

BSC BUSINESS SERVICE CENTER FORUM

WHO ARE WE?

The **Business Service Center Forum (BSCF)** brings together shared service centers (SSC), centers of excellence and business process outsourcing (BPO) providers operating in Slovakia.

A **Shared (Business) Services Center (SSC)** is an organizational unit responsible for the execution of specific tasks (e.g. Finance & Accounting, IT support, HR) supporting the core activity of the company.

Business process outsourcing (BPO) involves contracting of the operations and responsibilities of specific business processes to a third-party service provider.

MISSION

Raise awareness of the BSC sector's role in the Slovak economy and help it grow further in Slovakia.

GOALS

- Share information within the sector about concerns, solutions and best practices.
- Communicate with national and local authorities: monitor and evaluate legislation, labor market and CSR activities.
- Interact with universities and high schools to improve the employability of graduates at BSCs.

LEADERSHIP

CHAIR



Gabriel Galgóci
AT&T

VICE-CHAIR



Martin Bednár
Dell

VICE-CHAIR



Paul Burt
IBM

SPONSORS



SUPPORTERS



WHY THE BSC SECTOR MATTERS?

In 2019 AmCham Slovakia surveyed 30 business centers (BSCs = SSCs or BPOs) which were supporting the BSC Forum at the time. The aggregate data reflects the status quo between January 1 and December 31, 2019.



WHO IS WORKING AT THE SERVICE CENTERS IN SLOVAKIA?

The surveyed sample of service centers employs almost 33 000 people and since the last year their headcount grew by 1%. The average age is 34 years and almost three quarters of employees hold a university degree.

Service centers have a lean management structure as only 8,8% of the staff have people management positions. BSCs also employ predominantly Slovak citizens; there are only 10% of foreigners among staff whereas those from the EU are in majority (66%).

From the point of view of gender diversity, the proportion of women and men employed in the BSC sector is balanced. BSCs offer women opportunities to hold positions in management as well as STEM fields (Science, Technology, Engineering, and Mathematics): 41% of managers are female, but only 12% of the female employees work in STEM roles.

32 933

Total number of FTEs in the service centers



72 %

UNIVERSITY EDUCATED



46 %

WOMEN



10 %

FOREIGN NATIONALS



34

AVERAGE AGE



8,8 %

MANAGERS



1 %

HEADCOUNT INCREASE (2018)

SOURCE

BSCF 2019 Survey



WHERE ARE THE BSCs LOCATED AND HOW BIG ARE THEY?

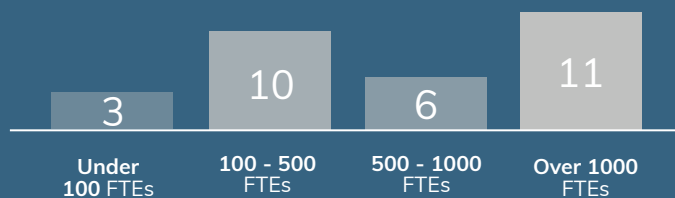
LOCATIONS

The majority of BSCs is still clustered in Bratislava and Košice. However, investors are gradually discovering advantages of regional hubs in Nitra, Žilina, Prešov, Komárno, Banská Bystrica, Nové Zámky, Považská Bystrica and other cities.

SIZE

In the context of Central and Eastern Europe, Slovakia is noteworthy for having a significant number of X-Large BSCs (employing more than a 1000 people). Together with the medium-sized they present the majority of all the BSCs surveyed.

