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Sustainable tourism and destination management in Albania

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Abstract

This study explores the role of sustainable tourism and destination management in the development of Albania's tourism sector through a literature review methodology. The paper examines previous academic studies, policy documents, and international research related to sustainable tourism, cultural heritage management, hospitality services, and cruise tourism. Particular attention is given to the contribution of tourism strategies in improving destination competitiveness and preserving cultural identity. The review focuses on key themes including sustainable destination management, quality standards in hospitality, the impact of cruise tourism on urban heritage centers, and innovative tourism models such as Albergo Diffuso. Existing literature indicates that tourism development in Albania has significant economic potential; however, challenges remain regarding infrastructure, service quality, environmental protection, and strategic planning. The findings suggest that the integration of sustainability principles into tourism policies and destination management practices is essential for long-term growth. Furthermore, collaboration among local institutions, tourism stakeholders, and educational organizations plays a crucial role in enhancing tourism performance and protecting cultural and natural resources. The study concludes that Albania can strengthen its position as a competitive tourism destination by adopting sustainable development strategies, improving hospitality standards, and promoting cultural heritage as a core tourism asset.

Keywords: Sustainable Tourism, Destination Management, Cultural Heritage, Hospitality Management, Cruise Tourism, Albania Tourism Development.

1. Introduction

Tourism is one of the fastest-growing economic sectors worldwide and plays a significant role in promoting economic development, employment opportunities, cultural exchange, and regional integration. In recent decades, the concept of sustainable tourism has gained increasing importance due to the need to balance tourism growth with environmental protection, cultural preservation, and social responsibility (UNWTO, 2022). Sustainable tourism emphasizes the responsible use of natural and cultural resources while ensuring long-term economic benefits for local communities and future generations (Butler, 1999).

Albania has emerged as an important tourism destination in the Balkan region because of its rich cultural heritage, Mediterranean coastline, archaeological sites, and natural landscapes. The tourism industry has experienced continuous growth, particularly in coastal and cultural tourism, contributing significantly to national economic development. However, despite this positive development, the Albanian tourism sector still faces several structural and managerial challenges, including insufficient infrastructure, limited destination management strategies, seasonality, environmental degradation, and inconsistent hospitality service quality. These challenges underline the necessity for sustainable planning and effective tourism governance.

The literature suggests that successful tourism development depends largely on strategic destination management and the integration of sustainability principles into tourism policies (Buhalis, 2000; Hall, 2008). Destination management includes planning, marketing, stakeholder cooperation, quality management, and the protection of cultural and environmental resources. In developing tourism economies such as Albania, these elements are essential for increasing international competitiveness and improving visitor experiences.

Particular attention has been given in recent years to cultural tourism and cruise tourism in Albania. Cultural heritage sites and urban destinations such as Durrës represent important tourism assets with significant economic and historical value. Nevertheless, uncontrolled tourism growth may create pressures on heritage preservation and urban sustainability (Timothy & Boyd, 2003). Studies conducted by Liçaj (2013; 2014) emphasize the importance of adopting sustainable tourism models and quality standards in order to protect cultural heritage while improving hospitality services and destination competitiveness.

Additionally, innovative tourism concepts such as Albergo Diffuso and community-based tourism have been identified as effective approaches for supporting rural development and preserving local identity (Liçaj, 2010). These models promote authentic tourism experiences and strengthen the relationship between tourism development and local communities.

This paper aims to analyze the role of sustainable tourism and destination management in Albania through a literature review methodology. The study examines previous academic research, policy documents, and tourism development practices related to hospitality management, cultural heritage tourism, and sustainable destination planning. The main objective is to identify the

opportunities and challenges facing Albania's tourism sector and to evaluate how sustainable tourism strategies can contribute to long-term economic growth, destination competitiveness, and cultural preservation.

By reviewing existing literature and theoretical approaches, this study seeks to contribute to the academic discussion on sustainable tourism development in Albania and provide recommendations for improving tourism management practices and policy implementation in emerging tourism destinations.

2. Literature Review

Sustainable tourism has become one of the central concepts in tourism studies and international tourism policy. The concept emerged as a response to the negative environmental, economic, and socio-cultural impacts caused by uncontrolled tourism development. According to the World Tourism Organization (UNWTO, 2005), sustainable tourism refers to tourism activities that consider present and future economic, social, and environmental impacts while addressing the needs of visitors, local communities, and the tourism industry.

2.1 Sustainable tourism: The theoretical foundation of sustainable tourism is strongly connected to the broader concept of sustainable development introduced by the Brundtland Report (1987), which defines sustainability as development that meets the needs of the present without compromising the ability of future generations to meet their own needs. In tourism studies, sustainability is generally analyzed through three interconnected dimensions: environmental sustainability, socio-cultural sustainability, and economic sustainability (Swarbrooke, 1999).

Environmental sustainability focuses on the protection of natural resources, biodiversity, and ecosystems affected by tourism activities. Researchers argue that tourism destinations must adopt responsible environmental policies to reduce pollution, overcrowding, and environmental degradation (Weaver, 2006). Coastal tourism destinations, particularly in Mediterranean countries, often face environmental pressures due to rapid tourism expansion and seasonal concentration of visitors. Albania, with its Adriatic and Ionian coastline, is increasingly experiencing similar challenges.

Socio-cultural sustainability emphasizes the protection of local traditions, cultural identity, and heritage assets. Tourism can contribute positively to cultural exchange and heritage preservation; however, unmanaged tourism growth may lead to cultural commodification and the loss of authenticity (Timothy & Boyd, 2003). Cultural heritage tourism has become an important strategy for sustainable destination development because it promotes local history, traditions, and community participation. In Albania, archaeological sites, castles, traditional villages, and UNESCO heritage cities such as Berat and Gjirokastër represent significant tourism resources with high development potential.

Economic sustainability refers to the long-term economic benefits generated by tourism activities for local communities and businesses. Tourism contributes to employment creation, infrastructure development, and foreign investment. However, researchers emphasize that economic growth alone cannot guarantee sustainability unless tourism revenues are distributed fairly among stakeholders and local communities (Hall, 2008). Albania's tourism industry has shown considerable economic growth during the last decade, but regional inequalities and dependence on seasonal tourism continue to affect sustainable development outcomes.

Several scholars have emphasized the importance of integrating sustainability principles into tourism planning and management. Butler (1999) argued that sustainable tourism requires strategic planning, stakeholder cooperation, and long-term destination monitoring. Similarly, Bramwell and Lane (2011) highlighted the importance of governance structures and collaborative decision-making in sustainable tourism development. These approaches are particularly relevant for emerging tourism destinations where institutional capacities and tourism management systems are still developing.

In the Albanian context, sustainable tourism has been discussed extensively in relation to coastal tourism, rural tourism, and cultural heritage preservation. Licaj (2010) emphasized the role of innovative tourism models such as *Albergo Diffuso* in promoting sustainable tourism development through the revitalization of rural communities and traditional architecture. This model encourages tourists to experience authentic local culture while contributing directly to local economic development.

Furthermore, studies by Licaj (2014) highlighted the importance of quality management and hospitality standards in improving tourism sustainability and visitor satisfaction in Albania. Service quality, staff training, and destination branding were identified as critical factors influencing the competitiveness of Albanian tourism destinations.

2.2 Destination management: Destination management is considered one of the most important components of modern tourism development because it combines strategic planning, marketing, sustainability, infrastructure management, and stakeholder coordination in order to improve the competitiveness of tourism destinations. According to Pike and Page (2014), destination management involves the continuous process of organizing and managing all tourism-related elements within a destination to provide high-quality visitor experiences while ensuring sustainable economic and social development.

Tourism destinations are complex systems composed of multiple stakeholders, including local governments, tourism businesses, hotels, travel agencies, local communities, transportation services, and cultural institutions. Effective destination management requires collaboration among these actors to create integrated tourism products and coordinated development strategies (Buhalis, 2000). Researchers emphasize that without strategic coordination, tourism destinations often face problems such as overcrowding, environmental degradation, fragmented tourism services, and inconsistent destination branding.

One of the primary objectives of destination management is to increase destination competitiveness. Destination competitiveness refers to the ability of a tourism destination to attract visitors, provide satisfying tourism experiences, and maintain long-term sustainability in comparison with competing destinations (Ritchie & Crouch, 2003). Competitiveness depends on several factors, including infrastructure quality, accessibility, cultural attractions, environmental management, service quality, and marketing effectiveness. In the context of global tourism competition, destinations must continuously innovate and adapt to changing tourist demands and international tourism trends.

Destination Management Organizations (DMOs) play a key role in tourism governance and strategic planning. DMOs are responsible for destination promotion, market positioning, visitor management, tourism policy coordination, and stakeholder cooperation. According to Morrison (2013), successful DMOs contribute significantly to tourism sustainability by integrating environmental protection, economic development, and cultural preservation into tourism strategies. In many European tourism destinations, DMOs have become central institutions for developing integrated tourism policies and ensuring cooperation between public and private sectors.

In developing tourism economies such as Albania, destination management remains a relatively new and evolving concept. Although Albania has experienced rapid tourism growth in recent years, the literature indicates that tourism development has often occurred without comprehensive long-term planning and destination management strategies. Several studies highlight challenges such as weak institutional coordination, limited investment in tourism infrastructure, insufficient destination branding, and inadequate environmental management practices. These issues negatively affect the quality and sustainability of tourism experiences.

Research conducted by Buhalis (2000) argues that strategic destination planning is essential for destinations aiming to achieve international competitiveness. Strategic planning includes tourism product diversification, infrastructure investment, digital marketing, quality assurance systems, and sustainable resource management. For Albania, these strategic approaches are particularly important due to the country's increasing visibility in the Mediterranean tourism market.

Cultural heritage destinations require especially careful destination management because of the need to balance tourism development with heritage preservation. Heritage cities and archaeological sites often face pressures related to overcrowding, commercialization, and environmental degradation caused by tourism activities (Timothy & Boyd, 2003). In Albania, destinations such as Durrës, Berat, and Gjirokastrë represent important cultural tourism assets that require sustainable management policies to protect their historical and cultural value.

Cruise tourism management has also emerged as an important issue in destination management literature. Cruise tourism can generate economic benefits through increased tourist arrivals, local spending, and international promotion of destinations. However, researchers note that cruise tourism may also create environmental pollution, overcrowding, and pressure on urban infrastructure if not properly managed (Brida & Zapata, 2010). Studies by Licaj and Kuçi (2014) emphasize that the development of cruise tourism in Durrës requires sustainable planning approaches to protect urban heritage and improve tourism services.

Another important aspect of destination management is service quality management. Tourism destinations increasingly compete based on the quality of hospitality services and visitor satisfaction. Parasuraman, Zeithaml, and Berry (1988) introduced the SERVQUAL model, which identifies reliability, responsiveness, assurance, empathy, and tangibles as key dimensions of service quality. Studies focusing on Albanian tourism destinations have identified the need for improvements in staff training, customer service, and hospitality standards to increase destination competitiveness (Licaj, 2014).

Digitalization and smart tourism technologies are also becoming increasingly relevant in destination management. Modern tourists rely heavily on digital platforms for travel planning, destination information, and online reviews. Consequently, tourism destinations must adopt digital marketing strategies, online booking systems, and smart tourism technologies to improve communication and visitor experiences. Effective destination branding through digital media can strengthen the international image of tourism destinations and attract new tourism markets.

Sustainability has become a central principle in destination management theory and practice. Sustainable destination management seeks to balance economic growth with environmental conservation and community well-being. According to Bramwell and Lane (2011), stakeholder participation and collaborative governance are essential for achieving sustainable tourism outcomes. Local communities should actively participate in tourism planning processes because they are directly affected by tourism development and contribute significantly to preserving destination authenticity.

In Albania, tourism destinations possess significant opportunities for sustainable development due to their cultural diversity, natural landscapes, and growing international recognition. However, achieving long-term competitiveness requires stronger institutional cooperation, strategic tourism planning, infrastructure improvements, and sustainable destination governance. The literature suggests that integrated destination management models can help Albania improve tourism quality, preserve cultural and environmental resources, and create more sustainable tourism experiences for both visitors and local communities.

2.3 Cultural heritage and cruise tourism: Cultural heritage tourism has become one of the most important segments of sustainable tourism development because it contributes simultaneously to economic growth, cultural preservation, and destination identity. Cultural heritage includes tangible and intangible elements such as historical monuments, archaeological sites, architecture, traditions, language, folklore, gastronomy, and local customs that reflect the historical and cultural identity of a society (Timothy & Boyd, 2003). Tourism based on cultural heritage allows destinations to diversify tourism products while creating authentic experiences for visitors.

In recent decades, the relationship between tourism and cultural heritage has attracted increasing academic attention due to the growing demand for cultural experiences among international tourists. Modern tourists increasingly seek destinations that provide historical authenticity, cultural interaction, and unique local experiences rather than only traditional mass tourism products (Richards, 2018). As a result, cultural heritage has become an important competitive advantage for tourism destinations worldwide.

Albania possesses considerable cultural heritage resources due to its historical development and geographical position in the Mediterranean region. Archaeological sites, castles, religious monuments, museums, and UNESCO World Heritage cities such as Berat and Gjirokastrë represent important tourism assets that contribute to the country's tourism attractiveness. Additionally, cities such as Durrës, with its ancient amphitheater and archaeological heritage, play a significant role in the development of cultural tourism.

Researchers emphasize that cultural heritage tourism contributes not only to economic benefits but also to the preservation of local identity and community pride (Ashworth & Tunbridge, 2000). Tourism revenues can support restoration projects, infrastructure development, and heritage conservation initiatives. However, literature also highlights that uncontrolled tourism growth may threaten heritage sites through overcrowding, commercialization, environmental degradation, and physical deterioration of monuments. Therefore, sustainable heritage management is considered essential for balancing tourism development with heritage protection.

According to McKercher and du Cros (2002), effective cultural heritage tourism requires integrated management approaches that combine tourism planning, heritage conservation, visitor management, and stakeholder collaboration. Heritage sites should not be viewed only as tourism attractions but also as valuable cultural resources that require long-term protection and responsible management. Sustainable cultural tourism policies must therefore ensure that tourism activities do not negatively affect the authenticity and integrity of heritage assets.

One of the most discussed forms of tourism connected with cultural heritage destinations is cruise tourism. Cruise tourism has experienced rapid growth globally, particularly in Mediterranean coastal destinations. Cruise tourism contributes significantly to local economies through tourist spending, employment generation, and international destination promotion (Brida & Zapata, 2010). Port cities benefit economically from cruise passenger arrivals through increased demand for transportation, restaurants, guided tours, retail services, and cultural attractions.

However, the literature identifies several environmental and socio-cultural challenges associated with cruise tourism development. Large cruise ships may create environmental pollution, overcrowding, traffic congestion, and pressure on urban infrastructure and heritage sites. Furthermore, cruise tourists often spend limited time at destinations, reducing the long-term economic impact on local communities (Johnson, 2002). These challenges are particularly significant for small and medium-sized heritage cities that may lack the infrastructure and management capacity required to support large tourism flows.

In the Albanian context, cruise tourism has become increasingly important due to the strategic location of the Port of Durrës in the Adriatic region. Durrës represents one of the country's main gateways for international tourism and possesses significant archaeological and historical value. Studies conducted by Licaj and Kuçi (2014) emphasized that cruise tourism in Durrës creates important opportunities for tourism development and international promotion. Nevertheless, the authors also highlighted the need for sustainable planning strategies to minimize negative environmental and social impacts on urban heritage areas.

Licaj (2013) further argued that cruise tourism can contribute positively to local economic development if integrated with sustainable destination management policies and cultural heritage preservation strategies. The development of tourism products connected to local history, traditions, gastronomy, and cultural attractions can increase tourist engagement and improve the overall visitor experience.

Another important aspect discussed in the literature is the use of storytelling and digital technologies in promoting cultural heritage tourism. Modern tourism destinations increasingly use digital platforms, virtual tours, and storytelling strategies to enhance cultural interpretation and destination marketing (Richards, 2018). Licaj (2013) emphasized the role of storytelling in promoting Albanian castles and cultural heritage through e-tourism initiatives. Such approaches contribute to preserving local narratives and increasing destination attractiveness for international visitors.

The literature also highlights the importance of community participation in cultural tourism development. Local communities play a crucial role in preserving traditions, cultural practices, and destination authenticity. Sustainable cultural tourism should therefore involve local stakeholders in tourism planning and decision-making processes to ensure that tourism benefits are distributed fairly and cultural identity is protected (Bramwell & Lane, 2011).

Overall, cultural heritage and cruise tourism represent important opportunities for tourism development in Albania. Nevertheless, sustainable management approaches are essential to ensure that tourism growth does not compromise the preservation of historical sites, local identity, and environmental quality. The integration of heritage conservation policies, visitor management systems, and sustainable tourism planning can help Albania strengthen its position as a competitive cultural tourism destination while protecting its valuable cultural resources for future generations.

2.4 Hospitality management and service quality: Hospitality management and service quality are fundamental components of tourism development and destination competitiveness. The hospitality sector includes accommodation services, food and beverage operations, customer care, event management, and all tourism-related services that directly influence tourist experiences and satisfaction. In the global tourism industry, service quality has become one of the main factors determining the success and sustainability of tourism destinations (Kotler et al., 2017).

The concept of service quality in hospitality is closely associated with customer expectations and perceptions. Parasuraman, Zeithaml, and Berry (1988) introduced the SERVQUAL model, which identifies five key dimensions of service quality: reliability, responsiveness, assurance, empathy, and tangibles. According to this model, tourists evaluate hospitality services based on their expectations before the service and their actual experiences during consumption. High service quality contributes positively to customer satisfaction, destination loyalty, and positive word-of-mouth promotion.

Researchers argue that the hospitality industry plays a strategic role in tourism development because accommodation and tourism services significantly influence the overall image and competitiveness of destinations (Lashley & Morrison, 2000). Hotels, restaurants, resorts, and tourism businesses are not only providers of services but also important actors in destination branding and visitor experience management. As tourism markets become increasingly competitive, hospitality businesses must continuously improve service standards, innovation, and customer-oriented management practices.

In the context of sustainable tourism, hospitality management also includes environmental and social responsibilities. Sustainable hospitality practices involve energy efficiency, waste reduction, water conservation, use of local products, and responsible resource management (Jones et al., 2016). Many tourism destinations and hotels have adopted sustainability certifications and quality assurance systems to improve environmental performance and attract environmentally conscious tourists.

The literature suggests that human resource management is one of the most important determinants of service quality in hospitality. Employee training, communication skills, leadership, and organizational culture strongly influence customer satisfaction and service performance (Baum, 2007). Tourism and hospitality employees are often the first point of contact between tourists and destinations; therefore, professional behavior and service competence directly affect visitor perceptions. Continuous staff training and professional education are considered essential for improving tourism competitiveness and service excellence.

In developing tourism destinations such as Albania, hospitality management has become increasingly important due to the rapid growth of international tourism demand. The expansion of hotels, restaurants, guesthouses, and tourism services has created new opportunities for economic development and employment generation. However, several studies indicate that the Albanian hospitality sector continues to face challenges related to service quality, staff qualification, infrastructure standards, and tourism professionalism.

Research conducted by Licaj (2014) on hospitality service quality in Durrës highlighted the importance of implementing quality standards and customer-oriented management strategies in Albanian tourism businesses. The study emphasized that improvements in employee training, hotel management practices, and tourism marketing are necessary to increase tourist satisfaction and strengthen destination competitiveness. Furthermore, the research identified that many tourism businesses in Albania still operate without standardized quality management systems, creating inconsistencies in tourism service delivery.

Hospitality innovation has also become an important topic in tourism literature. Innovative tourism products and accommodation models contribute significantly to destination differentiation and visitor experiences. One example discussed in Albanian tourism research is the concept of *Albergo Diffuso*, which combines hospitality services with cultural heritage preservation and community involvement (Licaj, 2010). This model integrates accommodation facilities within traditional village structures, creating authentic tourism experiences while supporting local economic development and preserving architectural heritage.

