

# INOVATIONI AND TECHONOLOGY DEVELOPMENT FOR ALBANIA SME-VE

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## **Abstract**

Albania continues to lag behind other countries in terms of poor performance in innovation. The enterprises, still finance technological development mainly by its resources, which are limited too. Also we have to emphasize that the lack of business incubator and clusters is clearly visible. Implementation of proactive policies to support in increased capacity for technology companies, in particular for SME remains a challenge for the next period 2013-2020. Among the main methods used in Albania for innovation are: Acquisition of machinery and equipment and recruitment of qualified personnel. Main factors that affect the capacity of firms to absorb new technology are: investment climate in which they operate and the level of skills and technological capacities of the firm. In Albania, only 10% of all surveyed firms provide formal training of their employees, compared with 79% of Slovak firms included in the study in 2005 and 48% of firms in Serbia (World Bank, 2009, p. 48). Considering the importance of increasing the ability of Albanian businesses to develop, use, adapt and commercialize the technology, this paper will present the current state of innovation and the technology development in Albania. By analyzing the efficiency of structures and instruments supporting innovation and technology through practices of developed countries we will recommend tools and efficient structures that will enable the development of innovation and technology for Albania SMEs - highlighting that the improvement of innovation and technology will increase the competitiveness of SMEs.

**Key word:** *innovation, technology, SME, qualified personnel.*