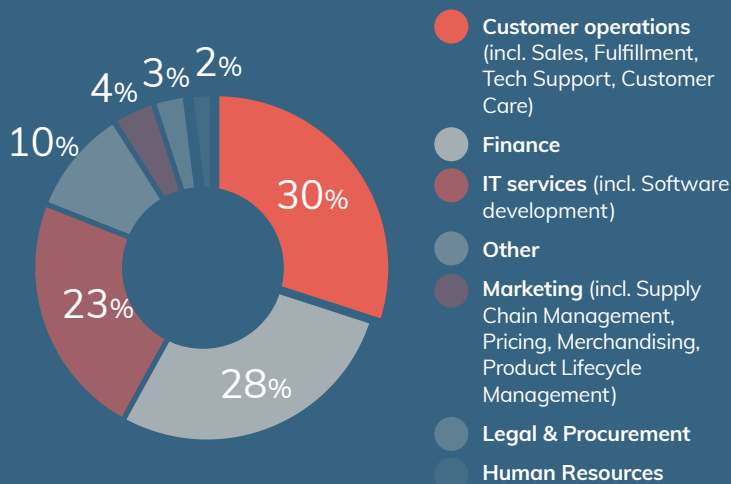
SOURCE
BSCF 2019 Survey



BUSINESS SERVICES PROVIDED

BSCs in Slovakia are mostly mature centers that provide value-add services and sophisticated processes for their global or regional operations. 81% of all services fall within advanced Customer Operations (including Sales, Fulfillment, Tech Support and Customer Care), Financial Services or IT Services. The graph shows percentage of BSCF members' employees in these fields:

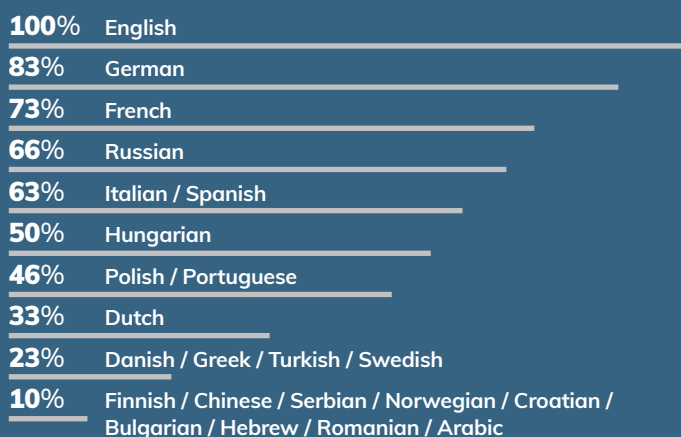
SOURCE
BSCF 2019 Survey



LANGUAGES USED WHEN PROVIDING BUSINESS SERVICES FROM SLOVAKIA

In order to serve their clients in their mother tongue BSCs hire staff with good and diverse foreign language skills. Proficiency in English is a must everywhere. The level of the second or third foreign language makes a difference when exploring the job opportunities in this sector.

SOURCE
BSCF 2019 Survey



HOW BIG IS THE SHARED SERVICES INDUSTRY IN SLOVAKIA?

BSCF MEMBERS' COUNTRIES OF ORIGIN



65

NUMBER OF BSCs



36 500

NUMBER OF EMPLOYEES

BSCs
IN SLOVAKIA



30

NUMBER OF MEMBERS



32 933

NUMBER OF EMPLOYEES



BUSINESS
SERVICE
CENTER
FORUM

90%

of all
employees
in Slovakia

SOURCE
BSCF 2019 Survey



WHAT IS THE ANNUAL BSCF CONTRIBUTION TO THE SLOVAK ECONOMY?

129
million €

EMPLOYEE
INCOME TAX

104
million €

SOCIAL
INSURANCE
(employees)

278
million €

SOCIAL
INSURANCE
(companies)

782
million €

SALARIES
EXPENDITURES

SOURCE

Financial information was prepared by PricewaterhouseCoopers Slovensko, s.r.o. based on data from BSCF, Register of financial statements and from Trend weekly for year 2018.