Another important aspect of hospitality management is tourism marketing and branding. Tourism destinations increasingly compete through destination image, service reputation, and digital communication strategies. Online booking systems, customer reviews, social media platforms, and digital marketing tools have transformed the hospitality industry and tourist decision-making processes (Morrison, 2013). Hospitality businesses must therefore adapt to technological developments and changing consumer expectations to remain competitive in international markets.

The literature also emphasizes the relationship between hospitality quality and destination sustainability. Poor hospitality standards can negatively affect tourist satisfaction and destination reputation, while high-quality tourism services contribute to repeat visitation and long-term economic growth. Sustainable hospitality management therefore requires not only economic profitability but also ethical business practices, cultural sensitivity, and environmental responsibility.

In Albania, the hospitality sector possesses strong development potential due to increasing tourist arrivals and growing international interest in the country's tourism destinations. Coastal cities such as Durrës, Vlorë, and Sarandë, as well as cultural destinations such as Berat and Gjirokastër, have experienced significant investments in tourism infrastructure and accommodation services. Nevertheless, literature findings suggest that stronger institutional support, professional training, and implementation of international hospitality standards are necessary to improve tourism quality and international competitiveness.

Overall, hospitality management and service quality are essential elements for sustainable tourism development. The literature demonstrates that effective hospitality management contributes directly to visitor satisfaction, destination image, and tourism sustainability. For Albania, investing in hospitality education, service innovation, quality assurance systems, and sustainable management practices represents an important strategy for strengthening the tourism sector and enhancing its position in the international tourism market.

3. Methodology

This study applies a qualitative research methodology based on a systematic literature review approach. The literature review method was selected because it allows the identification, analysis, and interpretation of existing academic studies and theoretical

contributions related to sustainable tourism, destination management, cultural heritage tourism, cruise tourism, and hospitality management. According to Creswell (2014), literature review methodology is particularly appropriate for examining existing knowledge, identifying research gaps, and developing theoretical understanding within a specific research field.

The purpose of this methodology is to critically analyze previous studies and evaluate how sustainable tourism principles and destination management strategies contribute to tourism development in Albania. The research focuses on understanding the relationship between tourism sustainability, cultural heritage preservation, hospitality quality, and destination competitiveness through the examination of secondary data sources and academic literature.

The research adopts a descriptive and analytical design based on qualitative data interpretation. The study does not involve primary data collection such as surveys or interviews; instead, it relies entirely on secondary sources obtained from scientific literature, international tourism reports, conference proceedings, policy documents, and academic publications.

The literature review was conducted during the period January – March 2026 through a thematic approach, allowing the classification of information into major research categories related to:

- Sustainable tourism development
- Destination management
- Cultural heritage tourism
- Cruise tourism
- Hospitality management and service quality
- Tourism competitiveness and sustainability.

This thematic structure enabled a systematic examination of theoretical concepts, tourism models, and practical challenges discussed in previous studies.

The data used in this study were collected from multiple academic and institutional sources. Scientific articles and conference papers related to tourism management and sustainability were identified through academic databases such as Google Scholar, ResearchGate, Scopus, and tourism-related journals. Additionally, reports and publications from international organizations, including the United Nations World Tourism Organization (UNWTO), were reviewed to provide updated theoretical and policy perspectives on sustainable tourism development.

Particular attention was given to literature related to Albania and the Balkan region in order to ensure contextual relevance. Publications and conference papers authored by Brunilda Licaj concerning sustainable tourism, hospitality quality, cultural tourism, and cruise tourism in Albania were also incorporated into the analysis as important reference materials. These studies provided valuable insights into the challenges and opportunities facing the Albanian tourism sector.

The selection criteria for literature included:

- Relevance to sustainable tourism and destination management
- Academic credibility and scientific contribution
- Focus on tourism sustainability, hospitality, and cultural heritage
- Studies related to Albania or comparable tourism destinations
- Publications from recognized journals, conferences, and institutions.

Both classical and contemporary tourism theories were included in order to create a balanced theoretical framework for analysis.

The collected literature was analyzed using qualitative content analysis. Content analysis allows researchers to identify recurring themes, concepts, patterns, and relationships within textual data (Krippendorff, 2013). During the analysis process, the reviewed studies were categorized according to major research topics and compared in terms of theoretical perspectives, findings, and conclusions.

The analysis focused particularly on:

- The role of sustainable tourism in destination development
- The impact of tourism on cultural heritage preservation
- Challenges of cruise tourism in urban heritage destinations
- The importance of hospitality service quality in tourism competitiveness
- Strategic destination management practices and sustainability policies.

Comparative analysis was also applied to identify similarities and differences between international tourism theories and the Albanian tourism context. This approach helped evaluate how global sustainable tourism principles can be adapted to emerging tourism destinations such as Albania.

To improve the reliability and validity of the study, only academic and institutional sources with recognized scientific credibility were included in the review process. Peer-reviewed journal articles, official tourism reports, conference proceedings, and internationally recognized tourism publications were prioritized.

The use of multiple sources and theoretical perspectives contributed to data triangulation, increasing the consistency and credibility of the findings. Furthermore, the inclusion of both international and Albania-focused literature ensured a comprehensive understanding of the research topic and reduced the risk of limited or biased interpretation.

4. Results

The literature review findings demonstrate that Albania possesses strong potential for sustainable tourism development due to its strategic geographical position, rich cultural heritage, natural resources, and increasing international tourism demand. However, the reviewed studies also indicate that the country continues to face important structural, managerial, and environmental challenges that influence tourism competitiveness and long-term sustainability.

The analyzed literature highlights that Albania has experienced significant tourism growth during the last decade, particularly in coastal tourism, cultural tourism, and nature-based tourism. The country's Adriatic and Ionian coastlines, archaeological heritage, traditional villages, and UNESCO World Heritage cities have become important tourism attractions for international visitors. According to tourism development studies, Albania's tourism sector has contributed positively to employment generation, local business development, and foreign investment opportunities.

Researchers emphasize that Albania's relatively unexplored tourism destinations provide a competitive advantage compared to overcrowded Mediterranean destinations. Tourists increasingly seek authentic cultural experiences, local gastronomy, and sustainable travel experiences, which correspond closely with Albania's tourism resources (Richards, 2018). This trend creates opportunities for Albania to position itself as a sustainable and culturally authentic tourism destination within the international tourism market.

Nevertheless, the findings indicate that tourism development in Albania remains highly concentrated in seasonal coastal tourism. This seasonality creates economic instability for tourism businesses and limits long-term tourism sustainability. Several studies argue that Albania should diversify its tourism products by promoting cultural tourism, rural tourism, ecotourism, and heritage tourism throughout the year.

One of the main findings of the literature review is that sustainable tourism management remains a major challenge for Albanian tourism development. Although tourism growth has generated economic benefits, several studies identify concerns related to environmental degradation, urbanization, waste management, and insufficient tourism planning. Coastal areas in particular face increasing environmental pressure caused by uncontrolled construction, pollution, and overuse of natural resources.

The reviewed literature suggests that tourism sustainability in Albania is often limited by weak institutional coordination and insufficient implementation of environmental regulations. Sustainable tourism policies exist in strategic documents; however, researchers argue that practical implementation remains inconsistent due to limited governance capacity and lack of monitoring mechanisms.

Another significant challenge identified in the literature is the imbalance between tourism growth and infrastructure development. Transportation systems, public services, urban planning, and tourism infrastructure in several destinations remain underdeveloped compared to the increasing number of tourists. Poor infrastructure negatively affects visitor satisfaction and destination competitiveness.

Studies also reveal that local communities are not always sufficiently involved in tourism planning and decision-making processes. According to sustainable tourism theory, community participation is essential for preserving cultural authenticity and ensuring that tourism benefits are distributed fairly among local populations (Bramwell & Lane, 2011). In Albania, limited stakeholder collaboration has sometimes reduced the effectiveness of tourism development strategies.

The literature findings indicate that destination management is a critical factor influencing tourism competitiveness in Albania. Researchers consistently emphasize that tourism destinations require strategic planning, coordinated governance, and integrated marketing approaches in order to compete effectively in international tourism markets.

One important issue identified is the absence of fully developed Destination Management Organizations (DMOs) in many Albanian tourism regions. As a result, tourism promotion, infrastructure planning, environmental management, and tourism branding are often fragmented among different institutions and stakeholders. This fragmentation reduces the efficiency of tourism governance and limits long-term strategic development.

The findings further suggest that destination branding remains underdeveloped in Albania. While the country has gained increasing international attention as an emerging tourism destination, tourism marketing strategies are still evolving. Literature emphasizes the importance of creating a strong and consistent tourism image focused on cultural heritage, authenticity, hospitality, and sustainable tourism experiences.

Digitalization also emerged as an important factor affecting destination competitiveness. Modern tourists rely heavily on online information, digital platforms, and customer reviews when selecting destinations. The reviewed studies indicate that many Albanian tourism businesses and institutions still need to improve digital marketing strategies, online communication, and smart tourism technologies to meet international tourism standards.

The literature strongly supports the idea that cultural heritage represents one of Albania's most valuable tourism assets. Historical cities such as Berat, Gjirokastër, and Durrës possess significant cultural and archaeological importance that contributes to destination attractiveness and tourism diversification.

Research findings suggest that cultural tourism can play a key role in reducing tourism seasonality and supporting sustainable regional development. Cultural tourists are often motivated by educational experiences, heritage interpretation, and local traditions, which create opportunities for long-term tourism engagement and higher tourism spending.

However, the literature also identifies several risks associated with cultural tourism development. Heritage sites in Albania often face preservation challenges due to insufficient restoration funding, urban pressures, and inadequate visitor management systems. Researchers emphasize that heritage conservation policies should be integrated into tourism development strategies in order to protect the authenticity and integrity of cultural resources.

The findings also indicate that storytelling, local traditions, and cultural interpretation are increasingly important for destination promotion. Licaj (2013) emphasized that digital storytelling and e-tourism platforms can enhance the visibility of Albanian cultural heritage and improve tourist engagement with local history and traditions.

Cruise tourism emerged in the reviewed literature as both an opportunity and a challenge for Albanian tourism development. The Port of Durrës has increasingly attracted international cruise ships due to its strategic location in the Adriatic Sea and proximity to important cultural attractions.

The findings indicate that cruise tourism contributes positively to local economic activity by increasing visitor arrivals, tourism consumption, and destination visibility. Cruise passengers generate demand for transportation services, guided tours, restaurants, and cultural attractions. Furthermore, cruise tourism can improve Albania's international tourism image and encourage repeat visitation.

Despite these benefits, several studies identify concerns regarding the environmental and socio-cultural impacts of cruise tourism. Overcrowding, traffic congestion, pollution, and pressure on urban infrastructure may negatively affect heritage cities if tourism flows are not properly managed. Licaj and Kuçi (2014) argued that sustainable planning and visitor management strategies are necessary to minimize the negative impacts of cruise tourism on Durrës' urban heritage and tourism sustainability.

The literature therefore suggests that cruise tourism development should be integrated with heritage conservation strategies, environmental regulations, and urban tourism planning to ensure balanced tourism growth.

Hospitality service quality was identified as one of the most important determinants of tourist satisfaction and destination competitiveness. Studies focusing on Albanian tourism indicate that accommodation quality, customer service, staff professionalism, and tourism management practices strongly influence visitor perceptions and tourism experiences.

The literature reveals that Albania's hospitality sector has improved considerably during recent years due to increased tourism demand and investment in tourism infrastructure. New hotels, restaurants, resorts, and guesthouses have expanded tourism capacity in major destinations. However, several studies indicate that service quality standards remain inconsistent across tourism businesses.

One recurring issue identified in the literature is the need for stronger professional training and hospitality education. Many tourism businesses face difficulties related to staff qualification, customer service skills, foreign language communication, and tourism management expertise. Researchers emphasize that investment in tourism education and continuous professional development is essential for improving service quality and international competitiveness.

The findings also highlight the growing importance of sustainable hospitality management. Environmentally responsible practices such as waste reduction, energy efficiency, and the use of local products are increasingly valued by international tourists. Hospitality businesses that adopt sustainable management practices can improve both destination image and long-term tourism sustainability.

Innovative accommodation models such as Albergo Diffuso were also identified as important examples of sustainable hospitality development. These models contribute to rural revitalization, preservation of traditional architecture, and authentic tourism experiences while generating economic benefits for local communities.

5. Discussion

The findings of this literature review demonstrate that sustainable tourism development in Albania represents both a significant opportunity and a complex managerial challenge. The reviewed studies confirm that Albania possesses a strong comparative advantage due to its cultural heritage, coastal resources, natural landscapes, and growing international visibility. Nevertheless, the literature also reveals that tourism growth alone does not guarantee sustainable development unless supported by effective destination management, strategic planning, environmental protection, and quality hospitality services.

One of the central discussions emerging from the literature concerns the relationship between tourism growth and sustainability. While tourism contributes positively to employment generation, local business development, and foreign investment, uncontrolled tourism expansion may create environmental degradation, urban pressure, cultural commodification, and infrastructure overload. This issue is particularly relevant for coastal destinations and heritage cities such as Durrës, where tourism growth has increased pressure on urban resources and cultural sites. The literature therefore supports the argument that tourism policies in Albania should shift from quantity-oriented tourism growth toward quality-oriented and sustainability-focused development strategies.

Another important discussion relates to destination management and institutional coordination. The findings suggest that Albania still lacks fully integrated destination management systems capable of coordinating stakeholders, tourism planning, infrastructure development, and sustainability initiatives. Tourism governance remains fragmented among local institutions, tourism businesses, and government agencies, limiting the effectiveness of strategic tourism planning. Similar conclusions were highlighted by Buhalis (2000), who argued that tourism destinations require coordinated governance structures in order to remain competitive in global tourism markets.

The literature also emphasizes the increasing importance of cultural heritage tourism as a strategic tourism product for Albania. Cultural tourism provides opportunities for reducing seasonality, diversifying tourism experiences, and preserving local identity. However, heritage tourism requires careful management in order to avoid over-commercialization and deterioration of historical assets. Sustainable heritage management strategies must therefore integrate conservation policies, visitor management systems, and local community participation.

Cruise tourism represents another significant discussion area identified in the reviewed literature. Although cruise tourism generates economic benefits and international destination exposure, researchers argue that unmanaged cruise tourism may negatively affect urban sustainability and heritage preservation. In the case of Durrës, sustainable cruise tourism planning is essential to balance tourism development with urban infrastructure capacity and heritage protection. This discussion reflects broader international debates regarding overtourism and tourism carrying capacity in heritage destinations.

Hospitality management and service quality also emerged as critical themes in the discussion. The literature demonstrates that tourist satisfaction and destination competitiveness are strongly influenced by service quality, staff professionalism, and customer-oriented tourism management. Despite considerable improvements in Albania's hospitality sector, challenges remain regarding professional training, service standardization, and tourism education. The findings suggest that long-term tourism competitiveness depends not only on natural and cultural attractions but also on the quality of tourism experiences provided to visitors.

Furthermore, the literature underlines the growing importance of sustainability and digital transformation within tourism management. Tourists increasingly expect environmentally responsible tourism services, authentic experiences, and digital accessibility. Consequently, tourism destinations and hospitality businesses must adopt digital marketing strategies, smart tourism technologies, and sustainable operational practices to remain competitive. Albania's tourism sector still has significant opportunities for improvement in these areas.

The discussion also highlights the importance of community participation in sustainable tourism development. Local communities play a crucial role in preserving cultural authenticity, supporting tourism experiences, and ensuring social sustainability. The reviewed literature suggests that tourism planning processes in Albania should become more inclusive and participatory in order to strengthen local engagement and distribute tourism benefits more equally.

6. Conclusion

This study examined the role of sustainable tourism and destination management in Albania through a literature review methodology. The findings indicate that Albania possesses substantial tourism development potential due to its cultural heritage, natural resources, and strategic geographical position in the Mediterranean region. Tourism has become an important contributor to economic growth, employment generation, and international visibility.

However, the literature also demonstrates that tourism development in Albania continues to face important challenges related to sustainability, infrastructure, destination management, environmental protection, and hospitality service quality. Rapid tourism growth without adequate planning may negatively affect cultural heritage, natural resources, and destination competitiveness. Therefore, sustainable tourism management is essential for ensuring balanced and long-term tourism development.

The study further concludes that destination management plays a fundamental role in improving tourism competitiveness and sustainability. Effective stakeholder collaboration, strategic planning, quality management systems, and integrated tourism policies are necessary to strengthen Albania's tourism governance and international market position.

Cultural heritage tourism and cruise tourism were identified as important tourism segments with significant development potential. Nevertheless, sustainable management approaches are required to minimize environmental and socio-cultural impacts while protecting historical and cultural assets. Similarly, hospitality management and service quality remain essential factors influencing tourist satisfaction and destination reputation.

Overall, the literature supports the argument that Albania should adopt a more integrated and sustainability-oriented tourism development model focused on quality tourism experiences, heritage preservation, environmental responsibility, and local community involvement. Sustainable tourism strategies can contribute not only to economic growth but also to cultural preservation and long-term destination competitiveness.

The findings of this study provide several managerial implications for tourism policymakers, destination managers, hospitality businesses, and local institutions in Albania.

First, tourism policymakers should prioritize sustainable tourism planning and implement stronger environmental protection regulations, particularly in coastal and heritage destinations. Strategic tourism policies should focus on long-term sustainability rather than short-term tourism expansion.

Second, Destination Management Organizations (DMOs) should be strengthened in order to improve stakeholder coordination, tourism branding, infrastructure planning, and visitor management. Integrated destination management systems can significantly improve tourism competitiveness and governance efficiency.

Third, hospitality businesses should invest more in staff training, customer service quality, and sustainable hospitality practices. Professional tourism education and continuous training programs are essential for improving service standards and tourist satisfaction.

Fourth, tourism managers should integrate digital technologies and smart tourism solutions into destination marketing and tourism operations. Digital platforms, online booking systems, and destination branding strategies are increasingly important in attracting international tourists and improving visitor experiences.

Finally, local communities should be actively involved in tourism planning and heritage preservation initiatives. Community participation can improve tourism authenticity, support cultural sustainability, and ensure more equitable distribution of tourism benefits.

Despite its contributions, this study has several limitations. The research is based entirely on secondary data and literature review methodology, which means that no primary empirical data were collected through surveys, interviews, or field observations. Consequently, the findings rely on the interpretations and conclusions of previous researchers and published studies.

Another limitation concerns the availability of tourism research specifically related to Albania. Compared to more developed tourism destinations, Albania still has a relatively limited body of scientific literature addressing sustainable destination management, tourism governance, and tourism sustainability indicators.

Additionally, tourism is a rapidly evolving industry influenced by economic, technological, environmental, and political changes. Therefore, some tourism trends and management practices discussed in the literature may continue to evolve over time.

Future research should focus on empirical investigations of sustainable tourism practices and destination management in Albania through surveys, interviews, and case study analysis. Quantitative studies examining tourist satisfaction, tourism sustainability indicators, and destination competitiveness would contribute valuable data for tourism policy development.

Further research is also needed regarding the environmental impacts of tourism growth in coastal destinations and heritage cities. Studies on tourism carrying capacity, climate change adaptation, and sustainable urban tourism planning would be particularly relevant for Albania's tourism future.

Another important research direction involves digital tourism transformation and smart destination management. Future studies could analyze the role of digital technologies, online tourism platforms, and social media marketing in improving destination competitiveness and tourist experiences.

Finally, additional research on community-based tourism and rural tourism development would contribute to understanding how tourism can support regional development, cultural preservation, and local economic sustainability in Albania.

