EVOLVING WITH KOŠICE

The economic transformation of Eastern Slovakia wouldn't be possible without the presence and impact of investors, who have chosen this region as their long-term base. In order to thrive, they need to invest in and develop a true relationship with their region. We talked to Andreas Truls, Managing Director of Deutsche Telekom IT Solutions Slovakia (DT ITSO SK), about his experience in Košice.



ANDREAS TRULS

Managing Director,
Deutsche Telekom IT
Solutions Slovakia and

Andreas Truls has over 20 years of senior management experience in directing a wide spectrum of IT services offshoring operations, delivering sustainable revenue growth, and rapidly expanding the client base. As the Managing Director of Deutsche Telekom IT Solutions Slovakia, he is responsible for defining the overall strategies to achieve business targets and driving business development. His focus areas include the sustainable growth of Public Cloud Services, Internet of Things (Smart City Solutions), and Cybersecurity Solutions, with a strong emphasis on Industry 4.0. He is recognized as a self-driven and persistent leader with exceptional capabilities in identifying, hiring, and developing talent. He holds a Master's degree in Business Administration from the University Krems (2004), and a Master's degree in Communication Sciences from the University of Vienna (1996). He is currently completing his PhD in Business Administration at the Malaysia University of

Does Eastern Slovakia, recognize its inherent value? What significance does the region hold for your company?

After about 18 years, we are proud of our achievements in Eastern Slovakia. Our initial goal was to gather around three thousand IT experts, but today, the number has risen to between 12,000 and 15,000 IT specialists active in the region. As DT ITSO SK we have strongly contributed, but also benefited tremendously from this development.

Some years ago, the hype was mainly about shared service centers and support roles. While this was true in the early 2000s, the average salary of an IT specialist in the region has doubled in the past 15 years. We now employ more people in senior, creative, and customer-oriented roles, with only one-third in transactional roles.

We strongly believe in this evolution going forward the Košice Region cannot survive as a low-cost shared service center location. there are other places in this world with a much better fit for such purpose. Hence, we must continuously develop our people and train/upskill them for senior roles in the industry. The region is the foundation of our success, about 90 % of our employees are from the region and our headquarters are in Košice. So far, the region has been good to us and for us - and we want to keep it like this!

Reflecting on the past year since AmCham Slovakia launched the

"Mapping the Potential of Eastern Slovakia" project, how do you evaluate its impact on the local business community?

AmCham's regional pillar and all its activities around Eastern Slovakia's business potential are in perfect synch with our own ambitions. We have addressed several of the 18 recommended steps for Eastern Slovakia, including the mismatch between education and labor market needs, and the lack of institutionalized cooperation with the private sector and the Slovak diaspora abroad.

We have implemented a dual education program to ensure employment for secondary vocational school graduates and we also support expanding innovation centers for secondary schools. We endorse the proposed steps for Eastern Slovakia and are placing great hopes especially in the Regional Platform for Labor Market Needs, the East Slovak Brainport, and using education as an innovation accelerator.

Trust and open communication across sectors were highlighted as crucial. Can you share examples where cross-sector collaboration in the region has yielded positive outcomes for your company?

We believe in strong collaboration between industry, academia, and the government, because we cannot succeed alone. We have several standing collaboration agreements with innovation clusters to foster a new, knowledge-based industry. We also

cooperate with universities in multiple fields like contract research, thesis support, hackathons, or the creation and maintenance of technology laboratories. Our dual education program, the result of an excellent collaboration with the Ministry of Education and local secondary schools, offers students a three-year program to learn IT subjects combined with practical assignments and the opportunity to graduate as a certified IT engineer.



The secret recipe for our success was the untapped local labor market, full of young ambitious students at the local universities.

Looking ahead, what is your vision for your company's role in the transformation of Eastern Slovakia over the next five years?

At DT ITSO SK we continue to strengthen our competencies to lead, design, and innovate. More AI technologies will be used to automate repetitive tasks within our teams, with a major impact on software development and IT infrastructure operations. In return, AI adoption requires

significant upskilling and reskilling efforts within our teams to effectively leverage new technologies and tools.

Many call AI the fourth industrial revolution, believing it has the potential to transform and redefine processes in organizations to become more efficient and effective. But managing this transformation requires skills, which a lot of companies don't have yet. As the biggest ICT company in Slovakia, we take an important role on this journey in training and educating within the local ecosystem, as well as driving digital transformation through our own applications as well as customer use cases.

What advice would you offer to investors considering Eastern Slovakia as a potential location for their business operations?

We started in Košice in 2006, experiencing rapid growth in our first five years and stable business over the last five. I think that the secret recipe for our success was the untapped local labor market, full of young ambitious students at the local universities. But it is also important to mention that we put a lot of effort into collaboration with academia and schools. In the meantime, Eastern Slovakia has improved significantly, but investors should still prioritize strong collaboration between industry, academia, and government. As labor arbitrage diminishes, focusing on a highly skilled workforce, innovation, and automation is crucial, with digital transformation and Al playing key roles.