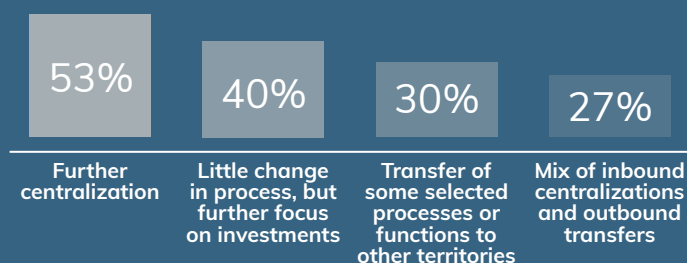
1830
€

AVERAGE
MONTHLY
SALARY

SOURCE
BSCF
members
calculations
2019

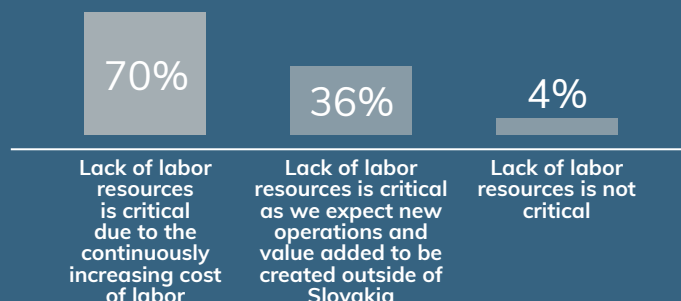
DEVELOPMENT PLANS

What are the development plans of BSCF members for next 3-5 years compared to current position (cumulative)?



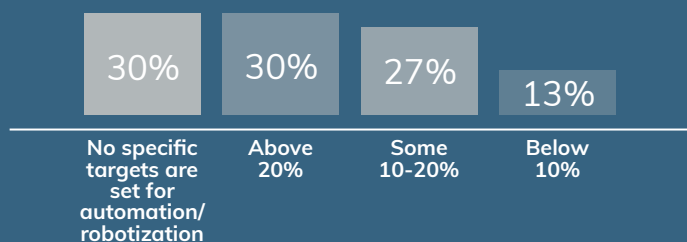
LACK OF LABOR RESOURCES

How critical is the lack of labor resources for BSCF companies' strategic development?



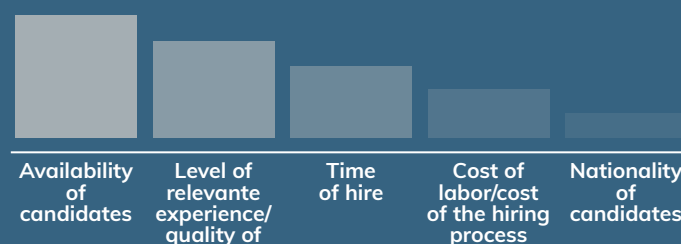
EXTENT OF AUTOMATION/ROBOTIZATION

What is the planned extent of automation/robotization of relevant processes or functions in BSCF companies in next 2-3 years?



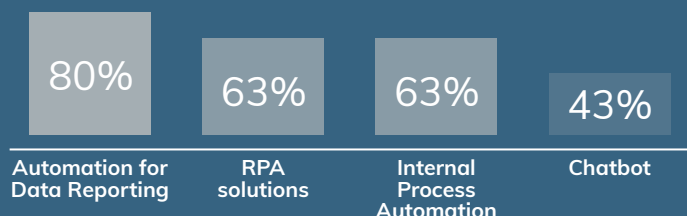
HIRING PROCESS

What is the main issue for BSCF companies with the hiring process?



TYPE OF AUTOMATION/ROBOTIZATION

What type of automation/robotization are BSCF companies currently implementing (cumulative)?



NEW HIRES

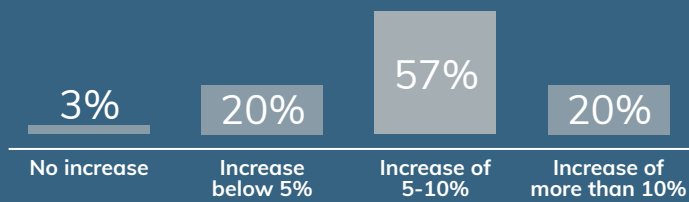
What are the key additional sources of new labor for BSCF companies (cumulative)?