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Human Resource Management and Organizational Behavior in Higher Education Institutions of the Western Balkans

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Abstract

The dynamic changes in higher education institutions and labor market demands in the Western Balkans have increased the importance of effective human resource management and organizational behavior practices. This study aims to analyze the main factors influencing employee performance, organizational culture, leadership, and academic effectiveness in universities and public institutions, with a particular focus on Albania. The research adopts a literature review methodology, examining contemporary scientific studies, regional reports, and international publications related to human resource management, organizational behavior, employee motivation, and institutional development in the Western Balkans. The review identifies several challenges affecting the region, including limited professional development opportunities, organizational resistance to change, employee motivation issues, and the impact of leadership styles on institutional performance. Findings from the literature suggest that modern human resource practices, transparent communication, and supportive organizational cultures positively influence academic staff engagement, productivity, and institutional sustainability. Furthermore, the study highlights the growing need for universities in Albania and neighboring Western Balkan countries to adopt innovative management approaches aligned with European higher education standards. The article concludes that strengthening organizational behavior practices and strategic human resource management can significantly improve institutional effectiveness and employee satisfaction in higher education institutions across the region. The study also provides recommendations for future academic research and policy development in the field of management and organizational studies.

Keywords: Human resource management; organizational behavior; higher education; Albania; Western Balkans; literature review.

1. Introduction

Human Resource Management (HRM) and Organizational Behavior (OB) have become fundamental dimensions of institutional effectiveness in higher education systems worldwide (Armstrong, 2020; Robbins & Judge, 2022). Universities today face increasing pressures related to globalization, technological transformation, labor market competitiveness, internationalization, and quality assurance standards (Altbach et al., 2019; Marginson, 2016). Higher education institutions are increasingly expected to operate as knowledge-based organizations capable of adapting to rapidly changing economic and social environments (Scott, 2015). In the Western Balkans, and particularly in Albania, universities continue to experience structural reforms associated with European integration, Bologna Process implementation, and modernization of governance structures (European Commission, 2023; World Bank, 2022).

The management of academic staff, employee motivation, organizational culture, leadership, and communication practices significantly influence institutional productivity and educational quality (Bush, 2020; Schein, 2017). According to Armstrong (2020), HRM plays a central role in improving employee performance through recruitment, training, performance evaluation, and organizational development. Similarly, Robbins and Judge (2022) emphasize that organizational behavior contributes to understanding employee attitudes, teamwork, leadership effectiveness, job satisfaction, and organizational commitment. Previous studies suggest that universities characterized by participatory leadership and supportive organizational cultures tend to demonstrate stronger institutional performance and academic engagement (Bass & Riggio, 2019; Northouse, 2021).

In Albania, universities have undergone important transformations following the transition from a centralized political system toward a market-oriented economy and European-oriented educational reforms (Branković et al., 2014). Despite these reforms, many institutions continue to face challenges related to leadership practices, limited professional development opportunities, bureaucratic structures, insufficient research funding, and resistance to organizational change (World Bank, 2022; OECD, 2020). Similar challenges are evident across other Western Balkan countries such as Kosovo, North Macedonia, Montenegro, and Bosnia and Herzegovina, where higher education systems continue adapting to European quality standards and institutional governance reforms (European Training Foundation, 2021).

This paper aims to analyze the role of HRM and OB practices in higher education institutions through a literature review approach. The study focuses particularly on Albania while also examining broader regional experiences from the Western Balkans.

2. Literature Review

Human Resource Management (HRM) represents one of the most important dimensions of organizational success within higher education institutions (Armstrong, 2020; Boxall & Purcell, 2016). In modern universities, HRM is not limited to administrative personnel functions but has evolved into a strategic process that contributes directly to institutional development, academic quality, employee performance, innovation, and long-term sustainability (Dessler, 2020; Noe et al., 2021). According to Armstrong (2020), HRM involves the effective management of human capital through recruitment, training, motivation, performance evaluation, compensation, and career development. Contemporary higher education institutions increasingly rely on strategic HRM practices to improve institutional competitiveness, organizational effectiveness, and academic excellence within globalized educational environments (Altbach et al., 2019; Bush, 2020).

2.1 Human resource management in higher education: Within higher education institutions, academic staff are considered the primary intellectual resource and the central drivers of teaching quality, research productivity, and institutional reputation (Rowley & Warner, 2011; Teichler, 2017). Their qualifications, professional competencies, teaching effectiveness, research engagement, and academic commitment significantly influence university performance and long-term institutional sustainability (Marginson, 2016). Consequently, universities increasingly recognize the importance of implementing strategic HRM practices aimed at attracting, developing, motivating, and retaining highly qualified academic personnel (Boxall & Purcell, 2016; Noe et al., 2021).

One of the key functions of HRM in universities is recruitment and selection. Transparent and merit-based recruitment systems are essential for ensuring academic quality, institutional credibility, and organizational trust (Dessler, 2020). Effective recruitment practices allow universities to attract talented academics capable of contributing to institutional innovation, research development, and educational effectiveness (Armstrong, 2020). However, several studies conducted in Albania and the Western Balkans indicate that recruitment processes in some public institutions continue to face challenges related to political influence, limited transparency, favoritism, and insufficient performance-based evaluation criteria (OECD, 2020; World Bank, 2022). Such practices may negatively affect employee motivation, organizational justice, and institutional trust (Greenberg, 1990).

Training and professional development also represent central components of HRM in higher education (Guskey, 2002). Continuous academic development enables university staff to improve teaching methodologies, research competencies, technological skills, leadership capacities, and managerial capabilities (Noe et al., 2021). In the context of globalization, internationalization, and digital transformation, universities must increasingly invest in staff development programs to remain competitive within the European Higher Education Area (European Commission, 2023). Research suggests that organizations investing in employee learning and development generally achieve higher productivity, stronger organizational commitment, and improved institutional performance (Noe et al., 2021; Meyer & Allen, 1997).

Performance appraisal systems constitute another important aspect of HRM within universities. Effective evaluation mechanisms help institutions monitor academic performance, research outputs, student engagement, teaching quality, and professional contributions (Armstrong, 2020). Transparent appraisal systems also contribute to accountability, employee motivation, and institutional effectiveness (Dessler, 2020). In many Western Balkan universities, however, performance evaluation systems remain underdeveloped, excessively bureaucratic, or focused primarily on formal academic criteria while overlooking innovation, collaboration, and teaching effectiveness (OECD, 2020). Such limitations may reduce employee engagement and discourage professional creativity.

Employee motivation represents a critical challenge in higher education institutions throughout Albania and the Western Balkans. Herzberg's Motivation Theory emphasizes that factors such as recognition, achievement, professional growth, responsibility, and job security significantly influence employee satisfaction and performance (Herzberg, 1968). Similarly, Maslow's Hierarchy of Needs suggests that employees seek not only financial security but also esteem, professional fulfillment, and self-actualization within organizational environments (Maslow, 1943). Nevertheless, academic staff in many public universities frequently report dissatisfaction related to low salaries, excessive workloads, limited research funding, insufficient institutional support, and restricted promotion opportunities (World Bank, 2022). These conditions may contribute to reduced organizational commitment, burnout, lower institutional productivity, and increased migration of qualified academic personnel (Maslach & Leiter, 2016).

Another important dimension of HRM concerns leadership and communication practices. Modern universities increasingly require participatory leadership models that encourage collaboration, innovation, employee empowerment, and involvement in decision-making processes (Bush, 2020; Northouse, 2021). Transformational leadership styles are particularly important in academic environments because they promote motivation, trust, organizational adaptability, and institutional development (Bass & Riggio, 2019). Universities characterized by supportive leadership and effective communication systems generally demonstrate stronger organizational commitment and employee engagement (Robbins & Judge, 2022). In contrast, highly centralized and hierarchical structures may limit creativity, institutional flexibility, employee participation, and organizational innovation (Mintzberg, 1983).

In Albania, higher education reforms implemented during the last two decades have attempted to modernize university governance, improve quality assurance mechanisms, and align institutional practices with European Union standards and Bologna Process requirements (European Commission, 2023). Despite these reforms, several challenges remain regarding institutional autonomy, staff evaluation systems, research funding, academic promotion criteria, and professional development opportunities (World Bank, 2022). Similar issues are also evident across other Western Balkan countries undergoing economic, political, and institutional

transition processes (OECD, 2020). Consequently, strengthening strategic Human Resource Management practices remains essential for improving academic quality, organizational sustainability, and institutional competitiveness within the region.

2.2 Organizational behavior and institutional culture: Organizational Behavior (OB) is a multidisciplinary field that studies how individuals and groups behave within organizations and how organizational structures influence employee attitudes, motivation, communication, and performance (Robbins & Judge, 2022; Luthans, 2019). In higher education institutions, organizational behavior plays a crucial role in shaping institutional effectiveness, academic productivity, employee satisfaction, organizational commitment, and long-term sustainability (Bush, 2020; Schein, 2017). Universities are highly complex organizations where academic staff, administrators, researchers, and students interact continuously within formal and informal institutional structures (Mintzberg, 1983). Consequently, understanding organizational behavior is essential for improving institutional governance, organizational performance, and educational outcomes (Scott, 2015).

According to Robbins and Judge (2022), organizational behavior focuses on key dimensions such as motivation, leadership, communication, teamwork, conflict management, organizational culture, and employee engagement. In academic institutions, these dimensions directly affect teaching quality, research collaboration, innovation, institutional reputation, and organizational adaptability (Northouse, 2021). Universities characterized by positive organizational climates, participatory leadership structures, and supportive communication systems generally demonstrate stronger academic performance, higher employee satisfaction, and greater institutional commitment (Kahn, 1990; Meyer & Allen, 1997). Effective organizational behavior practices also contribute to institutional resilience and continuous organizational learning within rapidly changing educational environments (Senge, 2006).

One of the central concepts in organizational behavior is organizational culture. Schein (2017) defines organizational culture as the shared values, beliefs, norms, assumptions, and behavioral patterns that influence how members of an organization interact and perform their responsibilities. Similarly, Hofstede (2018) emphasizes that organizational culture shapes communication patterns, leadership styles, decision-making processes, employee relationships, and institutional priorities. In universities, institutional culture significantly affects academic collaboration, staff motivation, student engagement, innovation, and openness to organizational change (Tierney, 2008). A positive organizational culture encourages trust, teamwork, creativity, and institutional loyalty, while dysfunctional organizational cultures may generate conflict, resistance, and reduced organizational effectiveness (Deal & Kennedy, 2000).

Higher education institutions in Albania and the Western Balkans often operate within transitional social, political, and economic environments shaped by post-communist institutional reforms and European integration processes (Branković et al., 2014). As a result, organizational cultures in many public universities continue to reflect bureaucratic traditions and centralized governance systems inherited from earlier institutional models (OECD, 2020). These structures may limit organizational flexibility, employee participation, innovation, and collaborative decision-making processes (Mintzberg, 1983). Research conducted in transitional societies indicates that hierarchical organizational cultures frequently reduce employee autonomy, weaken communication processes, and discourage participatory institutional governance (Hofstede, 2018; Kotter, 2012).

In many universities across the Western Balkans, communication between administration and academic staff remains formal, hierarchical, and highly centralized (World Bank, 2022). Such communication patterns may create organizational barriers that negatively affect trust, collaboration, transparency, and employee morale (Robbins & Judge, 2022). Effective communication, however, is considered one of the most important factors influencing institutional success and organizational sustainability (Luthans, 2019). Open communication channels contribute to transparency, conflict resolution, teamwork, organizational trust, and stronger employee engagement (Kahn, 1990). Universities that promote collaborative communication systems generally demonstrate stronger institutional climates and more effective academic cooperation (Bush, 2020).

Employee motivation also represents a major area of organizational behavior research. Motivation influences employee productivity, creativity, organizational commitment, job satisfaction, and professional engagement (Maslow, 1943; Herzberg, 1968). In higher education institutions, motivated academic staff are more likely to contribute actively to research activities, curriculum development, institutional projects, innovation initiatives, and student support programs (Meyer & Allen, 1997). Herzberg's Two-Factor Theory and Maslow's Hierarchy of Needs continue to provide important theoretical frameworks for understanding employee behavior and organizational commitment within educational institutions (Herzberg, 1968; Maslow, 1943).

Several studies indicate that academic staff in Albania and neighboring Western Balkan countries often experience reduced motivation due to limited financial rewards, insufficient research funding, excessive administrative workloads, limited professional development opportunities, and unclear promotion criteria (OECD, 2020; World Bank, 2022). These conditions may negatively influence both individual performance and institutional effectiveness. Moreover, prolonged organizational stress, job insecurity, and professional dissatisfaction can contribute to employee burnout, emotional exhaustion, reduced productivity, and increased turnover intentions (Maslach & Leiter, 2016). Universities that fail to address employee well-being and organizational support mechanisms may experience declining academic performance and institutional instability.

Leadership behavior is another critical component of organizational behavior within universities. Leadership significantly influences institutional culture, employee satisfaction, organizational adaptability, innovation capacity, and strategic development (Northouse, 2021). Transformational leadership styles are increasingly considered essential in higher education because they encourage collaboration, innovation, professional growth, academic empowerment, and organizational trust (Bass & Riggio, 2019). Leaders who promote transparency, participation, ethical governance, and academic freedom tend to foster healthier organizational

environments and stronger institutional commitment (Bush, 2020). Effective leadership also plays an essential role in managing institutional reforms, organizational crises, and technological transformation processes (Kotter, 2012).

In contrast, authoritarian or highly centralized leadership styles may weaken institutional trust, reduce employee engagement, and limit organizational innovation (Mintzberg, 1983). In some higher education institutions in the Western Balkans, decision-making processes remain concentrated among senior administrators, limiting academic participation in institutional governance and strategic planning (OECD, 2020). Such practices may reduce organizational commitment, weaken institutional transparency, and hinder modernization efforts within universities (World Bank, 2022).

Teamwork and collaboration also constitute important dimensions of organizational behavior in academic environments. Universities increasingly rely on interdisciplinary collaboration, research partnerships, international academic networks, and collaborative teaching approaches (Altbach et al., 2019). Effective teamwork contributes to knowledge sharing, innovation, institutional competitiveness, and organizational learning (Senge, 2006). However, organizational conflicts, communication barriers, unclear institutional responsibilities, and competitive academic environments may negatively affect collaborative processes and institutional cohesion (Robbins & Judge, 2022).

Another significant issue concerns organizational resistance to change. Universities across Albania and the Western Balkans are undergoing reforms associated with European integration, digital transformation, accreditation standards, and quality assurance mechanisms (European Commission, 2023). Organizational change often generates uncertainty, anxiety, and resistance among employees, particularly when reforms are implemented without sufficient communication, training, or participation (Kotter, 2012). Resistance to change may slow institutional development, weaken organizational trust, and reduce the effectiveness of reform initiatives (Schein, 2017).

Digitalization has further transformed organizational behavior within higher education institutions. The expansion of online teaching, virtual communication, remote collaboration, and digital management systems has fundamentally changed how employees interact, communicate, and perform their professional responsibilities (Castells, 2010). Universities must therefore develop organizational cultures that support flexibility, technological adaptation, continuous learning, innovation, and employee well-being in increasingly digital academic environments (European Commission, 2023). Institutions capable of successfully integrating digital technologies into organizational processes are generally better positioned to improve academic effectiveness, organizational resilience, and long-term institutional sustainability.

2.3 Leadership and employee motivation: Leadership and employee motivation are among the most significant factors influencing organizational effectiveness, institutional sustainability, academic performance, and organizational resilience in higher education institutions (Northouse, 2021; Bush, 2020). In universities, leadership not only determines administrative efficiency but also shapes organizational culture, communication practices, employee engagement, institutional adaptability, and strategic development (Bass & Riggio, 2019; Robbins & Judge, 2022). Similarly, employee motivation directly affects teaching quality, research productivity, organizational commitment, innovation, and professional development (Herzberg, 1968; Meyer & Allen, 1997). In the context of Albania and the Western Balkans, leadership and motivation have become increasingly important due to ongoing higher education reforms, economic transitions, globalization pressures, and the growing need to align institutional practices with European educational standards and Bologna Process requirements (European Commission, 2023; OECD, 2020).

Leadership is commonly defined as the process through which individuals influence others in order to achieve organizational goals (Northouse, 2021). Effective leadership involves communication, strategic vision, decision-making, motivation, ethical responsibility, and the ability to manage organizational change and uncertainty (Kotter, 2012). Within higher education institutions, leaders are expected to balance academic autonomy with administrative responsibilities while fostering innovation, collaboration, institutional development, and academic excellence (Bush, 2020). University leadership also plays a critical role in shaping organizational culture, supporting employee well-being, and facilitating institutional adaptation to technological and societal transformation (Scott, 2015).

One of the most influential contemporary leadership models is transformational leadership. Bass and Riggio (2019) argue that transformational leaders inspire employees by promoting shared values, intellectual stimulation, professional growth, organizational commitment, and collective institutional goals. In universities, transformational leadership encourages academic staff to engage actively in research activities, collaborative projects, curriculum innovation, and institutional development initiatives (Northouse, 2021). Such leadership styles are particularly important in educational institutions because they foster creativity, trust, empowerment, innovation, and long-term organizational sustainability (Bush, 2020). Research further suggests that transformational leadership positively influences employee satisfaction, organizational commitment, and institutional performance within academic environments (Meyer & Allen, 1997).

In contrast, transactional leadership focuses primarily on supervision, formal authority, organizational control, and performance-based rewards or punishments (Bass & Riggio, 2019). While transactional approaches may improve short-term organizational efficiency and administrative control, they are often considered less effective in academic environments where intellectual freedom, creativity, collaboration, and innovation are highly valued (Robbins & Judge, 2022). In many higher education institutions within the Western Balkans, leadership structures continue to reflect bureaucratic and hierarchical traditions characterized by centralized decision-making processes and limited employee participation (OECD, 2020). These structures may reduce institutional flexibility, employee engagement, organizational innovation, and academic autonomy (Mintzberg, 1983).

The literature suggests that leadership effectiveness significantly influences employee motivation, organizational climate, institutional trust, and academic productivity (Northouse, 2021). Universities with supportive leadership practices generally demonstrate higher levels of employee satisfaction, stronger institutional commitment, improved communication, and greater organizational cohesion (Kahn, 1990; Meyer & Allen, 1997). Leaders who encourage participation, transparency, ethical governance, and open communication create organizational environments where employees feel respected, valued, motivated, and professionally empowered (Schein, 2017). Effective leadership also contributes positively to organizational resilience and institutional adaptability during periods of reform and uncertainty (Kotter, 2012).

Employee motivation represents another central concept in organizational studies. Motivation refers to the internal and external factors that influence employee behavior, effort, commitment, and persistence in achieving professional goals (Luthans, 2019). In academic institutions, motivation is essential for maintaining high levels of teaching performance, research engagement, innovation, academic participation, and institutional loyalty (Herzberg, 1968). Motivated academic staff are generally more willing to contribute to curriculum development, research activities, institutional projects, and student support initiatives (Meyer & Allen, 1997).

Several classical motivational theories continue to provide valuable frameworks for understanding employee behavior in higher education environments. Maslow's Hierarchy of Needs emphasizes that individuals are motivated by a progression of physiological, social, esteem, and self-actualization needs (Maslow, 1943). Within universities, employees seek not only financial security but also recognition, professional achievement, academic freedom, autonomy, and career advancement opportunities (Robbins & Judge, 2022). Herzberg's Two-Factor Theory further distinguishes between hygiene factors and motivational factors (Herzberg, 1968). Hygiene factors such as salary, working conditions, institutional policies, and job security may prevent dissatisfaction but do not necessarily create long-term motivation. Motivational factors, including recognition, professional growth, achievement, responsibility, and advancement opportunities, are more closely associated with employee satisfaction, engagement, and performance (Luthans, 2019).

