

# Kraków as the capital of outsourcing – unique opportunities for professional development

## Advisory Group TEST Human Resources

Aleksandra Koszewska – Recruitment Consultant

Kinga Onak – Recruitment Consultant

challenging projects for market leaders



# TEST Consultants

## **Aleksandra Koszewska – Recruitment Consultant**

4 years of experience in HR and Recruitment projects, mostly for SSC/BPO sector



## **Kinga Onak – Recruitment Consultant**

2 years of experience in HR and Recruitment projects, mostly for SSC/BPO sector



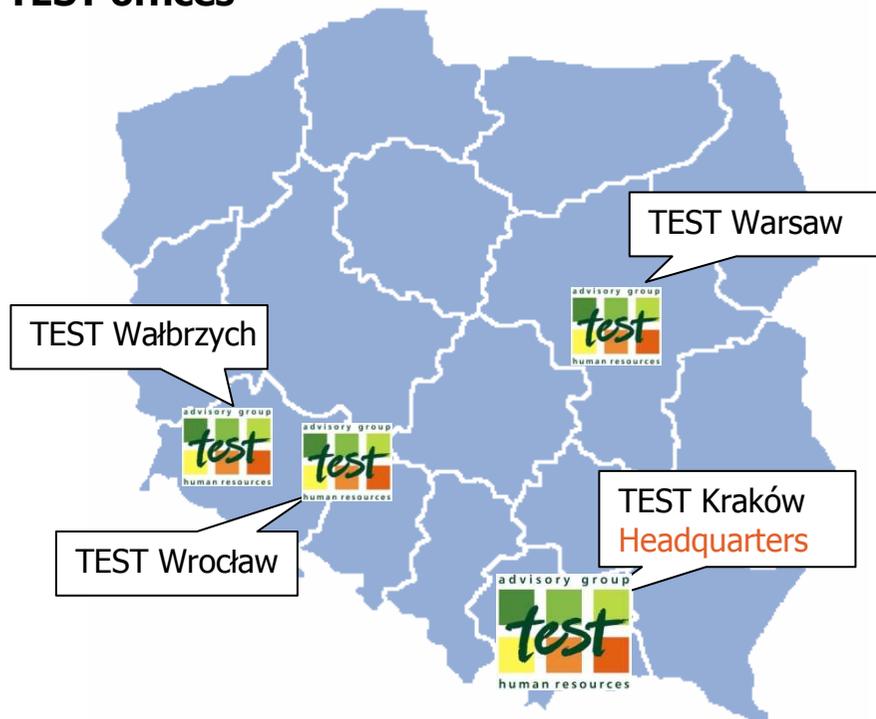
# Agenda

1. TEST introduction
2. SSC/BPO - what does it mean?
3. Business service centers in Poland / Krakow - facts
4. Why SSC/BPO?
5. What can I do there? Perspectives for students and graduates
6. What is required?
7. How can I get there?

# TEST introduction

- Recruitment & HR Consulting company operating since 1991
- Specialized in establishing SSC / BPO centers in South Poland
- 50 employees (40 in headquarters in Krakow)
- Focus on South Poland
- Over 2300 placements in last few years in SSC / BPO centers

## TEST offices



## Business service centers established by TEST



# TEST introduction



executive search	recruitment campaign	talent development	training	salaries
<b>TEST Executive</b>	<b>TEST Recruitment</b>	<b>TEST Consulting HR</b>	<b>TEST Training &amp; Development</b>	<b>TEST Salary Survey</b>
<p><b>top management</b></p> <ul style="list-style-type: none"> <li>CEO</li> <li>HR</li> <li>IT</li> <li>Finance</li> </ul> <p><b>managers</b></p> <ul style="list-style-type: none"> <li>Transition Manager</li> <li>Process Owner</li> <li>Quality Manger</li> </ul> <p><b>team leaders</b></p>	<p><b>senior specialists</b></p> <p><b>specialists</b></p> <p><b>entry level</b></p> <ul style="list-style-type: none"> <li>assessment center</li> </ul>	<p><b>development center</b></p> <ul style="list-style-type: none"> <li>internal promotion</li> </ul> <p><b>assessment center</b></p> <ul style="list-style-type: none"> <li>external recruitment</li> </ul> <p><b>360 degree feedback</b></p> <p><b>satisfaction surveys</b></p>	<p><b>management</b></p> <p><b>customer service</b></p> <p><b>soft skills</b></p> <p><b>teambuilding</b></p>	<p><b>salary reports</b></p> <p><b>bonus systems</b></p> <p><b>remuneration systems</b></p> <p><b>labour law</b></p>



# SSC/BPO – What does it mean?



- **SSC (Shared Service Center)**

Shared Service Center is the entity responsible for the execution and the handling of specific operational tasks in an organization.

