

# Košice – not just “IT City”

**What is Košice famous for? The older generation may say metallurgical production; some will refer to its rich history and beautiful sightseeing, or perhaps the marathon run. On the other hand, the younger generation may without hesitation say - IT City!**

The evolution that Košice and its region went through during the last decade seems almost unbelievable. The urban and cultural development, together with industrial growth, has strengthened the position of the Košice region nationwide. The European Capital of Culture, the Košice Peace Marathon (Europe’s oldest marathon run, which celebrates its 90th anniversary this year), Nuit Blanche, Balloon Fiesta, Night Run, Ice Hockey Club Košice – these are just a few examples of Košice’s representation on the European map. So what is behind the success of the city also known as the “University City or IT City”?

The answer to this question is not easy. There are several factors strongly influencing the upward movement of Košice on the local market. One of the most significant impulses which triggered the development of a completely new environment was the ICT business. When we look back, in 2006, approximately 1000 people were working in the ICT industry in Košice. Eight years later it’s more than 7500 and the city of Košice finds itself among the top IT Hubs in the Central Europe region. Partnerships between universities, regional stakeholders and ICT companies brought a positive change in the perception and the support of the industry in the region. These partnerships helped to fulfill the aspirations of ICT companies in the region, especially of foreign investors,

and to create an environment with good working conditions and qualified employees. Employees represent the most valuable asset and the key factor in the decision making process of companies in this sector. It is also great to see that the exodus of the local young, motivated brains from the technical field has fallen and Košice became their first choice. The future looks even brighter since the growth is not over. According to estimates of the local ICT cluster (IT Valley), the number of employees in ICT and related fields will grow up to ten thousand during the next five years.

Another sector which is on the rise is closely related to the IT field – Shared Service Center (SSC) business. And there is every reason to believe that whether we talk about HR, Finance, IT or Customer Service, the “miracle” of ICT can be replicated in any of these segments. The SSC sector today represents more than 25,000 employees throughout Slovakia, mostly in Bratislava. Due to the resource limitations, market competition and pressure coming from offshore countries,

the potential of Bratislava is approaching its limits. As it was the case with ICT, this situation opens up opportunities for the East Slovak region, which can still offer a sizeable pool of qualified workforce for a competitive cost.

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dreamed about the tremendous boom in the ICT field back then. Unlike in 2006, we now have the wisdom of using the know-how gained from building up the IT hub and thus may avoid some costly common mistakes. Our competitive advantage lies, among other things, in our universities – we need to start working on our joint productive capacity today, ensuring that the region is able to produce a sufficient number of graduates with the skills in demand on the market every year. It is not only about quantities though, their skillset, practical experience and professional attitude will make or break the opportunity.

Many companies have a chance to benefit from the not-yet-exploited market in East Slovakia. Hopefully, over the time we will also witness the return of some East Slovak “expats” currently working outside the region. If everything falls into place, the vision of repeating this extraordinary achievement and proving that Košice is not only an IT City, but a city of smart, value-added businesses, may turn into a reality.



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