In many Western Balkan universities, deficiencies in both hygiene and motivational factors contribute to reduced employee morale, organizational commitment, and institutional trust (OECD, 2020; World Bank, 2022). Research conducted in Albania and neighboring countries indicates that academic staff frequently experience challenges related to low salaries, excessive administrative responsibilities, limited promotion opportunities, insufficient research funding, and restricted professional development support (European Training Foundation, 2021). These conditions may negatively affect employee motivation, productivity, institutional loyalty, and academic performance. Younger academic staff, in particular, often face uncertainty regarding career advancement, long-term professional stability, and research opportunities (World Bank, 2022).

Another important factor influencing employee motivation is organizational justice. Greenberg (1990) argues that employees are more motivated and committed when they perceive institutional procedures, evaluations, workload distribution, and promotion systems as fair and transparent. In higher education institutions operating within transitional political and economic environments, concerns related to favoritism, political influence, and lack of meritocracy may weaken trust in institutional leadership and reduce employee engagement (OECD, 2020). Organizational injustice may further contribute to professional dissatisfaction, organizational conflict, and reduced institutional cohesion (Robbins & Judge, 2022).

Professional development opportunities also play a major role in employee motivation and organizational commitment. Universities that invest in training programs, international cooperation, research support, academic mobility, and technological development generally experience stronger staff engagement and improved organizational performance (Noe et al., 2021). Opportunities for participation in international conferences, collaborative research projects, exchange programs, and academic networks contribute positively to employee satisfaction, academic identity, and professional growth (Altbach et al., 2019). Continuous professional development is increasingly considered essential for improving institutional competitiveness and academic quality within globalized higher education systems (European Commission, 2023).

Work-life balance has become increasingly important in discussions related to employee motivation and well-being. Academic staff frequently face multiple responsibilities involving teaching, research, administration, publication requirements, and student mentoring (Maslach & Leiter, 2016). Excessive workloads, organizational stress, and institutional pressure may contribute to burnout, emotional exhaustion, reduced productivity, and declining job satisfaction (Clark, 2000). Consequently, modern leadership approaches increasingly emphasize employee well-being, organizational support, flexibility, psychological safety, and healthy organizational climates (Bush, 2020). Universities capable of supporting employee well-being are more likely to maintain higher levels of institutional commitment and organizational sustainability.

The COVID-19 pandemic further highlighted the importance of adaptive leadership and employee motivation in higher education institutions worldwide. Universities across Albania and the Western Balkans rapidly transitioned toward online teaching, virtual communication systems, and remote organizational management (European Commission, 2023). During this period, institutional leaders were required to manage uncertainty, technological challenges, organizational stress, and employee well-being while maintaining educational continuity and academic quality (World Bank, 2022). The experience demonstrated that flexible leadership, effective communication, digital competencies, and institutional support mechanisms are essential during periods of organizational crisis and transformation (Kotter, 2012).

Digital transformation continues to reshape leadership practices, employee expectations, and organizational behavior within universities. Academic institutions increasingly rely on digital platforms, online learning systems, virtual teamwork, remote collaboration, and technology-based management systems (Castells, 2010). As a result, leaders must develop technological

competencies, strategic adaptability, innovation-oriented management approaches, and digital leadership capabilities capable of supporting organizational resilience in rapidly changing educational environments (European Commission, 2023). Universities that successfully integrate technological innovation with employee-centered leadership practices are generally better positioned to improve institutional effectiveness, organizational sustainability, and academic competitiveness in the global higher education landscape.

3. Methodology

This study adopts a qualitative literature review methodology. The research is based on the analysis of academic books, peer-reviewed journal articles, international reports, and regional studies related to Human Resource Management and Organizational Behavior in higher education institutions.

The literature selection focused on:

- HRM practices in universities;
- Organizational culture and leadership;
- Employee motivation and performance;
- Higher education reforms in Albania and the Western Balkans.

Sources published between 2015 and 2025 were prioritized to ensure contemporary relevance. International databases including Scopus, Google Scholar, ResearchGate, and Web of Science were consulted during the review process.

The literature review method allows the synthesis of theoretical and empirical findings while identifying common institutional challenges and future development opportunities.

4. Results

The literature review identified several important findings regarding Human Resource Management (HRM) and Organizational Behavior (OB) in higher education institutions within Albania and the Western Balkans. The findings demonstrate that institutional effectiveness, employee satisfaction, and academic productivity are strongly influenced by leadership practices, organizational culture, employee motivation, and professional development opportunities.

One of the major findings of the study is that leadership style significantly affects institutional performance and employee engagement. Universities characterized by participatory and transformational leadership approaches generally demonstrate stronger organizational commitment, better communication, and higher levels of academic collaboration. Academic staff working in supportive institutional environments tend to report greater professional satisfaction and motivation.

However, the literature also indicates that many higher education institutions in Albania and the Western Balkans continue to operate within centralized and hierarchical administrative structures. Decision-making processes are often concentrated at senior management levels, limiting employee participation in institutional governance. Such leadership practices may reduce organizational flexibility, innovation, and employee trust.

The findings further suggest that effective leadership is essential during periods of institutional reform and digital transformation. Universities that successfully adapted to online learning environments during and after the COVID-19 pandemic were typically characterized by flexible leadership, strong communication systems, and collaborative organizational cultures.

The literature consistently demonstrates that employee motivation remains one of the greatest challenges facing higher education institutions in the region. Academic staff frequently report dissatisfaction related to low salaries, limited research funding, excessive administrative responsibilities, and unclear promotion systems.

The findings indicate that financial rewards alone are insufficient for maintaining long-term employee motivation. Non-financial factors such as professional recognition, career advancement opportunities, academic autonomy, participation in decision-making, and supportive organizational environments also play critical roles in employee satisfaction.

Younger academics and early-career researchers appear particularly vulnerable to professional uncertainty and organizational stress. Several studies reviewed in the literature emphasize that insufficient institutional support may contribute to reduced research productivity, burnout, and migration of qualified academic professionals toward foreign institutions or private sector employment.

Another important finding concerns the role of organizational culture in shaping institutional performance. Universities with positive organizational cultures characterized by trust, collaboration, transparency, and open communication generally demonstrate stronger employee engagement and academic effectiveness.

Nevertheless, the literature identifies persistent communication barriers within many public universities across the Western Balkans. Formal bureaucratic communication structures often limit collaboration between administration and academic staff. In some cases, employees perceive institutional communication as insufficiently transparent, which may weaken organizational trust and employee morale.

The findings also suggest that resistance to organizational change remains a significant challenge. Employees may demonstrate reluctance toward reforms when institutional changes are implemented without adequate communication, participation, or professional support.

The review highlights the importance of continuous professional development in improving both employee performance and institutional quality. Universities that invest in academic training, international cooperation, research support, and technological competencies generally achieve stronger institutional outcomes.

Professional development opportunities positively influence teaching quality, research productivity, and organizational commitment. Participation in conferences, international mobility programs, and collaborative research projects contributes to academic innovation and institutional visibility.

However, many universities in Albania and the Western Balkans continue to face financial and structural limitations that restrict staff development initiatives. Limited access to research funding and international academic networks remains a major obstacle for institutional competitiveness.

The literature also reveals that digital transformation is reshaping HRM and organizational behavior practices within higher education institutions. Universities increasingly rely on digital technologies for teaching, communication, administration, and research collaboration.

The COVID-19 pandemic accelerated the adoption of online learning platforms and virtual management systems across the region. Institutions that demonstrated organizational flexibility and technological readiness adapted more successfully to these changes.

At the same time, the findings indicate that digital transformation creates new challenges related to employee stress, workload management, technological competencies, and organizational adaptation. Consequently, institutional leaders must increasingly support digital literacy, employee well-being, and flexible management practices.

The findings demonstrate that higher education institutions throughout the Western Balkans share several common challenges, including:

- bureaucratic institutional structures;
- limited financial resources;
- insufficient research funding;
- employee motivation difficulties;
- resistance to organizational change;
- limited internationalization opportunities.

Despite these challenges, the literature suggests that ongoing European integration processes and educational reforms provide important opportunities for institutional modernization and organizational development.

Overall, the findings confirm that strategic Human Resource Management and effective Organizational Behavior practices are essential for improving academic quality, employee satisfaction, and institutional sustainability in higher education institutions across Albania and the Western Balkans

5. Discussion and conclusion

This study examined the role of Human Resource Management (HRM) and Organizational Behavior (OB) in higher education institutions within Albania and the Western Balkans through a comprehensive literature review approach. The findings demonstrate that leadership practices, organizational culture, employee motivation, communication systems, and professional development opportunities significantly influence institutional effectiveness, academic productivity, and organizational sustainability.

The literature confirms that universities in Albania and the Western Balkans continue to experience important structural and managerial transformations associated with globalization, digitalization, labor market changes, and European integration processes. While many institutions have implemented reforms aimed at improving governance and educational quality, several challenges remain evident. These include bureaucratic organizational structures, centralized decision-making, insufficient employee motivation, limited research funding, and restricted professional development opportunities.

The study further highlights that organizational culture plays a crucial role in shaping employee behavior, institutional trust, and academic collaboration. Universities characterized by supportive organizational climates, transparent communication, and participatory leadership models generally demonstrate higher levels of employee engagement and stronger institutional performance. Conversely, rigid hierarchical structures and ineffective communication practices may negatively affect organizational flexibility, innovation, and staff satisfaction.

Leadership emerged as one of the most influential dimensions affecting institutional success. Transformational leadership approaches that promote collaboration, empowerment, transparency, and professional growth appear particularly effective in academic environments. Such leadership practices contribute positively to employee motivation, organizational commitment, and institutional adaptability during periods of change and uncertainty.

Employee motivation also remains a major challenge for universities across the region. The literature suggests that both financial and non-financial motivational factors influence academic staff performance and organizational loyalty. Professional recognition,

career advancement opportunities, academic autonomy, research support, and organizational justice are all critical components of employee satisfaction. Universities that fail to address these dimensions may experience reduced productivity, employee burnout, and migration of qualified academic personnel.

The increasing digital transformation of higher education institutions represents another significant finding of this study. Technological innovation has reshaped teaching methods, communication systems, administrative processes, and organizational structures. Consequently, universities must increasingly adopt flexible management strategies capable of supporting digital adaptation, employee well-being, and organizational resilience.

The findings of this study provide several important managerial implications for university administrators, policymakers, and institutional leaders in Albania and the Western Balkans.

First, higher education institutions should strengthen strategic Human Resource Management practices by implementing transparent recruitment systems, merit-based promotion policies, and comprehensive staff evaluation mechanisms. Such practices may improve institutional trust, employee motivation, and organizational effectiveness.

Second, university leaders should promote participatory and transformational leadership approaches that encourage employee involvement, collaboration, and open communication. Academic staff who actively participate in institutional decision-making processes are more likely to demonstrate stronger organizational commitment and professional engagement.

Third, institutions should invest more substantially in professional development programs, including academic training, international mobility opportunities, research support, and digital competency development. Continuous professional development contributes directly to academic quality, innovation, and institutional competitiveness.

Fourth, universities should prioritize employee well-being and organizational support systems. Reducing excessive administrative burdens, promoting work-life balance, and creating supportive organizational climates may help reduce employee stress and burnout while improving institutional productivity.

Finally, policymakers should continue aligning higher education reforms with European Union standards while ensuring sufficient institutional autonomy, research funding, and quality assurance mechanisms. Sustainable investment in higher education remains essential for regional social and economic development.

Despite its contributions, this study presents several limitations. First, the research is based exclusively on a literature review methodology and therefore relies on previously published studies rather than primary empirical data. As a result, the findings are limited by the availability, scope, and quality of existing literature related to HRM and organizational behavior in the Western Balkans.

Second, the study focuses primarily on Albania while using broader regional literature to contextualize findings. Differences among Western Balkan countries regarding political systems, institutional structures, economic conditions, and educational reforms may limit the generalizability of some conclusions.

Third, limited access to region-specific empirical studies on organizational behavior and leadership within universities represents another challenge. In several cases, international theoretical frameworks were applied to regional contexts where local empirical evidence remains insufficient.

Additionally, the rapidly changing nature of higher education systems, particularly following the COVID-19 pandemic and ongoing digital transformation processes, means that some organizational practices and institutional conditions may continue evolving beyond the scope of the reviewed literature.

Future research should further explore the relationship between Human Resource Management, leadership, organizational culture, and employee motivation through empirical investigations conducted directly within universities in Albania and the Western Balkans.

Quantitative studies involving academic staff, university administrators, and students could provide deeper insights into employee satisfaction, organizational commitment, leadership effectiveness, and institutional performance. Comparative studies between public and private universities may also contribute to understanding differences in management practices and organizational cultures across educational institutions.

Future research should additionally examine the long-term impact of digital transformation and hybrid learning environments on organizational behavior, employee well-being, and institutional leadership. The integration of artificial intelligence, online collaboration systems, and digital performance management tools presents new challenges and opportunities for university governance.

Another important research direction involves exploring gender dimensions in academic leadership and organizational management within higher education institutions across the Western Balkans. Such studies may contribute to promoting diversity, inclusion, and equitable leadership opportunities in academic environments.

Finally, future studies should investigate the impact of internationalization, academic mobility, and European integration policies on institutional management and organizational development within the region's higher education sector.

In conclusion, effective Human Resource Management and positive Organizational Behavior practices remain essential for improving institutional sustainability, employee satisfaction, academic quality, and organizational resilience in higher education institutions across Albania and the Western Balkans. Universities that successfully invest in leadership development, employee motivation, organizational culture, and professional growth will be better positioned to respond to future educational, technological, and societal challenges.

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Form-function mismatch: An instance of pragmalinguistic transfer in English conversational speech formulas of Albanian university students

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Abstract

The present study aims to examine the relationship between pragmatic competence and grammatical proficiency among Albanian English majors, focusing on instances of pragmalinguistic transfer regarding formulaic expressions. Among the different kinds of formulaic expressions, conversational speech formulas were selected based on the premise that they are frequently encountered and used in day-to-day communication and that they are stored and retrieved in chunks. Namely, the study aimed to examine whether high levels of grammatical proficiency actually corresponded to proportionally higher levels of pragmatic competence.

For this purpose, the data was primarily elicited from Discourse Completion Tasks (DCT) items and students' self-reported English Matura exam marks, the latter serving as an indicator of grammatical proficiency. The data was then analyzed using descriptive statistics and Spearman's rank-order correlation. Additionally, an item-level analysis of the pragmatic situations that posed more difficulties to participants provided qualitative insights to frame the quantitative findings.

The results indicated a positive correlation between grammatical proficiency and pragmatic competence. However, the strength of said association was moderate, indicating that although grammatical proficiency is an indispensable prerequisite for pragmatic competence, it is not a foolproof predictor of the latter's development. The study places emphasis on explicit pragmatic instruction, given that the pragmatic component in the Albanian English Language Teaching (ELT) context remains relatively overlooked.

Keywords: pragmalinguistic transfer, pragmatic competence, grammatical competence, English, Albanian

1. Introduction

In a world where monolingualism is no longer the norm and multilingualism has become predominant, learning to use language appropriately, as well as accurately, has increased in importance to the point that the last two decades have seen a shift from grammar-based approaches to communicative methodologies in English Language Teaching (ELT). The Common European Framework of Reference (CEFR) (2001; 13-14) establishes the three components of communicative competence:

1. The linguistic component: referring to all information pertaining to language, such as phonology and vocabulary
2. The pragmatic component: referring to the use of language to achieve an intended meaning
3. The sociolinguistic component: referring to the ability to account for context and culture in order to use language appropriately

Indeed, the emphasis on communicative competence testifies to a shift in goal in foreign language teaching; while the initial aim was formal accuracy and creating native-like speakers, methodologies nowadays advocate for the creation of multilingual speakers, whose primary aim is to be able to communicate properly and interculturally (Byram 2012; Wilkinson 2012).

Regarding communicative competence, Newby (2002) states that it does not operate in isolation. Conversely, both communicative and grammatical competence and their respective performances work in tandem.

However, whether the two competences receive equal attention in the English Language Teaching (ELT) context in Albania is another issue, as there is generally a discrepancy between theory and practice. In fact, educators still hold traditional teaching methods in high regard. In her Dissertation on 'Applying the Cognitive+Communicative Model of Grammar to English Language Learning and Teaching in Albania', Hadri (2012) estimates that when inquiring on teaching preferences, approximately 70% of Albanian teachers of English sampled in the study displayed an inclination for deductive methods of teaching, which displays the importance that is attributed to explicit instruction, often referring to the grammatical component. Although the last decade has seen some changes, traditional teaching still remains at the core of ELT in Albania.

For the abovementioned reasons, and given that communicative competence is largely defined by the pragmatic factor, the study aims to examine whether this focus on grammatical accuracy translates into higher pragmatic scores. Therefore, the study poses the following research questions:

1. What is the correlation between grammatical proficiency and pragmatic competence? Is higher grammatical accuracy associated with higher pragmatic competence in the Albanian ELT context?
 2. Which pragmatic situations pose more difficulties for Albanian EFL learners? What are the underlying reasons?
- To address these questions, the study outlines the following theoretical framework.

2. Literature Review

2.1 *The scope of pragmatics and pragmatic competence*

The first mention of pragmatics was in 1938 by Philosopher Charles Morris, who was concerned with the description of semiotics. He claimed that semiotics comprised three distinct components, namely syntactics, semantics, and pragmatics. Morris, however, went on to expand his definition by claiming that pragmatics deals “with all the psychological, biological and sociological phenomena which occur in the functioning of signs”. Such a scope, however, would be considered very broad, as the term pragmatics today excludes psycholinguistics and sociolinguistics, which are treated as independent disciplines.

In current contexts, pragmatics is defined as the study of language use. Consequently, the ability to use language appropriately is at the focus of pragmatic competence, which entails the ability to perform the intended communicative function in the target language and the awareness of which linguistic forms to use in which social situations (Taguchi, 2006).

With the aim of preparing communicatively-competent learners, Wolfson (1989) maintains that true proficiency entails not only “learning new vocabulary in addition to rules of pronunciation and grammar, but must also include the ability to use these linguistic resources in ways that are socially appropriate among speakers of the target language”. In this regard, pragmatic competence plays a significant role, especially in intercultural communication between native and non-native speakers, where the misuse of the aforementioned linguistic resources leads to misunderstandings or utterances that sound unnatural to native speakers. Consequently, underdeveloped pragmatic competence leads to what is termed pragmatic failure.

2.2 *Definition of pragmatic failure*

Thomas (1983) describes pragmatic failure as “the inability to understand what is meant by what is said”, highlighting that it includes any instance “on which the hearer perceives the force of the speaker’s utterance as other than the speaker intended he or she should perceive it.” Pragmatic failure is further categorized into two types:

- Pragmalinguistic failure occurs when syntactic and lexical forms are erroneously transferred from the speaker’s native language. This, in turn, results in a misunderstanding of the equivalence of the syntactic and lexical form with the intended pragmatic force between the language systems (Chen, 2023).
- Sociopragmatic failure, on the other hand, is attributed to a lack of awareness of different cultural norms, which are associated with linguistic behaviors (Shi, 2021).

Thus, while the first type of pragmatic failure centers on transferring linguistic strategies from the mother tongue to the target language, the second results from insufficient awareness of the target language’s cultural and social norms.

However, sociopragmatic failure falls outside the scope of this study, which centers on mismatches between linguistic form and intended function. Therefore, the present study centers solely on pragmalinguistic transfer.

2.3 *Underlying causes of pragmatic failure*

Among the factors that contribute to the occurrence of pragmatic failure, the two most important are listed as follows:

- The absence of input and/or formal instruction

Kasper and Schmidt (1996) state that the acquisition of a language’s pragmatics cannot take place unless the context is imbued with sociocultural input. However, as is often the case in Albanian contexts, teachers often skim through materials that represent the pragmatic component of the language, claiming that the syllabus is overloaded. Therefore, more often than not, teachers are urged to skip sections on functional language on the premise that they should use the spare time to prepare students for the standardized proficiency test (Korkmaz & Karatepe, 2023). In the context of ELT in Albania, this practice is driven by the pressing need to prepare high school students for the Matura, which is the written state examination. This preparation centers predominantly on grammar and vocabulary. Subsequently, the pragmatic component is often regarded as secondary in importance.