- **BPO (Business Process Outsourcing)**

Business process outsourcing is the act of giving a third-party the responsibility of running what would otherwise be an internal system or service.

**BPO now means Outsourcing of Support Processes, SSC can be considered as “internal Outsourcing”.**

*Source: Offshoring Institute*

# Business service centers in Poland/ Krakow - facts



## Kraków leads the Top 10 Emerging Outsourcing Cities list worldwide 2011 and 2012

no.	City	Country	no.	City	Country	no.	City	Country
<b>Established</b>			33	St. Petersburg	Russia	66	Lima	Peru
1	Bangalore	India	34	Brno	Czech Republic	67	Thiruvananthapuram	India
2	Mumbai	India	35	Guangzhou	China	68	Medellin	Colombia
3	Delhi	India	36	Mexico City	Mexico	69	Davao City	Philippines
4	Manila	Philippines	37	Belfast	U.K.	70	Xi'am	China
5	Chennai	India	38	Warsaw	Poland	71	Cordoba	Argentina
6	Hyderabad	India	39	Singapore	Singapore	72	Ahmedabad	India
7	Dublin	Ireland	40	Chengdu	China	73	Cape Town	South Africa
8	Pune	India	41	Jaipur	India	74	Taipei	Taiwan
9	Cebu City	Philippines	42	Monterrey	Mexico	75	Recife	Brazil
10	Shanghai	China	43	Bucharest	Romania	76	San Antonio, Texas	U.S.A.
<b>Emerging</b>			44	Brasilia	Brazil	77	Bangkok	Thailand
11	Kraków	Poland	45	Accra	Ghana	78	Leeds	U.K.
12	Beijing	China	46	Moscow	Russia	79	Penang	Malaysia
13	Buenos Aires	Argentina	47	Tianjin	China	80	Seoul	South Korea
14	Cairo	Egypt	48	Guadalajara	Mexico	81	Perth	Australia
15	Sao Paulo	Brazil	49	Bratislava	Slovakia	82	Bucaramanga	Colombia
16	Ho Chi Minh City	Vietnam	50	Montevideo	Uruguay	83	Asuncion	Paraguay
17	Dalian	China	51	Sofia	Bulgaria	84	Wroclaw	Poland
18	Shenzhen	China	52	Tallinn	Estonia	85	Amman	Jordan
19	Curitiba	Brazil	53	Halifax	Canada	86	Birmingham	U.S.A.
20	Colombo	Sri Lanka	54	Ljubljana	Slovenia	87	St.Luis, Missouri	U.S.A.
21	Hanoi	Vietnam	55	Casablanca	Marocco	88	Santa Rosa, Laguna	Philippines
22	Prague	Czech Republic	56	Kyiv	Ukraine	89	Valparaiso	Chile
23	Kolkata	India	57	Alexandra	Egypt	90	Port Louis	Mauritius
24	Santiago	Chile	58	Bhubaneswar	India	91	Mysore	India
25	San Jose	Costa Rica	59	Glasgow City	U.K.	92	Indianapolis, Indiana	U.S.A.
26	Chandigarh	India	60	Istanbul	Turkey	93	Dubai	UAE
27	Budapest	Hungary	61	Cork	Ireland	94	Oklahoma City	U.S.A.
28	Johannesburg	South Africa	62	Jakarta	Indonesia	95	Belgrade	Serbia
29	Toronto	Canada	<b>Aspiring</b>			96	Campinas	Brazil
30	Rio de Janeiro	Brazil	63	Nizhniy Novgorod	Russia	97	Novosibirsk	Russia
31	Kuala Lumpur	Malaysia	64	Bogota	Colombia	98	Iloilo City	Philippines
32	Coimbatore	India	65	San Juan	Puerto Rico	99	Tunis	Tunisia
						100	Bacolod City	Philippines

**Source: Annual Global Services and Tholons Top Outsourcing Cities Ranking 2011**

(scale and quality of workforce, business catalyst, financial, infrastructure, risk environment , quality of life)s