SOURCE
BSCF 2019 Survey

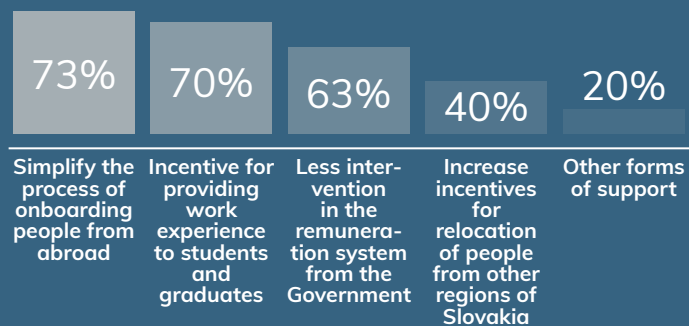
INCREASE OF AVERAGE SALARIES

Given the limited capacity of labor resources on the market, what is the estimated increase of average salaries in BSCF companies for the next 3 years?



GOVERNMENTAL SUPPORT

What could government do to help BSCF companies achieve appropriate staffing levels?



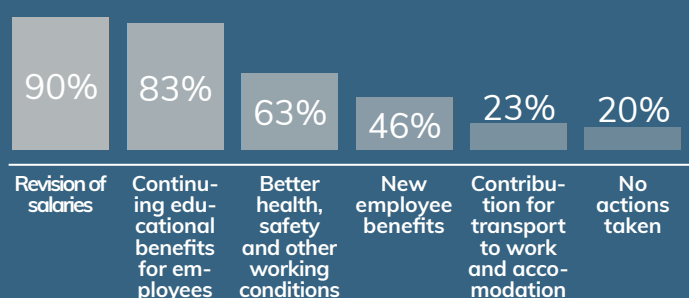
STAFF TURNOVER

Average annual staff turnover in shared service industry in Slovakia is 12%. What are the main reasons for labor fluctuations at BSCF companies?



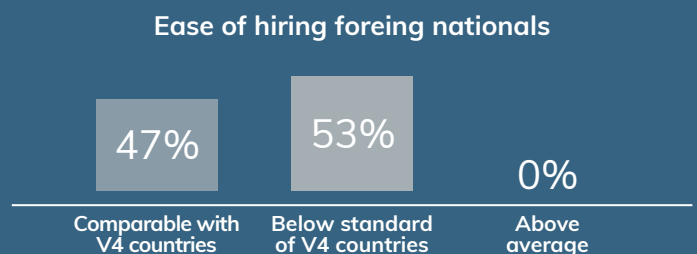
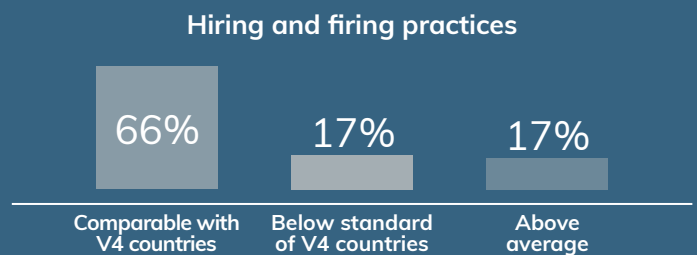
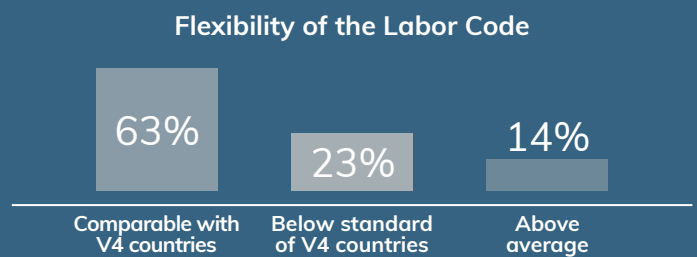
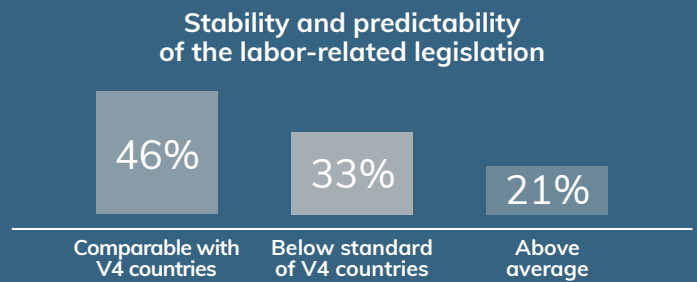
EMPLOYER BRANDING