- Low grammatical competence

Numerous studies that have examined the relationship between grammatical and pragmatic competence indicate that learners who scored higher in grammar also tended to perform better in the pragmatics domain.

However, the question that the study poses is not whether grammatical competence is a necessary factor, but whether it is sufficient for developing pragmatic competence.

2.4 *The choice of conversational speech formulas*

The study has deliberately considered the pragmatic transfer of formulaic expressions because it is an area where insufficient control of pragmalinguistic knowledge is obvious, according to Kasper and Blum-Kulka (1993). Formulaic expressions will be referred to as any speech formulas, idioms, proverbs, expletives, or requests, which are characterized as quick, automatic, and useful for play. (Fillmore, 1979).

However, the study considers only conversational speech formulas, since they are among the very first items introduced to language learners, and they are usually stored as chunks. Indeed, in terms of bilingual lexicon storage, it can be argued that it entails a large number of prefabricated sentences, rather than mere lists of words. These prefabricated sentences are easily accessible and are associated with particular linguistic situations (Wray, 2002). In fact, one would expect that, due to the high frequency with which speech formulas are encountered, they would be retrieved and used appropriately according to the given situation. As is often the case, language learners pick up a limited range of fixed expressions, paying more attention to their functions than their compositionality (Kecskes, 2003). However, because their storage, especially at early stages of language acquisition, is mediated through L1 use, it may become challenging for language learners to differentiate between pragmatic senses of appropriateness across languages.

Therefore, although speech formulas are stored and retrieved with relative ease, it is not guaranteed that language learners will develop a conscious control over the relationships of form and function within the expressions. It is precisely this mismatch between form and function that the study is interested in.

3. Methodology

3.1 *Sample*

The study was conducted at the Faculty of Foreign Languages at the University of Tirana. The sample consisted of 65 undergraduate students in their first year of Bachelor's studies, majoring in English Language. With the exception of five participants, all other students had undertaken the English Matura Exam. These five participants had taken a test for a language other than English.

The study employed a short questionnaire to assess students' English exposure and their knowledge of pragmatics. With this aim in mind, the following statistics were used to build a general student profile.

The majority of sampled students (67.7%) reported being exposed to English as early as 6 or 7 years old, amounting to approximately 12-13 years of exposure to the target language. Furthermore, a question on self-assessment revealed that 33.8% of students categorized themselves as having advanced proficiency, in addition to 40% who reported high proficiency. Finally, approximately half of the students surveyed reported using English outside of a classroom context on a daily basis. However, despite extensive exposure to the target language, 43% of students stated that they were not familiar with the concept of pragmatics, while 38.5% expressed uncertainty about the matter.

3.2 *Instrument*

As the most widely used instrument in interlanguage pragmatics research, the administration of Discourse Completion Task items was employed in the present study due to their ability to elicit large and versatile amounts of data in context-controlled situations. The DCT set was distributed online via Google Forms, and students were given a 20-minute time limit to complete the task in real time. Students were informed that their responses would be anonymous and used solely for research purposes. In total, there were ten open-ended written DCTs, each presenting an everyday situation that required students to produce a conversational formula in English.

Before completing the DCT items, a short questionnaire was distributed to gather information about students' duration of exposure to the target language and to ascertain their familiarity with the field of pragmatics. The results were reported briefly in the sample subsection. Furthermore, students were asked to report their English Matura mark, which was used as a proxy for grammatical competence. The five students who had not sat for an English Matura exam were asked to leave this section blank.

Finally, although one might question the reliability of self-reported data, the likelihood that students reported an erroneously recalled mark is considered relatively low, because the answers were anonymous and students had just started their first year of Bachelor's studies, meaning little time had passed since they had sat for their exam.

3.3 *Procedure and data analysis*

Initially, upon data collection, each participant's DCT items were coded as follows:

1 = pragmatically appropriate

0 = pragmalinguistic transfer

Responses that were pragmatically appropriate to the situation at hand were coded as 1, while responses that reflected pragmalinguistic transfer, attributable to students' mother tongue, were coded as 0. In the context of this study, pragmalinguistic transfer refers to any linguistic form that is grammatically correct but conveys a pragmatic function different from what one would expect in the given situation. Using this binary system, responses were coded according to pre-established criteria and rechecked by the researcher.

The Total Pragmatic score (TPS) was subsequently calculated for each participant. Students' self-reported English Matura examination marks were also included in the dataset, as an integral variable to the study. Regarding the five participants who did not report a Matura mark, the values were marked as N/A.

Data analysis was conducted through JASP, a statistical analysis software. Firstly, to provide an overview of the variables under study and students' general performance, descriptive statistics were employed. Furthermore, Spearman's rank-order correlation was employed to assess the strength of the relationship between the variables of grammatical and pragmatic competence. The results from the data analysis are presented in the following section.

4. Results

4.1 Overview of the gathered data

Descriptive statistics were used to provide an overview of students' overall performance. The results indicated that while the TPS score range varied considerably (min=1; max=9), the Matura mark range was comparatively quite restricted; no student reported a Matura mark below 7, and the highest mark reported was 10.

Descriptive statistics show that students responded appropriately to only half of the DCT items (TPS Mean = 5.09). In contrast, the mean Matura mark of 8.98 suggests an above-average level of performance, namely a highly proficient one. This discrepancy between the two variables under study is underscored by the Standard Deviation figures: the SD for TPS scores was 1.87 and the SD for the Matura mark was 0.73, suggesting that TPS scores were more dispersed, whereas Matura marks tended to be more tightly grouped.

4.2 Relationship between TPS and Matura scores

The study aimed to examine the relationship between grammatical proficiency and pragmatic competence. To this end, a Spearman's rank-order correlation was conducted between the Matura mark and the Total Pragmatic Score as representatives of these two competences. Consequently, Spearman's $\rho = .419$ and $p = .001$ indicated a statistically significant positive correlation between the variables, suggesting that students who had achieved higher marks in the Matura also tended to perform better on the pragmatic task.

However, although the correlation was statistically significant, the figures indicate that the relationship between the two variables was only moderate; an increase in grammatical proficiency did not necessarily imply a proportional increase in pragmatic competence.

The correlation is visually represented in Figure 1 through a scatterplot that shows a general upward trend but wide dispersion in the data points.

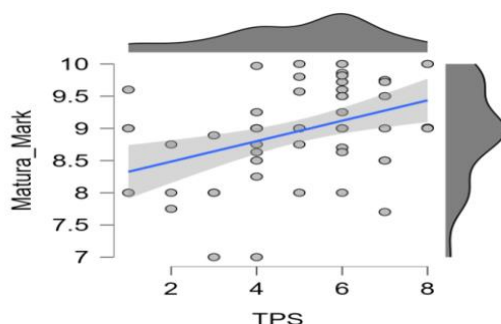


Figure 1. TPS and Matura Mark Correlation

5. Discussions

5.1 Overall findings

The study intentionally sampled students majoring in English, on the premise that they represent highly proficient English learners. This premise was further underscored by the descriptive data, which exhibited that students had reported a mean Matura mark of approximately 9. Therefore, it might be expected that this same proficiency would be reflected in the pragmatic domain as well.

In reality, this was not entirely the case. There was a clear disparity evidenced between students' grammatical strength and pragmatic inconsistency. This was also visually represented by the scatterplot, where one can observe an inconsistent dispersion of the data: some students had achieved low TPS scores while scoring high on the Matura exam, and vice versa, suggesting that although pragmatic competence is associated with grammatical proficiency, the latter alone is not a reliable predictor and does not suffice for the development of pragmatic competence.

5.2 Item-level analysis of individual DCT items

Although students exhibited an overall moderate performance on the task, not all DCT items elicited the same rate of inappropriate responses. In fact, some items posed significant difficulties, while others were relatively easy. Therefore, this section specifies the DCT items that were most problematic for the sampled students and discusses the reasons underlying these difficulties.

DCT_1: Telephone Self-Introduction

The first DCT item elicited the highest rate of pragmatically inappropriate responses; approximately 80% of responses were marked as pragmatically inappropriate. The item was presented as follows:

Jenny is employed at a mattress company named "Dormeo". At present, she is phoning numerous clients to inform them about new discounts and promotions. When a client answers the phone to an unknown number, Jenny must initiate the conversation by introducing herself and the company she represents. Complete Jenny's statement.

- Phone rings-

- Client: Hello?

- Jenny: Hello sir! _____

The participants correctly determined that the DCT called for a self-introduction. However, what they failed to take into account was that the above conversation was taking place over the phone and thus required a conventionalized formula appropriate to the professional context at hand.

Hence, 80% of students opted for the structure "I am Jenny" instead of the pragmatically appropriate response "This is Jenny." Although meaning was not compromised and the utterance was grammatically correct, one would expect a self-introduction using the first structure in face-to-face interactions, especially when the meeting is taking place for the first time. Conversely, phone discourse warrants a more specific formula in English. On the other hand, Albanian allows the same formula "I am..." to serve both pragmatic purposes.

DCT_2: Physical Description

Likewise, the second DCT item elicited a high error rate, at 67.70%. The item was presented as follows:

Amanda is friends with Jenny. They are conversing about a very charming young lady whom Jenny has recently met at her workplace. This piques Amanda's interest and prompts her to ask Jenny to describe the girl's physical appearance. Complete Amanda's question.

Jenny: I've made a new friend at work. She's unbelievably pretty.

Amanda: Is that so? _____

In this case, the participants determined that the item required a question which would, in turn, prompt the interlocutor to elaborate on physical appearance. However, what appears to have been overlooked is the fact that the question "How is she?" does not fulfill the intended pragmatic purpose. In English, this formula is used when one intends to inquire about someone's health or general well-being, while the formula "What does he/she look like?" points to an intention for describing one's physical characteristics.

In contrast, the participants' mother tongue allows for a more flexible use of the formula; the question "How is he/she?" would be equally used to inquire about one's well-being or physical traits.

DCT_6 and DCT_8 Comparison; Differences in Communicative Intent

Finally, a comparison between DCT_6 and DCT_8 revealed that the participants could not easily differentiate between communicative intent. Unlike previous DCT items, which served as clearer instances of form-function mismatch, this comparison

shows that participants faced difficulty associating the speech formulas with their appropriate communicative purposes. The two DCT items being contrasted are presented as follows:

DCT_6

Albana lives in Albania, whereas her daughter, Mirela, lives in London. Albana is having her daily phone conversation with her daughter and, out of habit, asks about the weather. Complete Albana's question.

Albana: _____

Mirela: It's nice. I think I'm going to do some walking today.

DCT_8

Adrian has been selected for an Erasmus exchange at an Austrian University for the winter semester. While packing, he remembers to ask his friend, Mario, who lives in Vienna, about the general weather conditions during wintertime.

Adrian: _____ *in Vienna during wintertime?*

Mario: It's usually very cold and rainy, so make sure to bring warm jackets.

The participants recognized that both situations called for a question inquiring about weather conditions. However, what they failed to discern was that the contexts served different communicative purposes. The first context primarily serves a phatic function, meaning the interlocutor is asking a question merely to keep the conversation flowing, which makes the formula "How is the weather?" more suitable for the context at hand. Conversely, the second interaction's goal is to elicit some information that the interlocutor deems important for his travel plans. Therefore, the formula "What's the weather like...?", which usually elicits more descriptive and practical responses, is more pragmatically appropriate for the second context.

Although the distinction is not so clear-cut and the formulas can sometimes be used interchangeably in everyday discourse, native speakers may nonetheless associate the two formulas with different communicative functions. Therefore, although this contrastive analysis does not necessarily point to categorical pragmalinguistic failure, it nevertheless indicates a limited sense of awareness of the association between speech formulas and contextual distinctions. Such patterns reveal students' inclination to mimic Albanian structures, which may encompass a broader range of communicative functions, thereby sounding unnatural to native speakers.

5.3 Accuracy and appropriacy discrepancy: implications for teaching practices

The item-level analysis demonstrated that participants struggled to find the appropriate grammatical structure to convey the intended communicative meaning of the individual DCT items. It was evident that they resorted to a structure resembling their L1, which resulted in pragmalinguistic transfer.

Therefore, the findings of the present study indicate that grammatical proficiency alone does not suffice for the development of pragmatic competence. In the context of ELT in Albania, it is high time that the pragmatic aspect of the language received the same attention as formal accuracy. Additionally, it is equally crucial to raise students' awareness of the relationship between form and pragmatic function, which may differ across linguistic systems, rather than allowing them to assume that communicative functions are conveyed according to a universal parameter.

6. Conclusions

By conducting correlation testing and an item-level analysis of the most problematic DCT items, the results indicated that grammatical competence is a necessary, albeit not a sufficient prerequisite for the development of pragmatic ability. Although a statistically significant positive correlation was observed between the two variables, its strength was moderate instead of strong.

Furthermore, a closer examination of DCT items revealed that certain formulaic expressions posed considerable difficulty, underscoring the influence that the L1 exerts on the participants. Even though participants used grammatically accurate forms, they appeared largely unaware that accurate does not necessarily equate with appropriate.

Overall, the data suggested no progressive linear correlation, indicating that, at some level, pragmatic ability is independent of grammatical proficiency. These results have important implications for English Language Teaching in Albania, emphasizing the need to bridge the gap between formal instruction and appropriacy in language use.

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The Importance of Innovation for the Growth and Development of the Company

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Abstract

New technologies and innovation processes are key determinants of growth, development and competitiveness of modern companies in the conditions of a dynamic market environment. Innovativeness plays a significant role in improving the alignment of resources and business performance of companies, where innovations represent the basis for achieving a sustainable competitive advantage based on specific knowledge and competencies developed within the organization. Effective and profitable implementation of innovations requires the integration of technological, organizational and marketing expertise, as well as adequate support of the entire value chain of the company. The application of new technologies enables the development of new products, services and business processes, contributes to the increase of productivity and efficiency of business, as well as the opening of new market opportunities. Innovative companies are characterized by a higher level of investment in research and development, which has a positive impact on performance improvement, market position and long-term business sustainability. Of particular importance are innovations aimed at creating new values for consumers and adapting to changes in consumption patterns and market demands. The paper will analyze the importance of innovation for the growth and development of companies, as well as the interdependence between innovation activities and business performance. Special attention will be paid to the impact of innovations on the development of products and services, improving competitiveness and achieving sustainable development of the company. It will also be pointed out that successful management of innovations implies a comprehensive overview of business processes, redefinition of business activities, as well as transformation of the role and responsibility of employees in accordance with modern market requirements. A company's sustainability and development largely depend on its ability to strategically manage innovation and continuously adapt to changes in the global business environment.

Keywords: innovation, company performance, new markets, competitiveness, new products, new services.

1. Introduction

Diversified enterprises are finding it increasingly difficult to secure leadership positions in multiple markets for their strategic business units. One of the reasons is a short-term orientation based on competitive advantage derived from pricing and the performance of existing products. In the long run, competitiveness is founded on the ability to develop new products more quickly and at lower costs. The true sources of competitive advantage lie in a company's capability to consolidate technologies and production competencies across individual businesses within its portfolio, enabling rapid adaptation to changing opportunities in the business environment.

Research on the relationship between innovativeness and business performance has paid particular attention to the contribution of market orientation, learning orientation, and entrepreneurial orientation to innovativeness. Market orientation has a significant positive effect on innovativeness and represents the most important general determinant of business performance. Innovativeness is greater when market orientation is reinforced by a learning orientation, while entrepreneurial orientation serves as a key driver of innovation. Management should create and strengthen a corporate culture that is founded on all three orientations.

The global economy of the twenty-first century is knowledge-based, as knowledge, human capital, marketing capabilities, and other intangible resources constitute the backbone of business growth. Innovation is a significant factor not only for business growth but also for survival in markets characterized by intense competition and uncertainty. To remain competitive, companies must reduce costs. This can be achieved through the improvement of internal resources, knowledge, and capabilities; changes in organizational structure and employee incentive systems; and the enhancement of relationships with customers, suppliers, distributors, and other stakeholders.

2. Innovation and Business Performance

Innovation is an idea, service, product, or technological component that has been developed and introduced to the market and is perceived by consumers as something new or novel (Kotler et al., 2007). Factors that contribute to business innovation include new technologies, changes in the number, purchasing power, needs, and demands of customers, the emergence of new competitors seeking to satisfy the same needs of the target market, and changes in business conditions resulting from government measures and policies.

Managers view innovation as the development and delivery of products or services that offer benefits perceived by consumers as new and superior. It is essential for management to understand how superior value is created for customers, as this is a prerequisite for strong business performance. Successful business innovation requires careful consideration of all aspects of business operations. Developing an innovation strategy involves determining how innovation will create value for potential customers, how the company will retain a portion of that value, and which types of innovation it will pursue.

There is a positive and direct relationship between innovation and business performance. The profitability of innovation requires both technological and marketing expertise. Innovativeness plays a significant role in the relationship between resource alignment and organizational performance. The combination of marketing innovativeness with existing marketing resources positively affects profitability and ensures the efficient utilization of company resources. Marketing tends to have a less positive impact on performance in the case of major technological innovations, as existing marketing resources are often used less effectively and companies need to acquire or develop new marketing capabilities.

Successful innovation must provide benefits based on relevance, uniqueness, sustainability, and marketability (Kačar, 2024). Innovations are particularly important from the perspectives of consumption patterns and the degree of novelty they introduce to the market. Based on their impact on consumer behavior, innovations can be classified into three types: continuous innovation, dynamically continuous innovation, and discontinuous innovation (Milisavljević et al., 2017).

Continuous innovation refers to modifications of existing products that differentiate one brand from its competitors. Dynamically continuous innovation leads to the development of new products or significant improvements to existing ones. Discontinuous innovation occurs when a new product brings about changes in consumers' lifestyles and consumption habits.

Innovative ventures typically begin with discontinuous innovations. Through marketing and technological research, these innovations evolve into dynamically continuous innovations and eventually into continuous innovations. Continuous innovations are generally adopted more quickly than discontinuous innovations. Although dramatic discontinuous innovations are essential for business success, significant continuous innovations also play an important role in the successful commercialization of new products. The continuous improvement of a product that was initially introduced as a discontinuous innovation is crucial for the performance and long-term success of new products.

It is becoming increasingly difficult to identify a revolutionary product capable of transforming an entire market. However, continuous innovations can expand the meaning and value of a brand and exert a strong competitive influence in this regard. For example, Nike manufactures a wide range of athletic footwear, apparel, and equipment. Its FuelBand product is designed to monitor daily energy expenditure, while the Flyknit Racer running shoes are environmentally friendly and provide a completely different running experience.

The types of innovation based on the degree of novelty to the market are: transformational innovation, substantial innovation, and incremental innovation (Tollin & Vejs, 2012).

Transformational innovation involves a radically new product that creates significant value for consumers. Substantial innovation occurs when a product is considerably new and generates important value for consumers. Incremental innovation refers to a new product that enables improved performance, greater perceived value, or lower costs.

Most well-known companies focus on incremental innovations and enter new markets by adapting products to new customers, using variations of the core product, and creating transitional solutions to industry problems. After smartphones became widely adopted, mobile applications turned into a highly profitable business opportunity, which was recognized by the creators of the video game Angry Birds, enabling them to secure a leading position through continuous innovation (Kotler & Keller, 2017).

Based on the degree to which potential innovations are aligned with a company's existing business model and technical capabilities, the following types of innovation can be distinguished: routine, disruptive, radical, and architectural innovations (Milisavljević, 2017).

