous finding that three of five employers said that language barriers had affected the productivity of the company, it may be concluded that language skills are attributed more importance than educational background.

On the other hand, 14% of employers needed a workforce at all levels of education. The employer requested a university education from the staff in just one instance.



Considering that most Ukrainian refugees have a university diploma or above, the mismatch between the levels of work demand and work supply in terms of education and acquired skills may be the main reason for the relatively low interest from the side of the Ukrainian population to take up the jobs offered.

Figure 6. Level of education required for a job

When employers were questioned about the essential skills for employees to be valuable members of their working teams, they provided varied responses. In 34% of instances, employers emphasized the significance of teamwork capacity, whereas in 20% of cases, they highlighted the importance of practical communication skills.

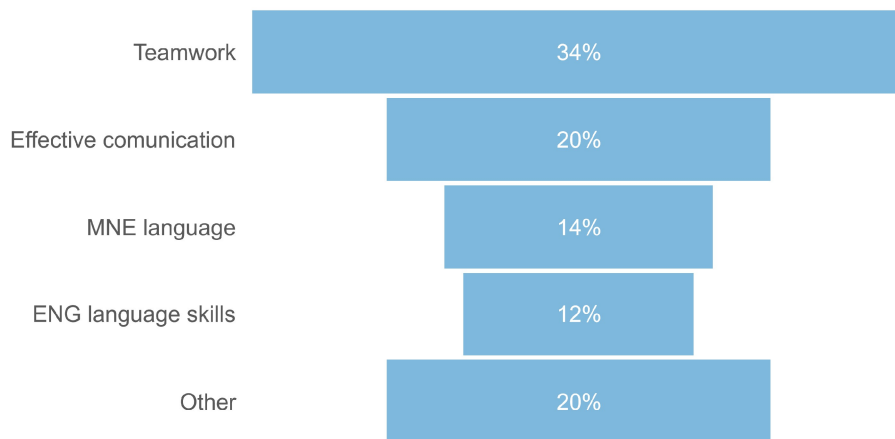


Figure 7. Required skills and traits

Furthermore, 14% of employers stated that knowledge of the Montenegrin language is important, and 11% of employers requested English language skills. In conclusion, effective communication and the ability to receive and convey information are very important for employers.

When asked to rate the importance of Montenegrin language skills, the average rate is somewhat above five on a scale from one to ten.

Interestingly, 17% of employers stated that there are specific fields in their companies where employment of foreigners would be more beneficial than the domestic workforce. They, however, did not specify positions/departments in their companies that would benefit from the employment of foreigners.

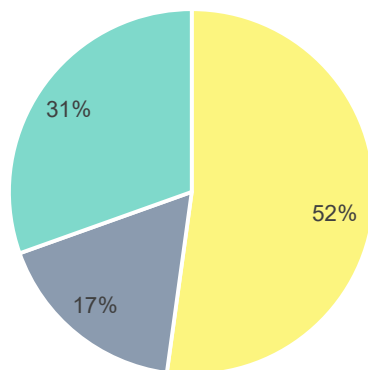


Figure 8. Employers' attitude on prioritization of domestic workforce

On the other hand, the majority of 52% complied with the statement, "Companies need to prioritise the employment of the domestic workforce over foreigners", 17% stated they didn't agree with the statement, while 31% agreed to the statement to a certain extent.

This was backed up by the grades assigned to the experiences with employing the domestic workforce versus foreigners.

Namely, their experience with the domestic workforce was relatively highly rated, with an average grade of 7.8 (out of 10). In contrast, the experience with foreigners was rated much lower, with an average rating of 4.82 (out of 10).

Further on, when asked to rate the experiences with the Ukrainian refugees, the rate has an average of 7 points (out of 10).³

Interestingly, three-quarters of the respondents to this question rated experience with Ukrainian refugees despite having said before that they've never hired one so far.⁴ It is striking that the average rate they come up with is significantly lower and is 3.7 (out of 10). This may be an indicator of a biased attitude of those employers that should be further addressed.

³ Extremely high and extremely low rating were taken out from the equation, to provide for the better picture of the average rate

⁴ This is why their responses were not taken into account while calculating the average rate.

4. RECOMMENDATIONS

1. A deeper understanding of the employer's attitude stating that in some areas, employment of foreigners may be more beneficial than employing the domestic workforce should be acquired and build upon the findings to increase the employment prospects for Ukrainian refugees. In parallel, it should be further explored why 21% of employers are unwilling to hire Ukrainian refugees, given that none of them stated that they had hired refugees in the past and question if that may be a reflection of a biased attitude towards this population from the side of the employers.
2. A tailor-made sensitization campaign should be introduced to address issues raised by some employers related to the lack of readiness to consider hiring Ukrainian refugees.
3. Comprehensive action is needed to ensure a better match between the labour demand and supply, including Montenegrin language courses, re-qualification courses and other "soft skills" courses, such as those related to teamwork and effective communication.
4. State and local authorities, together with the representatives of the Ukrainian refugees and international organisations, should continue promoting the employment and employability of Ukrainian refugees among employers, focusing on alleviating doubts concerning the status and procedural aspects of their employment.
5. The Ministry of Labour and Social Welfare should work on promoting complaint mechanisms for those whose daily wages were decreased due to alleged language and cultural barriers that negatively affected the productivity of the company and all related issues.