What actions have BSCF companies taken to increase their attractiveness as employers over the last 12 months (cumulative)?



LABOR-RELATED LEGISLATION

If you had to compare Slovakia with other V4 countries, how would BSCF companies rank the country in the following labor-related categories?



SKILLS OF THE FUTURE

SOURCE

WEF The Future
of Job Report 2018

In 2018, World Economic Forum released The Future of Jobs report revealing the top 10 trending skills that will be high on demand by 2022 in order to adopt to the constantly changing labor market conditions. In the Business Services Center Forum we believe that the list of the key future skills is highly relevant to the development of the shared service industry in Slovakia in the years to come:

2018

1.  **ANALYTICAL THINKING AND INNOVATION**
2.  **COMPLEX PROBLEM-SOLVING**
3.  **CRITICAL THINKING AND ANALYSIS**
4.  **ACTIVE LEARNING AND LEARNING STRATEGIES**
5.  **CREATIVITY, ORIGINALITY AND INITIATIVE**
6.  **ATTENTION TO DETAIL, TRUSTWORTHINESS**
7.  **EMOTIONAL INTELLIGENCE**
8.  **REASONING, PROBLEM-SOLVING AND IDEATION**
9.  **LEADERSHIP AND SOCIAL INFLUENCE**
10.  **COORDINATION AND TIME MANAGEMENT**

2022

1.  **ANALYTICAL THINKING AND INNOVATION**
2.  **ACTIVE LEARNING AND LEARNING STRATEGIES**
3.  **CREATIVITY, ORIGINALITY AND INITIATIVE**
4.  **TECHNOLOGY DESIGN AND PROGRAMMING**
5.  **CRITICAL THINKING AND ANALYSIS**
6.  **COMPLEX PROBLEM-SOLVING**
7.  **LEADERSHIP AND SOCIAL INFLUENCE**
8.  **EMOTIONAL INTELLIGENCE**
9.  **REASONING, PROBLEM-SOLVING AND IDEATION**
10.  **SYSTEMS ANALYSIS AND EVALUATION**

6 GOOD REASONS

TO JOIN AMCHAM'S BUSINESS SERVICE CENTER FORUM



MISSION

BSCF aims to raise awareness of the business centers' role in the Slovak economy and helps it grow further in the country.



COMMUNICATION

BSCF shares information within the sector about concerns, solutions and best practices in areas such as HR, education, media exposure and many more.



REPRESENTATIVENESS

BSCF is the leading platform for business centers in Slovakia, amplifying a joint voice of over 94% of all the industry's FTEs.



INTERACTION WITH PUBLIC OFFICES

The community frequently interacts with national and local authorities, monitors the labor market and proposes changes to the legislation.



IMPACT

Powerful and direct legislative impact in Slovakia, supporting the continuous improvement of business environment.



BUSINESS-ACADEMIC COOPERATION

BSCF interacts with universities and high schools to improve the employability of graduates at business centers and strengthens the skillset of future industry leaders.

Join BSC Forum

and help to
make the voice
of BSCs stronger!



bscf.eu



business.service.center.forum



business-service-center-forum



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The Business Service Center Forum
is driven by AmCham Slovakia.