Routine innovations are developed based on a company's existing technological competencies and are aligned with its business model as well as its existing customer base. Disruptive innovations require new business models but do not necessarily involve significant technological change. Radical innovations are the opposite of disruptive ones, as the challenge is primarily technological. Architectural innovations are characterized by disruption in both technology and the business model.

Disruptive innovations describe technological innovations, products, or services that use disruptive strategies rather than evolutionary or sustaining strategies in order to overcome existing dominant technologies. Such innovations represent a process in which small companies with limited resources successfully challenge large established firms in the markets they enter. Small companies improve the performance of their offerings by targeting more profitable segments, thereby undermining the dominance of larger firms. Firms that drive disruption create business models that differ significantly from those of existing dominant market players.

It has been proven that the most disruptive innovations represent a small proportion compared to evolutionary innovations, which introduce higher-performing improvements in the market (Kotler & Caslione, 2009). However, the foundations of competitiveness change throughout the product life cycle, and what drives this cycle of evolution is the phenomenon of performance oversupply, a condition in which the performance provided by technology exceeds the actual needs of the market. Performance oversupply enables simpler, cheaper, and more convenient—and almost always disruptive—technologies to enter the market (Christensen, 2020).

Value innovation places equal emphasis on value and innovation. Value innovation involves creating a new value proposition, which leads to increased customer satisfaction, loyalty, and sustainable profitable growth. Value does not have a single meaning in any market, as consumers determine what creates value. Different consumers purchase different forms of value.

Market leaders focus on delivering superior value based on operational excellence, customer intimacy, and product leadership. Operational excellence implies reliable products and services at competitive prices, delivered at the lowest possible cost. Customer intimacy involves precise targeting of market segments and fully customized offerings tailored to demand, while product leadership refers to offering the best and most advanced products in the market.

Innovation is relevant only if it increases value for customers. Successful business innovation requires consideration of all aspects of business operations and often involves re-evaluating the scope of business activities and redefining the roles of employees within the company (Piercy, 2009).

Green innovations represent a challenge for companies seeking to achieve a competitive advantage related to sustainability, which contributes to economic, social, and environmental benefits. New products and processes based on green innovation provide value to both consumers and businesses while significantly reducing negative environmental impacts. Green innovations can be evolutionary or radical, and company managers play an important role in their development. Companies develop organized cooperative business networks and long-term relationships among participants with specific knowledge and innovation capabilities (Lutovac & Kačar, 2025).

New markets are created on the basis of radical innovations, which are rarely driven by demand or immediate consumer needs. Radical innovations typically emerge through the push of new technologies and create new markets worldwide, as they are disruptive both for consumers and competitors. They are often the result of a long-term process involving collaboration among various professionals and scientists. Radical innovations simultaneously contribute to market growth, business success, and overall economic growth. The commercialization of radical innovation translates into the financial performance of a company.

It is considered that companies strive to create innovations at three levels: core, adjacent, and transformational (Milisavljević, 2017).

Core innovations involve optimizing existing products for existing customers. Adjacent innovations involve efforts to modify existing products and improve access to new markets. Transformational innovations involve creating new offerings, and in some cases entirely new businesses, in order to serve new markets and customer needs.

Research in which return on investment was used as a criterion indicates that core innovations contribute 10% of the cumulative return on investment in innovation, adjacent innovations contribute 20%, while transformational innovations contribute 70%.

Companies achieve better performance compared to similar firms when they allocate their investments in the following ratio: 70% to existing businesses, 20% to less certain but related businesses, and 10% to highly risky transformational initiatives. However, top-performing companies follow the opposite allocation: 70% to transformational initiatives, 20% to related businesses, and 10% to existing businesses.

This latter approach is rarely applied, but it should be noted that transformational innovations are vital for the long-term health of a company and require unique management approaches.

Innovative companies help achieve better alignment with the environment. They invest more in research and development and in improving business performance. In the automotive industry, the focus has shifted from production efficiency to product development and innovation in order to improve new products that stay ahead of the competition. A company should pay particular attention to marketing activities and competitor responses, as these shape market structure and the performance of market participants.

3. Product Innovations

The success of innovative ventures in the modern economy is assessed based on speed to market and profitability. As product life cycles are becoming shorter, it is necessary to enter the market more quickly and achieve profitability. Rapid technological development has created new ways of learning about customers and tracking their needs and requirements, as well as creating products that meet the needs of individual customers, and enabling more efficient and effective distribution and communication with customers (Armstrong & Kotler, 2004).

Innovation-oriented high-technology companies predominantly apply qualitative market research, as there is very little or no historical data available for the application of quantitative research methods.

Some innovations have redefined markets through the development of products and services that go beyond a specific product category or defined market, establishing a new category or market altogether. The major advantage of this type of innovation is that, instead of capturing a share of an existing market, it creates a new one (Kotler & Trias de Bes, 2008).

The lateral approach enables the development of entirely new products that can appeal to a much broader group of consumers.

Company growth is based on the continuous identification and market introduction of new or modified existing products. The best corporate growth strategy is based on creating new products and modifying the characteristics and intended use of existing products. There are different approaches to the formal product development process for radical (discontinuous), higher-level (dynamically continuous), and incremental (less significant) product innovations. In radical projects, a larger number of criteria are used, and management is less flexible than in incremental projects.

Incremental innovations lead to certain modifications of existing products and do not significantly affect changes in consumer habits and behavior within the consumption system. Dynamically continuous innovations result in new products or significant changes and adjustments in consumption habits and behavior, but they do not create new habits. Revolutionary products are the result of discontinuous innovations, which require new forms of consumption and changes in consumer behavior. The level of management control over innovation increases as the degree of innovation rises.

An innovation strategy transforms existing products or services into something new by changing their usefulness, value, and economic characteristics (Milisavljević, 2017). The main methods of developing new products based on the assumed variability of the market are: innovations based on adapting certain basic characteristics of a product or service; innovations based on sizing; innovations based on changes in packaging; innovations based on design; innovations based on adding complementary components or additional services to the core product; and innovations based on reducing effort and risk in purchasing (Kotler & Trias de Bes, 2008).

When consumers are faced with a radical innovation, the perceived value on one hand and the potential risk on the other influence their decision to purchase the product. The resonance theory of consumer behavior helps explain the acceptance or rejection of innovative products and services. Specific situational factors influence consumers' reasoning in deciding whether to accept or reject a product. Factors for acceptance include the attributes of the innovation, while factors for rejection include functional and psychological barriers.

It is believed that the resonance theory-based approach helps managers formulate more effective strategies for launching new products and services on the market, particularly in designing an appropriate marketing mix.

4. Service Innovations

Service innovations can range from completely new services on a global scale to simple stylistic adjustments. The following levels of service novelty can be distinguished: major service innovations, major process innovations in service delivery, service line extensions, changes in service delivery processes, innovations in supplementary services, improvements to existing services, and style changes (Lovelock & Wirtz).

Major service innovations refer to a completely new service concept that did not previously exist. Improvement or enhancement of existing services represents the most common type of innovation and affects service quality, particularly the service process.

Successful development of new services requires strategic guidelines. The planning and implementation of specific solutions for a new service can be observed through several phases, with evaluation conducted after each phase, and in some cases multiple evaluations within a single phase. The company must decide when, to whom, where, and how to introduce a new service.

After being introduced to the market, the service must be continuously monitored, and its effects evaluated and analyzed in order to allow timely adjustments. It is necessary to assess customer satisfaction, collect information about their suggestions and feedback, and also consider the opinions of frontline service employees.

Different varieties are far easier to implement in services than in products. Mass customization enables a strategy based simultaneously on low costs and product adaptation to consumer requirements. For product innovation, production processes need to be both flexible and stable. It is believed that there are four main approaches to mass customization: collaborative, adaptive, cosmetic, and transparent (Milisavljević, 2015).

Collaborative customization involves interacting with individual customers to help them define their needs, determine how the product can satisfy those needs, and then adjust the product accordingly. Adaptive customization means that a company offers a standard but adaptable product designed in such a way that consumers modify it according to their own specifications. This approach is suitable when customers want the product to have different performance features. Cosmetic customization occurs when a standard product is presented differently to individual customers. Transparent customization enables companies to offer customized products based on previous customer orders.

Through mass customization, a company seeks to satisfy the numerous needs of individual consumers. The American Customer Satisfaction Index highlights the importance of customization effects and is one of the quality indicators that enables the achievement of customer satisfaction. Customized products create greater benefits for consumers because they achieve a higher degree of alignment with consumer preferences. The benefit is greater when consumers have a better understanding of their own preferences, a greater ability to express those preferences, and a higher level of engagement with the product.

Mass customization can lead to cost reductions in the implementation of high-variety strategies. Costs can be reduced through economies of scale and economies of scope. Economies of scale are based on standardized components that are adapted in a specific way, to the extent possible, and only in ways that provide significant added value. A standardized platform is usually created to which variable components are added.

Costs can also be reduced by standardizing all components and varying or customizing only their configuration.

The key to achieving a high-variety strategy is platform thinking—a process of identifying and leveraging common elements across a company's offerings, target markets, and processes in order to create and deliver value (Milisavljević, 2015). The benefits of platform thinking include faster product development, lower costs for new products, improved design, consistency of offerings, involvement of key customers, and a greater number of options.

The essential dimensions of a platform strategy are: product platform, customer platform, brand platform, process platform, and global platform. Companies that use platforms have greater ability to adapt products to the needs of different segments and consumers. A brand platform enables the production of a larger number of products.

In the automotive industry, companies assemble a wide range of models using only a few platforms. In this way, cost savings are achieved, but there is a risk that models become too similar and insufficiently differentiated. For highly differentiated models, the same platform should not be used.

5. Conclusion

Technological innovations enable companies to strengthen their market position and open entirely new markets in the case of significantly new technologies. When the performance of technologically new products is noticeable because it enhances product value, they are accepted by a larger number of consumers. Innovation is relevant only if it increases value for the customer. The usefulness of innovation in companies is measured in relation to their competitive advantage. The success of innovation should be evaluated through improved market positioning of the company.

The concept of strategic innovation is gaining importance in both theory and practice. Companies that create such types of innovation achieve significant growth and profitability. There is strong support for disruptive innovations in the creation of new business models based on market-oriented innovation.

Successful innovation requires consideration of all aspects of a company's operations. It often requires reassessing the scope of business activities, redefining employees' roles, responsibilities, and incentive systems. Research in leading innovative countries indicates the need for open innovation, significant innovation, and the creation of innovation networks. Special attention should be given to discontinuous and management innovations. Management innovations transform the way a company operates, while progress is achieved in production processes, philosophy, and managerial capabilities in overseeing production activities.

The sustainability of a company depends on its ability to strategically manage innovation. It is recommended to manage the innovation portfolio and apply an innovation ambition matrix. Company management must be long-term oriented, emphasize product, process, and marketing innovations, and be prepared for business cooperation with companies from both domestic and foreign markets. In industries with a global character, competitive advantage will increasingly depend on managerial innovativeness.

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Agility in Mergers and Acquisitions: Redefining Business Model Transformation in the Digital Era

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Abstract

Mergers and acquisitions (M&A) have increasingly evolved from mechanisms of market expansion into processes of organizational learning and transformation. In knowledge-intensive and digitally driven industries, competitive advantage depends not only on the acquisition of resources but also on the ability to integrate, reconfigure, and renew organizational capabilities over time. This study examines the role of organizational agility in post-merger transformation and explores how firms convert acquisition experiences into continuous business model renewal. Drawing on a qualitative case study of a leading Greek information technology company that pursued multiple acquisitions between 2019 and 2024, the research investigates the mechanisms through which learning, adaptation, and innovation support organizational transformation. The analysis identifies four interconnected transformation phases—absorption, integration, coexistence, and recreation—and demonstrates how agility enables organizations to maintain coherence while simultaneously evolving their structures, technologies, and strategic orientation. Based on these findings, the paper proposes the Agility–Transformation Framework, a conceptual model linking agility mechanisms with post-merger transformation processes. The study contributes to the literature by positioning agility as a meta-capability that operationalizes dynamic capabilities and supports ongoing organizational renewal. Rather than viewing mergers and acquisitions as isolated strategic events, the proposed framework conceptualizes them as recurring cycles of learning, adaptation, and innovation through which organizations continuously reconstruct their business models and sources of competitive advantage.

Keywords: Agility; Mergers and Acquisitions; Dynamic Capabilities; Organizational Learning; Business Model Transformation.

1. Introduction

Mergers and acquisitions (M&A) remain among the most important mechanisms through which organizations pursue growth, diversification, and strategic renewal. Traditionally, M&A have been examined primarily from financial, structural, and operational perspectives, with particular emphasis on value creation, synergy realization, and post-merger integration. While these approaches have generated significant insights, they provide only a partial explanation of how organizations evolve after the formal integration process has been completed. Increasingly, evidence suggests that long-term transformation depends not only on the successful combination of assets and resources but also on the organization's ability to continuously learn, adapt, and innovate.

This challenge is particularly evident in knowledge-intensive and technology-driven industries. Rapid technological change, shorter innovation cycles, and increasing competitive pressure require firms to constantly reconfigure their resources and capabilities. In such environments, acquisitions are no longer merely instruments of expansion. They function as mechanisms through which organizations acquire knowledge, access new technologies, enter new markets, and develop capabilities that would be difficult to create internally. Consequently, the strategic value of M&A increasingly depends on how effectively organizations absorb and integrate new knowledge rather than on the transaction itself.

However, integration remains a complex process. Acquiring firms must combine different technological infrastructures, organizational routines, managerial practices, and corporate cultures. The coexistence of heterogeneous systems often generates tensions that cannot be resolved through structural alignment alone. While formal integration may establish operational coordination, sustainable transformation requires the development of mechanisms that allow organizations to continuously reinterpret, recombine, and renew their knowledge base. This requirement shifts attention from integration outcomes to the underlying processes that support organizational adaptation over time.

Within this context, organizational agility has emerged as a critical capability. Although agility is frequently associated with speed and flexibility, contemporary research increasingly views it as a broader organizational capability that enables firms to sense changes, respond to emerging opportunities, and transform existing resources and structures. Agility therefore represents more than operational responsiveness. It reflects an organization's capacity to learn, adapt, and innovate while maintaining coherence across multiple dimensions of organizational activity.

The relationship between agility and organizational transformation becomes particularly important in post-merger environments. Each acquisition introduces new knowledge, capabilities, and organizational practices that challenge existing assumptions and routines. Organizations must therefore develop mechanisms that enable them to transform integration experiences into continuous learning opportunities. In this sense, agility can be understood as a microfoundation of dynamic capabilities, supporting the processes through which firms absorb knowledge, reconfigure resources, and renew business models.

The purpose of this study is to examine how agility contributes to organizational transformation following mergers and acquisitions. Drawing on a qualitative case study of a leading Greek information technology company that implemented multiple acquisitions between 2019 and 2024, the research investigates the mechanisms through which learning, adaptation, and innovation support post-merger renewal. Based on the empirical findings, the study proposes the Agility–Transformation Framework, a conceptual model that links three core agility mechanisms—learning, adaptation, and innovation—with four transformation phases: absorption, integration, coexistence, and recreation.

By conceptualizing M&A as recurring cycles of organizational learning rather than isolated strategic events, the study contributes to the literature on dynamic capabilities, organizational agility, and business model transformation. It further argues that agility functions as a meta-capability that enables organizations to maintain coherence while continuously reconstructing their structures, technologies, and sources of competitive advantage.

2. Theoretical Background

2.1 Resource-Based View and Dynamic Capabilities

The Resource-Based View (RBV) constitutes one of the most influential perspectives in strategic management. According to RBV, sustainable competitive advantage derives from resources and capabilities that are valuable, rare, difficult to imitate, and non-substitutable (Barney, 1991). These resources extend beyond tangible assets and include organizational knowledge, routines, managerial expertise, technological capabilities, and relationships developed through experience. In the context of mergers and acquisitions (M&A), RBV explains why firms pursue acquisitions as a means of accessing strategic resources that would otherwise require significant time and investment to develop internally.

Despite its contribution, RBV has been criticized for its relatively static orientation. Possessing valuable resources does not guarantee long-term success in environments characterized by rapid technological change and market uncertainty. Organizations must also be capable of continuously renewing and reconfiguring their resource base. This limitation led to the development of Dynamic Capabilities Theory (Teece, Pisano, & Shuen, 1997), which focuses on the processes through which organizations adapt and transform in response to changing conditions.

Dynamic capabilities refer to a firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. Teece (2007) conceptualizes dynamic capabilities through three interrelated processes: sensing, seizing, and reconfiguring. Sensing involves identifying opportunities and threats through environmental scanning and organizational learning. Seizing refers to mobilizing resources and capabilities in order to exploit emerging opportunities. Reconfiguring concerns the transformation of organizational structures, processes, and resources to maintain competitiveness over time.

In post-merger environments, these capabilities become particularly important. Acquisitions introduce new technologies, knowledge bases, organizational cultures, and managerial practices that must be integrated into existing systems. Consequently, the success of M&A depends not only on resource acquisition but also on the organization's ability to transform integration experiences into ongoing learning and renewal.

2.2 Agility as a Microfoundation of Dynamic Capabilities

While Dynamic Capabilities Theory explains how organizations adapt, it provides limited insight into the mechanisms through which adaptation occurs in practice. The concept of organizational agility helps address this gap by focusing on the processes that enable organizations to respond effectively to change.

Agility is commonly defined as the capacity to sense changes, adapt rapidly, and continuously innovate in response to evolving environmental conditions (Doz & Kosonen, 2010). Unlike traditional interpretations that emphasize speed alone, contemporary approaches view agility as a multidimensional organizational capability combining learning, adaptation, and innovation. From this perspective, agility represents the practical mechanism through which dynamic capabilities are enacted.

Microfoundational research suggests that organizational capabilities originate from the actions, interactions, and decisions of individuals and groups within organizations (Felin et al., 2012). Agility therefore emerges through everyday organizational practices that facilitate knowledge sharing, collaborative problem solving, and adaptive decision making. It links individual cognition with collective organizational outcomes and transforms dispersed experiences into coordinated responses.

Three dimensions of agility are particularly relevant in post-merger contexts.

Strategic agility refers to the ability to recognize emerging opportunities, reassess strategic priorities, and redefine organizational direction. Strategic agility supports the sensing process by enabling firms to interpret environmental changes and adjust their strategic intent accordingly.

Functional agility concerns the coordination of structures, processes, and organizational routines. It enables organizations to balance integration with flexibility, ensuring that collaboration occurs without excessive standardization. Functional agility is closely associated with the seizing dimension of dynamic capabilities because it facilitates resource mobilization and organizational alignment.

Technological agility relates to the ability to integrate, recombine, and exploit technological resources. It enables organizations to accelerate knowledge transfer, develop innovative solutions, and redesign technological infrastructures. This dimension corresponds to the reconfiguring process through which organizations renew their capabilities and sustain innovation. Together, these dimensions create the conditions necessary for organizational transformation and continuous renewal.

2.3 Agility in Post-Merger Transformation

Mergers and acquisitions provide a particularly suitable setting for examining agility because they expose organizations to diverse systems of knowledge, technology, and culture. Traditional post-merger research has largely focused on integration as a process of achieving structural alignment and operational efficiency. However, increasing evidence suggests that successful transformation depends on more than formal integration.

Organizations involved in repeated acquisitions operate in environments where learning and adaptation are continuous rather than episodic. Each acquisition introduces new capabilities and challenges existing assumptions, requiring organizations to absorb knowledge, coordinate diverse actors, and create new forms of value. As a result, post-merger transformation can be viewed as an ongoing learning process rather than a discrete integration event.

This study conceptualizes transformation through four interconnected phases. The first phase, **absorption**, involves the recognition and internalization of new knowledge and capabilities. The second phase, **integration**, concerns the alignment of structures, systems, and coordination mechanisms. The third phase, **coexistence**, reflects the collaborative operation of heterogeneous organizational identities, cultures, and technological systems. Finally, **recreation** involves innovation, business model renewal, and the development of new organizational capabilities.

These phases are connected by three recurring mechanisms: learning, adaptation, and innovation. Learning supports the acquisition and interpretation of knowledge, adaptation enables organizational coordination and adjustment, and innovation emerges through the recombination of resources and capabilities. Together, these mechanisms transform acquisitions into recurring cycles of organizational renewal.

2.4 Conceptual Synthesis

The theoretical perspectives presented above converge around a common proposition: sustainable transformation depends not only on the acquisition of resources but also on the organizational processes that enable continuous renewal. RBV explains what constitutes strategic value, Dynamic Capabilities Theory explains how organizations transform resources, and agility explains the mechanisms through which transformation occurs in practice.

Accordingly, this study conceptualizes agility as a meta-capability that integrates learning, adaptation, and innovation across successive post-merger transformation cycles. Rather than treating M&A as isolated strategic transactions, the proposed perspective views them as recurring processes of organizational learning through which firms continuously reconstruct their business models, capabilities, and sources of competitive advantage.

3. Agility–Transformation Framework

Building upon the theoretical foundations of the Resource-Based View, Dynamic Capabilities Theory, and organizational agility, this study proposes the Agility–Transformation Framework as an interpretive model for understanding post-merger transformation. The framework seeks to explain how organizations convert acquisition experiences into continuous learning and business model renewal.

The central premise of the framework is that mergers and acquisitions should not be viewed as isolated strategic transactions or as linear integration processes. Instead, they represent recurring cycles of organizational learning through which firms continuously absorb knowledge, adapt structures, and create new forms of value. In this context, agility functions as the mechanism that connects these activities and enables transformation to occur without undermining organizational coherence.

The framework consists of two interconnected dimensions. The first dimension concerns the phases of post-merger transformation, while the second concerns the mechanisms of organizational agility that drive movement between these phases.

The transformation process begins with absorption, during which the acquiring organization identifies, evaluates, and internalizes new knowledge, technologies, routines, and capabilities. At this stage, learning is the dominant mechanism. The organization seeks to understand how newly acquired resources can contribute to strategic objectives and future development. Absorption therefore corresponds to the sensing dimension of dynamic capabilities.

The second phase, integration, focuses on the alignment of organizational structures, processes, and coordination mechanisms. The objective is not merely to combine systems but to establish functional relationships that allow diverse organizational units to operate effectively together. During this phase, adaptation becomes the dominant mechanism. Organizational actors adjust routines, responsibilities, and communication patterns to create operational coherence while maintaining flexibility.

The third phase, coexistence, reflects a more mature stage of post-merger development. Rather than pursuing complete assimilation, organizations allow different identities, cultures, and knowledge systems to coexist and interact. Diversity is viewed as a source of learning and innovation rather than as a problem to be eliminated. Coexistence creates opportunities for collaboration and knowledge recombination across organizational boundaries.

The final phase, recreation, represents the highest level of transformation. At this stage, organizations move beyond integration and develop new capabilities, products, services, and business models. Recreation involves the renewal of organizational identity and the emergence of new forms of value creation. Innovation becomes the dominant mechanism, allowing the organization to transform accumulated knowledge into competitive advantage.

Three mechanisms support movement across these phases. Learning enables knowledge acquisition and interpretation, adaptation facilitates alignment and coordination, and innovation generates new combinations of resources and capabilities. These mechanisms do not operate sequentially but continuously interact and reinforce one another. Learning creates the conditions for adaptation, adaptation supports innovation, and innovation generates new learning opportunities.

The framework further proposes that agility operates through three complementary dimensions: strategic, functional, and technological agility. Strategic agility supports the interpretation of opportunities and the redefinition of strategic direction. Functional agility facilitates coordination and organizational alignment. Technological agility enables the integration and recombination of technological resources. Together, these dimensions form an integrated system that supports transformation across all phases.

Figure 1 illustrates the cyclical nature of the framework. Rather than culminating in a stable end state, recreation generates new knowledge and capabilities that initiate subsequent cycles of absorption, integration, coexistence, and renewal. Consequently, post-merger transformation is conceptualized as a recursive process of organizational learning in which agility serves as a meta-capability linking knowledge, adaptation, and innovation.

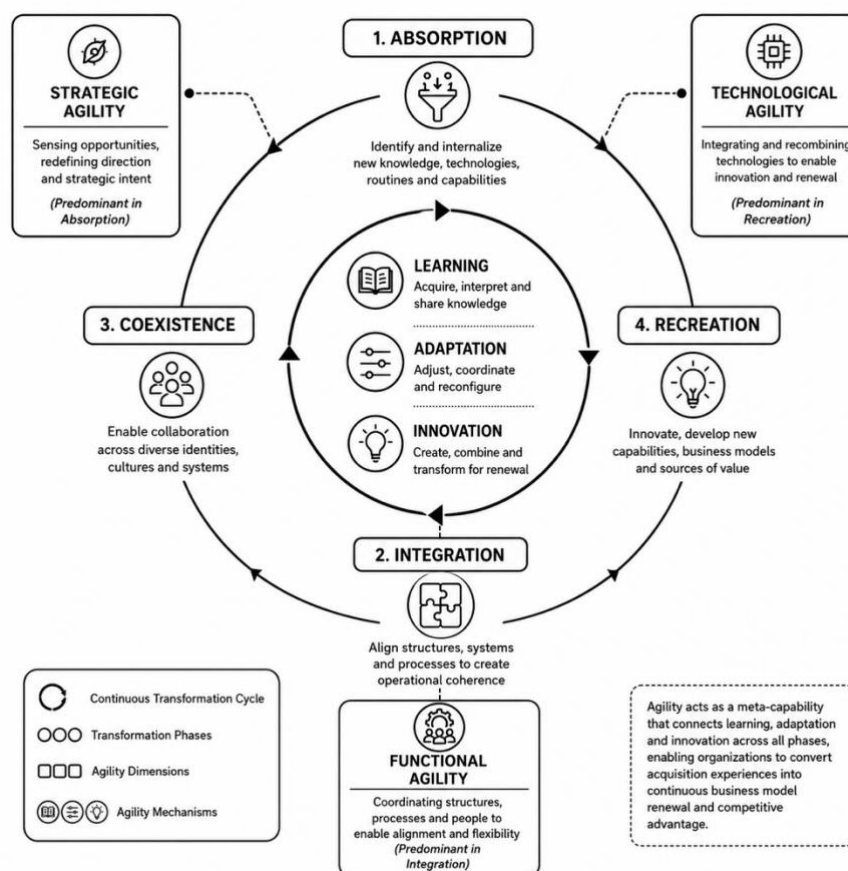


Figure 1. the cyclical nature of the framework

4. Methodology

This study adopts a qualitative case study design aimed at exploring how organizational agility contributes to post-merger transformation. A qualitative approach was considered appropriate because the phenomenon under investigation involves complex processes of learning, adaptation, and innovation that cannot be adequately captured through quantitative indicators alone. The

objective was not to measure the financial performance of acquisitions but to understand the mechanisms through which organizations transform acquired knowledge and resources into renewed capabilities and business models.

The empirical setting is a leading Greek information technology company that completed multiple acquisitions between 2019 and 2024. The case was selected through theoretical sampling because it provides a rich context in which post-merger transformation can be observed over an extended period. The company pursued acquisitions across different technological and business domains, including software development, enterprise systems, fintech services, and digital solutions. This diversity created opportunities to examine how learning and adaptation occurred across different organizational settings while maintaining strategic coherence.

Data were collected from multiple complementary sources to enhance analytical depth and credibility. These sources included corporate reports, investor presentations, press releases, public statements by senior executives, industry publications, and archival material covering the acquisition period. In addition, semi-structured interviews with executives and managers directly involved in integration processes provided insights into organizational decision making, knowledge transfer, and capability development. Researcher observations and reflective notes were also used to support interpretation and contextual understanding.

Data analysis followed an iterative and abductive process. The empirical material was coded and organized around themes associated with learning, adaptation, innovation, integration practices, and organizational renewal. Patterns emerging from the data were continuously compared with concepts derived from Dynamic Capabilities Theory and agility literature. This process enabled the gradual development of a conceptual explanation linking empirical observations with theoretical constructs.

To strengthen validity, the study relied on triangulation across different data sources and forms of evidence. The objective was not statistical generalization but analytical generalization, allowing the findings to contribute to theory development concerning agility and post-merger transformation. Through this interpretive approach, the study examines how organizations transform acquisition experiences into continuous cycles of learning and business model renewal.

5. Discussion

5.1 *Learning and Knowledge Absorption*

Learning emerged as the primary mechanism through which the organization transformed acquisitions into opportunities for capability development. Newly acquired knowledge was not treated as a static asset to be transferred mechanically from one organizational unit to another. Instead, knowledge absorption occurred through continuous interaction among employees, managers, and technical specialists originating from different organizational backgrounds. Cross-functional teams, joint projects, and collaborative problem-solving activities facilitated the exchange of expertise and accelerated organizational learning.

Participants emphasized that the most valuable outcomes of acquisitions were often not the acquired products or technologies themselves, but the specialized knowledge embedded in employees, routines, and organizational practices. As a result, management encouraged extensive communication and knowledge-sharing activities aimed at integrating expertise across organizational boundaries. Learning therefore extended beyond information transfer and became a process of collective sense-making through which employees developed shared understandings of new technologies, markets, and customer needs.

The findings suggest that absorption represents more than the acquisition of external knowledge. It constitutes a process through which organizations reinterpret and internalize acquired capabilities, creating the foundation for subsequent adaptation and innovation. This observation reinforces the view that learning acts as the starting point of post-merger transformation and serves as the basis for organizational renewal.

5.2 *Adaptive Integration*

The analysis revealed that the organization did not pursue a traditional model of complete assimilation following acquisitions. Instead, management adopted a hybrid integration approach that balanced strategic coordination with operational autonomy. While acquired firms were gradually aligned with corporate objectives, many retained elements of their existing culture, expertise, and decision-making structures.

This approach reduced resistance to change and preserved specialized knowledge that might otherwise have been lost through excessive standardization. Managers recognized that the value of acquisitions often resided in the distinct capabilities of acquired organizations. Consequently, integration was viewed as an adaptive process rather than a one-time structural intervention. Coordination mechanisms were introduced selectively, allowing acquired units to collaborate while maintaining the flexibility necessary to respond to their specific market conditions.

The coexistence of different organizational identities initially generated tensions concerning processes, communication practices, and managerial expectations. However, these differences gradually became sources of learning and innovation. Adaptation therefore functioned not only as a mechanism of alignment but also as a means of preserving diversity and facilitating capability development. The findings indicate that successful integration depends on balancing coherence with flexibility, enabling organizations to benefit from both coordination and heterogeneity.

5.3 Innovation and Business Model Renewal

Innovation emerged as the outcome of continuous interactions between learning and adaptation. The organization systematically recombined technologies, expertise, and customer relationships originating from different acquisitions to develop new products, services, and digital solutions. Rather than operating as isolated business units, acquired companies increasingly contributed to a broader ecosystem of complementary capabilities.

This process generated opportunities for cross-selling, platform integration, and the creation of more comprehensive customer solutions. Several participants described the transformation as a shift from a portfolio of independent acquisitions toward an interconnected business ecosystem. Through this evolution, the organization expanded its value proposition and strengthened its competitive position across multiple market segments.

The findings further suggest that innovation was closely linked to business model renewal. New combinations of technological capabilities enabled the organization to enter new markets, redesign service offerings, and develop additional sources of value creation. Consequently, innovation should not be viewed solely as a technological outcome but as a broader mechanism through which organizations redefine how value is created, delivered, and captured.

The findings also reveal a clear connection between the four transformation phases and the sensing, seizing, and reconfiguring logic of Dynamic Capabilities Theory. Absorption primarily reflects sensing activities through the identification and interpretation of new knowledge and opportunities. Integration and coexistence support seizing by facilitating coordination, collaboration, and resource mobilization across organizational units. Recreation corresponds to reconfiguring, as organizations develop new capabilities, redesign business models, and create new forms of value. Agility therefore operates as the mechanism that links these dynamic capability processes across successive cycles of organizational transformation and renewal.

Table 1. Relationship between transformation phases, agility mechanisms, and agility dimensions.

Transformation Phase	Dominant Mechanism	Primary Agility Dimension
Absorption	Learning	Strategic Agility
Integration	Adaptation	Functional Agility
Coexistence	Learning & Adaptation	Strategic and Functional Agility
Recreation	Innovation	Technological Agility

6. Findings

The findings indicate that post-merger transformation is best understood as a continuous learning process rather than a linear integration exercise. Across the acquisitions examined, organizational change unfolded through recurring interactions between learning, adaptation, and innovation. These mechanisms collectively enabled the organization to transform acquired resources into new capabilities and sources of value creation.

Learning emerged as the foundation of transformation. Newly acquired knowledge was absorbed through cross-functional collaboration, formal knowledge-sharing initiatives, and continuous interaction among employees from different organizational units. Rather than simply transferring existing practices, the organization encouraged collective interpretation and experimentation, allowing new knowledge to be integrated into broader organizational routines. Learning therefore extended beyond knowledge acquisition and became a process of organizational sense-making.

Adaptation represented the second major mechanism. Instead of pursuing complete assimilation of acquired companies, management adopted a hybrid integration approach that balanced strategic coordination with operational autonomy. Acquired units retained aspects of their identity and expertise while aligning with broader organizational objectives. This approach reduced resistance, preserved specialized capabilities, and facilitated collaboration across organizational boundaries. Adaptation therefore functioned as a mechanism for maintaining coherence while accommodating diversity.

Innovation emerged through the recombination of knowledge, technologies, and capabilities originating from different acquisitions. New digital solutions, integrated service offerings, and platform-based business opportunities were developed through collaboration among previously independent units. Innovation was not treated as a discrete outcome but as an ongoing process resulting from continuous interaction between learning and adaptation. Several participants described the organization as evolving from a collection of acquired businesses into an integrated ecosystem capable of generating new forms of value.

The analysis also revealed three interconnected dimensions of agility. Strategic agility enabled the organization to reinterpret growth opportunities and continuously refine its strategic direction. Functional agility supported coordination across structures, teams, and processes while preserving flexibility. Technological agility facilitated the integration of platforms, knowledge systems, and digital infrastructures, accelerating innovation and organizational renewal.

Together, these findings suggest that agility operates as a meta-capability connecting learning, adaptation, and innovation throughout the transformation process. Rather than marking the end of organizational change, each acquisition initiated a new cycle of absorption, integration, coexistence, and recreation, contributing to continuous business model renewal.

7. Conclusions

This study examined the role of agility in post-merger transformation and proposed the Agility–Transformation Framework. The findings indicate that agility links learning, adaptation, and innovation across the phases of absorption, integration, coexistence, and recreation.

Theoretical contributions include the positioning of agility as a meta-capability supporting dynamic capabilities and business model renewal. Practical implications suggest that managers should focus not only on integration efficiency but also on developing learning mechanisms, adaptive coordination structures, and collaborative innovation processes.

Future research may test the framework in different industries and institutional contexts and explore how organizational culture influences the enactment of agility during post-merger transformation.

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The Chinese Language: Its Antiquity and Globalization

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Abstract

This paper focuses on the antiquity and modernity of the Chinese language, which constitutes a major treasure of world culture. The foundations of communication among the ancient Chinese population, the age of early graphic signs and characters, the most important Chinese characters, the large number of dialects and other linguistic phenomena have naturally influenced the development, evolution and integration of the language of this state throughout its historical course.

A special aspect, as both a cultural and linguistic phenomenon in China, is represented by the process of linguistic unification of the Chinese population through Mandarin, or Putonghua, as the official standardized form of Chinese. Chinese is spoken not only in mainland China, but also in Taiwan, Indonesia, Singapore, Malaysia and in many other communities throughout the world.

This study examines several aspects of the Chinese language in relation to the globalization of human society and the interaction between language, culture and economic development. China is a state of considerable economic weight, and its commercial, industrial, productive and technological role in the world has enabled it to build broad relations with other languages and cultures of different peoples.

The integrative, multidimensional, multilateral and multilayered relations of China with the contemporary world, together with the growing international importance of Chinese, have influenced the spread of Chinese culture and literature. Chinese culture, coming from antiquity to the present day, stands as an important testimony in the encyclopedia of world knowledge and is often understood as one of the great cultural schools of humanity.

The study also addresses a special aspect: the Chinese language and Albania, the tendencies of its study, the publication of Albanian-Chinese and Chinese-Albanian dictionaries, and the growing need for intercultural communication. The discussion is further extended to contemporary globalization, China as an important international factor, and the relationship of Chinese with English and other international languages.

Keywords: linguistic relations, ancient language, contemporary globalization, Chinese characters, encyclopedia, Chinese language, Mandarin, Putonghua.

Objectives of the Study

The main objective of this paper is to present, in a concise but well-argued form, the antiquity of the Chinese language and its importance in the history of world culture, linking this heritage with the new functions that the language assumes in the age of globalization. The paper aims to clarify the nature of Chinese writing, to explain the distinction between Chinese characters and the phonetic alphabet, to analyze the process of standardization through Putonghua/Mandarin, and to observe the possibilities for the knowledge of the Chinese language and culture in the Albanian context. Within this framework, the treatment is not only historical; it is also connected with didactics, translation, intercultural communication, and the role played by major languages in contemporary international relations.

Research Methodology

The paper is based on a descriptive, historical-linguistic, and cultural-comparative approach. The descriptive approach is used to present the fundamental features of the Chinese language, including its writing system, the characteristics of its characters, its dialects, and the role of Mandarin/Putonghua in official communication. The historical-linguistic approach helps to place these phenomena within the long continuity of Chinese civilization, from the earliest evidence of writing on oracle bones to the standardized forms of the contemporary language.

In terms of sources, the paper uses general linguistic and sinological literature, verifiable encyclopedic sources, institutional data on the status of the Chinese language in international organizations, as well as sources used in the author's initial material. In order to avoid inaccuracies, several older or more general formulations concerning the “Chinese alphabet” are reformulated in accordance with scientific terminology: Chinese does not use an alphabet in the phonetic sense of alphabetic languages, but a system of logographic characters connected with the morpheme and the word (DeFrancis, 1984; Qiu, 2000; Sun, 2006).

The comparative method is used to place the Chinese language in relation to international languages, particularly English, not in order to draw simplified competitive conclusions, but to understand the function of languages in global trade, diplomacy, international education, and intercultural communication. In this way, language is examined as a system of signs, as an element of identity, and as an instrument of international relations.

At the methodological level, the paper is also based on an analysis of the needs related to the teaching of Chinese in the Albanian context. Therefore, the treatment does not remain merely historical or linguistic, but extends toward the question of how Chinese may be studied, translated, and taught in environments where its tradition is not native. This makes the study useful not only for theoretical linguistics, but also for didactics, translation, and Albanian-Chinese cultural relations.

1. The Chinese Language between Antiquity and Globalization

Especially after the activation of the new order of international relations and the creation of new geopolitics, which are connected with economic, social, technological, and cultural factors, ancient cultures and major writing traditions are re-emerging with force in the world. Within this framework, China appears as a space in which cultural antiquity and economic modernity coexist in a distinctive way. The Chinese language, as part of this heritage, is not only a means of communication for a large population, but also the memory of a civilization that has linked writing with administration, philosophy, ethics, literature, and social organization.

China is one of the countries with the oldest cultures in the world. The cultural heritage that it has brought through Confucian and Taoist philosophy, through poetry, calligraphy, writing, and the organization of knowledge, has influenced the formation of a distinctive civilizational model (Rilindja, 1987). In this tradition, language is not only a practical instrument, but also a sign of the continuity of thought, of the relationship with authority, with the family, with ethics, and with social harmony. For this reason, the study of the Chinese language cannot be separated from the study of Chinese culture.

In modern times, the importance of Chinese has increased alongside the economic, technological, and diplomatic weight of China. It is today at the center of interest in universities, cultural institutions, translation centers, and international business environments. Nevertheless, the growing interest in Chinese should be viewed with scientific caution: it does not automatically replace other international languages, but coexists with them in a system of global multilingualism in which English, Chinese, French, Spanish, Arabic, and Russian perform different functions. This is also confirmed by the fact that Chinese is one of the six official languages of the United Nations (United Nations, n.d.).

2. The Antiquity of Chinese Writing and Its Logographic Character

One of the most important issues in the treatment of the Chinese language is its writing system. In general usage, one often speaks of the “Chinese alphabet,” but in the scientific sense this expression must be clarified. Chinese is not an alphabetic language such as Albanian, English, or French. It uses a system of characters, in which the graphic sign is primarily connected with the morpheme and meaning, not directly with a single sound. For this reason, scholars describe Chinese writing as a logographic or morpho-syllabic system, in which the character combines graphic, semantic, and phonetic information in different ways (DeFrancis, 1984; Qiu, 2000; Sun, 2006).

The earliest developed evidence of Chinese writing is associated with inscriptions on oracle bones and turtle shells from the Shang dynasty period. Verifiable encyclopedic sources note that the earliest inscriptions are dated between the eighteenth and twelfth centuries BCE and that, around 1400 BCE, the system included several thousand characters, a part of which can still be read by scholars of Chinese paleography (Encyclopaedia Britannica, n.d.). This long continuity makes Chinese writing one of the most enduring systems in the history of world writing.

Chinese characters have passed through a long evolution: from early pictographic forms and oracle signs, to bronze script, seal script, clerical script, regular script, and the modern forms of traditional and simplified characters. This process shows that Chinese writing has not remained frozen, but has developed in relation to administration, schooling, writing technologies, printing, and, in contemporary times, digital technologies. In this sense, its antiquity is not a sign of backwardness, but evidence of a rare capacity for cultural adaptation.

For an Albanian reader, the difficulty of Chinese is linked precisely with this fundamental distinction. Albanian is based on a phonological alphabet, in which the grapheme is connected with the phoneme, whereas Chinese requires knowledge of characters and of their combinations into words. Functional knowledge of a certain number of characters is a condition for reading everyday texts, while a higher academic level requires far broader mastery. Therefore, instead of saying that Chinese has “many letters,” it is more accurate to say that it has a very large number of characters, part of which are used more frequently in everyday communication.

3. Chinese Dialects and Standardization through Putonghua/Mandarin

Another important issue is the dialectal diversity of Chinese. The term “Chinese language” covers a very broad space of varieties, including Mandarin, Wu, Yue/Cantonese, Min, Hakka, Xiang, Gan, and others. Some of them have such major phonetic and lexical differences that they are often not easily mutually intelligible in speech. Nevertheless, the use of a common writing system and state standardization have created a strong level of unified communication (Norman, 1988; Sun, 2006).

Putonghua, which may be translated into Albanian as “the common language,” is the modern standard based mainly on the pronunciation of Beijing, on the lexical norm of Northern Mandarin, and on the grammar of the modern written language. Its role is

not merely linguistic, but also educational, administrative, and political: it serves the unification of communication in a country of continental dimensions and with a broad linguistic and ethnic diversity.

Official data show that the spread of Putonghua has increased significantly in recent decades. The Ministry of Education of the People's Republic of China reported that in 2020 about 80.72% of the population spoke Putonghua, while the official objective was to raise this percentage to 85% by 2025 (Ministry of Education of the People's Republic of China, 2021; The State Council of the People's Republic of China, 2021). These data show that linguistic standardization in China is not a completed process, but an ongoing development.

At this point, it should be emphasized that standardization does not imply the disappearance of dialects. Dialects and regional varieties remain part of local identity, family memory, and oral culture. Putonghua functions as the common code of the school, administration, and national media, while dialects continue to carry distinct cultural nuances. This relationship between the standard and local varieties is also known in other languages, but in China it acquires special dimensions because of the demographic and geographical extent of the country.

4. The Chinese Language in Globalization: Economy, Diplomacy, and Cultural Communication

In contemporary globalization, language and economy often move together. The development of China as an economic, commercial, industrial, and technological power has influenced the growing interest in the Chinese language. In international relations, knowledge of the partner's language is not only a practical skill, but also a form of cultural respect and a means of understanding ways of thinking, negotiating, and institutional organization. In this sense, Chinese is gaining special importance in universities, companies, diplomatic institutions, and research centers.

However, the simplified conclusion that Chinese is replacing English should be avoided. English continues to be a very important international language, especially in science, technology, business, diplomacy, and academic communication (Crystal, 2003). Chinese, on the other hand, is gaining weight as the language of a major civilization and of an important world economy. Therefore, the relationship between them should be viewed as the functional coexistence of global languages, not as the mechanical replacement of one by the other.

The international importance of Chinese is also visible in its status as an official language of the United Nations. Alongside Arabic, English, French, Russian, and Spanish, Chinese participates in the multilingual communication system of international diplomacy (United Nations, n.d.). This status places it at a high functional level, because it gives it a role in translation, interpretation, international documentation, and political communication.

In the field of business, Chinese communication culture is connected with several important principles: punctuality, respect for hierarchy, care for relationships, attention to formality, and the importance of not only verbal but also nonverbal communication. Communication studies emphasize that the message does not consist only of words, but also of gestures, context, the ritual of meeting, and the manner in which trust is built (Baylon & Mignot, 2004). From this perspective, the Chinese language is not merely a means of translating words, but also an entry into a system of cultural behavior.

In commercial relations, preliminary preparation, knowledge of the partner, respect for time, and clarity of the proposal are elements of considerable importance. These are connected with the principles of communication in marketing and with the need for the commercial relationship to be built on knowledge of the market, of culture, and of the partner's expectations (Kotler, 2001). When the Chinese language enters this process as well, communication becomes more complex, but also richer, because translation requires not only lexical knowledge, but also cultural mediation.

5. Chinese Culture and Language as Identity

The Chinese have always connected language with identity. In Chinese culture, writing has had a special status: it has been an instrument of administration, preservation of knowledge, moral formation, and art. Chinese calligraphy is not only a technique of writing, but also an aesthetic and spiritual form. This explains why Chinese characters have remained a strong part of cultural consciousness, even when they have been simplified or adapted to modern needs.

Confucianism and Taoism, as two major traditions of thought, have influenced the way in which the word, order, harmony, and the relationship between the individual and society have been understood. In this sense, language is not only a grammatical system, but also a place where ethical norms, models of behavior, and symbolic meanings are expressed. Therefore, when Chinese is studied, it is not enough to study characters, pronunciation, or grammar; one must also consider the cultural background in which the word receives meaning.

Traditional culture has helped the Chinese preserve their identity, the economy has given them power, while language gives them a distinctive form of cultural pride. This pride should not be understood as closure, but as awareness of a long heritage. In the age of globalization, precisely this heritage becomes a means of communication with the world, because it offers foreigners a path toward understanding not only the language, but also history, literature, philosophy, and the Chinese way of organizing social life.

6. The Chinese Language and Albania: Knowledge, Translation, and Bilingual Dictionaries

In the initial material of the paper, the need to address the relationship between the Chinese language and Albania is rightly noted. In the Albanian context, interest in Chinese is connected with several directions: economic relations, cultural exchanges,

tourism, higher education, translation, and the preparation of auxiliary tools such as bilingual dictionaries. Although the tradition of learning Chinese in Albania is not as broad as that of European languages, the need for intercultural knowledge has increased.

An example of the institutionalization of Chinese language learning in Albania is the Confucius Institute at the University of Tirana, which offers different levels of Chinese language instruction and cultural activities. The University of Tirana notes that students may choose Chinese as a course in curricula or enroll at the Confucius Institute, while Chinese has been offered as an elective course at the Faculty of Foreign Languages and at the Faculty of Economics (Universiteti i Tiranës, 2019). This fact shows that Chinese does not remain only a matter of diplomatic relations, but becomes part of academic and professional interest.

At the lexicographic level, the publication of Albanian-Chinese and Chinese-Albanian dictionaries is an important step, because a dictionary does not serve only mechanical translation. It helps in establishing equivalences, clarifying concepts, and facilitating tourist, commercial, and cultural communication. For a language such as Chinese, where the distinction between character, pronunciation, tone, and meaning is very important, the dictionary should be accompanied by transcription, examples of use, and cultural explanations. The tradition of introductory texts for Chinese for foreigners has also emphasized the need for the controlled learning of sign, pronunciation, and meaning (Ahmeta, 1978). Without this didactic layer, translation risks remaining partial.

In Albanian-Chinese relations, knowledge of the language also acquires special importance for practical reasons. Students, translators, businesspeople, tourism workers, and scholars who have contact with Chinese culture need more stable linguistic and cultural preparation. This preparation should include not only basic vocabulary, but also sentence structure, tones, the use of characters, the ethics of communication, and knowledge of cultural differences.

7. Some Methodological Difficulties in Learning Chinese for Albanian Speakers

From a methodological point of view, Chinese presents several specific difficulties for Albanian speakers. First, it is a tonal language. A change in tone may bring about a change in meaning; therefore, pronunciation cannot be learned only through the articulation of sounds, but also through correct intonation. This distinguishes Chinese from Albanian, which does not have a tonal system with a lexical distinctive function.

The writing system requires the acquisition of characters. The Albanian learner is accustomed to a phonological alphabet, in which writing is closely connected with pronunciation. In Chinese, the character does not always directly indicate pronunciation; therefore, learning it requires visual memory, knowledge of graphic components, repetition, and connection with meaning. For this reason, pinyin, as a romanization system, has a very important auxiliary role in the initial stages, but it cannot fully replace the learning of characters.

The syntactic structure of Mandarin has features that differ from Albanian. Word order, the use of particles, the absence of declension and conjugation in the Indo-European sense, the expression of aspect, and the use of classifiers require particular methodological attention. For Albanian students, comparison with Albanian may be useful, not in order to establish simple equivalences, but to understand the difference between a language with inflection and a language with a more analytical structure (Li & Thompson, 1981; Sun, 2006).

For these reasons, the teaching of Chinese in Albania should be built on a gradual model: first pronunciation and tones, then basic vocabulary and pinyin, and later characters, syntactic structures, and simple cultural texts. Such a methodology would make the Chinese language more accessible to the Albanian learner and would avoid the idea that it is “impossible” to learn.

8. Linguistic Globalization and the Responsibility of Scientific Formulation

When speaking about the globalization of the Chinese language, care must be taken so that the treatment does not turn into propagandistic generalization or uncertain prediction. It can be stated on a sound basis that China's economic growth has increased interest in Chinese; it can also be stated that Chinese has an important international status and that the Putonghua standard is spreading more widely. But it should not be asserted without verifiable data that one language will eliminate or replace another by a certain date. Linguistic science requires measurement, sources, and caution in conclusions.

For this reason, the paper treats the globalization of Chinese as a multifactorial process. It is linked to the economy, but is not limited to the economy; it is linked to diplomacy, but is not merely a political matter; it is linked to culture, but is not only a heritage of the past. Chinese becomes globalized because China is present in trade, technology, universities, translation, cultural institutes, media, and international relations. In this way, the language gains space through the functions it performs.

At the same time, the globalization of Chinese should not be seen as a danger to other languages. On the contrary, it may be understood as an opportunity for multilingualism, translation, and mutual knowledge. For Albanians, knowledge of the Chinese language does not replace the need for English, French, Italian, or other languages, but adds a new cultural and professional horizon. In an interdependent world, the more languages are known, the broader communication becomes and the more accurate the understanding of the other.

9. Typological Features of Mandarin in Relation to Albanian

A more complete view of the Chinese language also requires a brief consideration of its typological features. Mandarin is a language with an analytical tendency, in which grammatical relations are expressed mainly through word order, particles, function words, and context, rather than through endings of declension or conjugation. Albanian, by contrast, preserves a developed inflectional system in the noun, pronoun, and verb, with categories such as case, number, gender, mood, tense, person, and voice.

This difference makes the Albanian-Chinese comparison useful, because it highlights two different ways of grammatical organization.

In Mandarin, the verb does not change according to person and number as it does in Albanian. Temporal and aspectual meanings are often expressed by other means, for example by aspectual particles, temporal adverbs, or context. This feature may seem simple to the Albanian learner, because broad conjugational paradigms are absent, but the difficulty shifts to another level: to the correct use of aspect, to word order, and to the reading of semantic relations from context (Li & Thompson, 1981; Sun, 2006).

Another important feature is the use of classifiers. In Mandarin, when nouns are counted or when they are accompanied by certain determiners, a classifier is often used, which is related to the type of object, its form, function, or semantic category. This category has no direct equivalent in Albanian. Therefore, word-for-word translation is not sufficient; it is necessary to understand the way in which the Chinese language conceptualizes the object through linguistic classification.

From the phonetic point of view, the tonal system of Mandarin constitutes another fundamental distinction. The same syllables may have different meanings according to tone. For the Albanian speaker, this requires special auditory and articulatory training. An appropriate teaching method should treat tone from the very beginning, not as an addition after vocabulary learning, but as a constituent part of the word itself. Otherwise, the learner may learn the graphic form or the transcription, but may not achieve accurate oral communication.

At the syntactic level, word order in Mandarin has very important value. Since many of the inflectional markers that Albanian uses to indicate relations between words are absent, position in the sentence becomes the main indicator of function. This makes Mandarin a language in which grammar is closely connected with order and with economy of expression. For this reason, its comparative study with Albanian can help Albanian students better understand the nature of their own mother tongue as well.

10. Chinese Writing in the Digital Age

One aspect that further expands the treatment of the Chinese language is its relationship with technology. At first sight, one might think that a character-based writing system is more difficult to adapt to the digital age than a phonetic alphabet. However, the Chinese experience shows the opposite: through input systems, pinyin, electronic encoding of characters, and natural-language processing technologies, Chinese has become fully functional on computers, phones, social media, and in international communication.

Pinyin has played a special role in this process. It does not replace Chinese characters, but serves as a means of romanization, as support for pronunciation, as a teaching instrument, and as a practical way to enter text into electronic devices. In this way, an ancient writing system has found new ways of functioning in modern technology. This demonstrates that the preservation of tradition is not an obstacle to modernization; on the contrary, it may be accompanied by new forms of use.

In the digital age, Chinese has also gained a significant presence in social networks, electronic commerce, educational platforms, and translation applications. This presence has increased the need for translators, communication specialists, specialists in economic and technological terminology, as well as scholars of Chinese culture. Therefore, the globalization of Chinese is not only a matter of the number of speakers, but also of the new functions that the language performs in the digital space.

At the same time, digitalization also poses challenges. Machine translation, although useful, cannot fully replace the human translator, especially in cultural, literary, legal, or diplomatic texts. Characters, tones, idioms, cultural names, and figurative expressions require interpretation. This is why technology should be seen as an aid, not as a substitute for linguistic and cultural competence.

11. The Chinese Language as a Bridge of Cultural Translation

Translation from Chinese into Albanian and vice versa is not only a linguistic process. It is cultural mediation. A Chinese word may carry historical, philosophical, and social layers that have no direct equivalent in Albanian. The translator must choose between retaining the term, explaining it, adapting it, or using a functional equivalent. This is particularly important in the translation of philosophical concepts, Confucian ethics, business terminology, and literary texts.

At this point, bilingual dictionaries are indispensable, but they are not sufficient. They should be accompanied by corpora of texts, examples of use, and cultural notes. If a dictionary provides only a brief equivalent, it may be useful for everyday communication, but not for academic or professional translation. For this reason, Albanian studies on Chinese need new tools: terminological dictionaries, grammar manuals, communication guides, and anthologies of translated texts.

Cultural translation is also important in the opposite direction. Albanian and Albanian culture may become better known in the Chinese space through the translation of literature, history, folklore, and Albanological studies. A healthy linguistic relationship is not one-directional; it should not serve only to learn the language of the other, but also to make our own language and culture known. In this way, Chinese may be not only an object of study, but also a bridge for presenting Albanian identity in a broad international space.

In this context, Albanian universities can play an important role. Chinese language courses, translation projects, academic collaborations, and cultural activities may create a new generation of students who do not see China only as an economic power, but also as a civilization with history, literature, philosophy, and distinctive modes of communication. This is an important step in moving from superficial knowledge toward deeper intercultural understanding.

12. The Need for a Cautious Approach to Sources and Statistics

A paper prepared for publication should be careful in the use of statistics. The number of speakers, the percentage of Putonghua proficiency, the number of characters used, and the international spread of the Chinese language are data that vary according to source, year, and measurement methodology. For this reason, this paper has avoided unconfirmed statements and has used only data connected with verifiable sources, such as official institutional sources or recognized scholarly literature.

Care should also be taken with formulations such as “the most difficult language,” “the oldest language,” or “a second English.” These expressions may be used in a journalistic style, but in a scholarly article they must be explained. The difficulty of a language depends on the learner’s mother tongue, on the method of learning, on the intended level, and on the context of use. For an Albanian, Chinese may appear difficult because of tones and characters, but this does not mean that it is objectively “the most difficult” for every speaker.

Similarly, the global status of Chinese should be measured not only by the number of native speakers, but also by its presence in education, diplomacy, science, media, economy, and technology. English has a strong role as a second international language, whereas Chinese has great weight because of its population, state, economy, and culture. These are different functions, and therefore the comparison must be made carefully and with precise categories.

Conclusions

The Chinese language represents one of the most important linguistic and cultural systems of humanity. Its antiquity, linked with the development of characters and with the long tradition of writing, places it among the most important testimonies in the history of world civilization. Unlike alphabetic languages, Chinese establishes a special relationship between the graphic sign, meaning, and pronunciation, creating a system that requires a specific scholarly and methodological approach.

One of the main conclusions of this paper is that terms must be used carefully. What in general usage is called the “Chinese alphabet” should be understood more accurately as a system of Chinese characters. This clarification is not merely formal, but essential, because it helps to understand the difference between an alphabetic system, such as Albanian, and a logographic/morpho-syllabic system, such as Chinese. It is precisely this feature that makes the Chinese language an important object of study for linguistics, semiotics, the history of writing, and the didactics of foreign languages.

The standardization of Chinese through Putonghua/Mandarin has played a decisive role in China’s national communication. In a country with many dialects, varieties, and local identities, the need for a common standard has been an educational, administrative, and cultural necessity. Nevertheless, standardization does not erase the value of dialects; they remain part of oral heritage and local identity. Thus, Chinese combines within itself two tendencies: communicative unification and historical diversity.

At the global level, the increase in China’s economic and political weight has intensified interest in learning the Chinese language. Chinese has become more present in universities, commercial relations, diplomacy, tourism, and intercultural communication. But this fact should not be treated as a simple opposition to English. It is more accurate to say that Chinese is occupying an increasingly important place in global multilingualism, coexisting with other international languages and meeting new communication needs.

For Albania, the Chinese language represents a field of special academic, cultural, and practical interest. Its teaching, the publication of bilingual dictionaries, the preparation of translators, and knowledge of Chinese culture may help strengthen intercultural and professional relations. Within this framework, educational institutions, cultural centers, and universities have the possibility to develop more sustainable programs that are not limited only to the learning of words, but also include culture, the ethics of communication, and the history of Chinese writing.

Finally, this paper highlights that language is more than an instrument of communication. It is memory, identity, cultural power, and a means of mediation between peoples. Traditional culture has helped the Chinese preserve their identity, the economy has given them international weight, while language has given them a distinctive form of pride and continuity. For this reason, the study of the Chinese language, also in the Albanian context, should be seen as part of a broader opening toward the great cultures of the world and toward the needs of contemporary communication.

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