## Kraków - the first Eastern European city to enter the Top 10 Outsourcing Established Cities worldwide 2013

Rank 2013	Movement from Last Year	Region	Country	City
1	-	South Asia	India	Bangalore
2	-	South Asia	India	Mumbai
3	+1	Southeast Asia	Philippines	Manila (NCR)
4	-1	South Asia	India	Delhi (NCR)
5	-	South Asia	India	Chennai
6	-	South Asia	India	Hyderabad
7	-	South Asia	India	Pune
8	+1	Southeast Asia	Philippines	Cebu City
9	-1	Western Europe	Ireland	Dublin
10	+1	Eastern Europe	Poland	Kraków
11	-1	East Asia	China	Shanghai
12	-	East Asia	China	Beijing
13	+5	Central America	Costa Rica	San José
14	+2	East Asia	China	Shenzhen
15	-1	East Asia	China	Dalian
16	+1	Southeast Asia	Vietnam	Ho Chi Minh City
17	+3	Eastern Europe	Czech Republic	Prague
18	-5	South America	Brazil	São Paulo
19	+9	Southeast Asia	Malaysia	Kuala Lumpur
20	-1	South Asia	Sri Lanka	Colombo

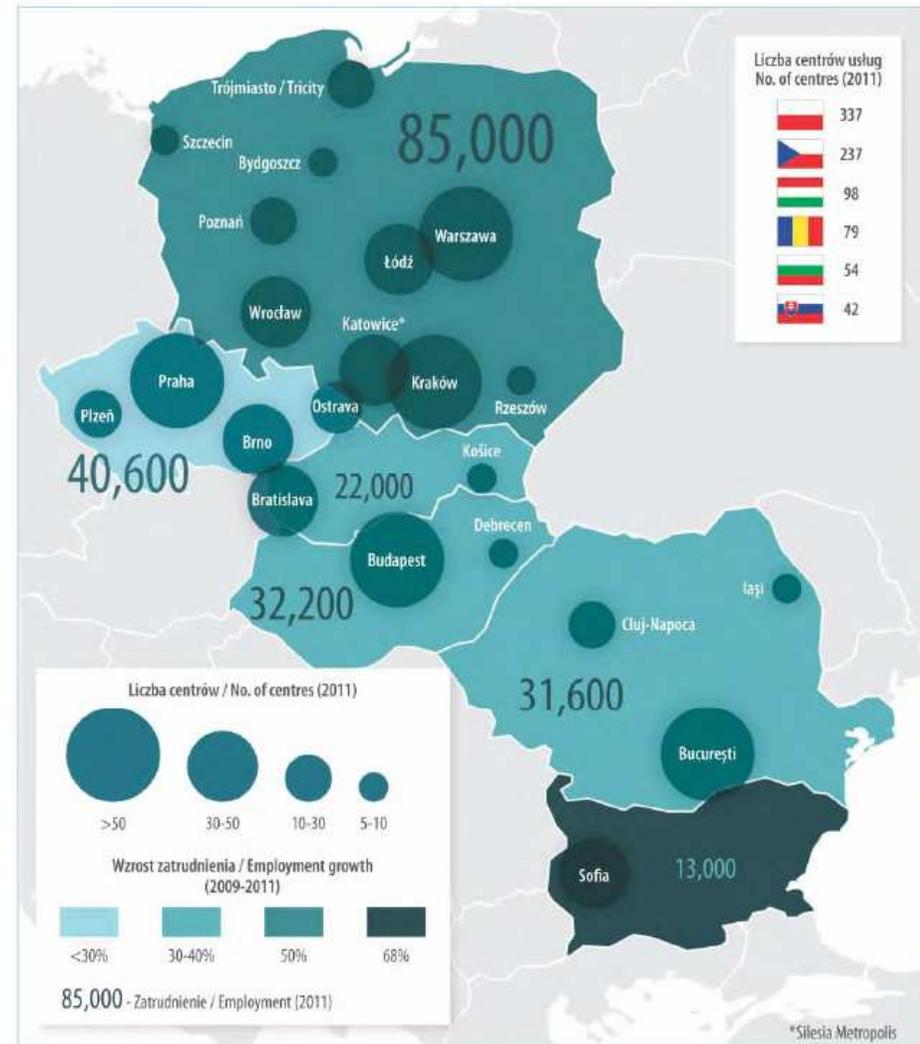
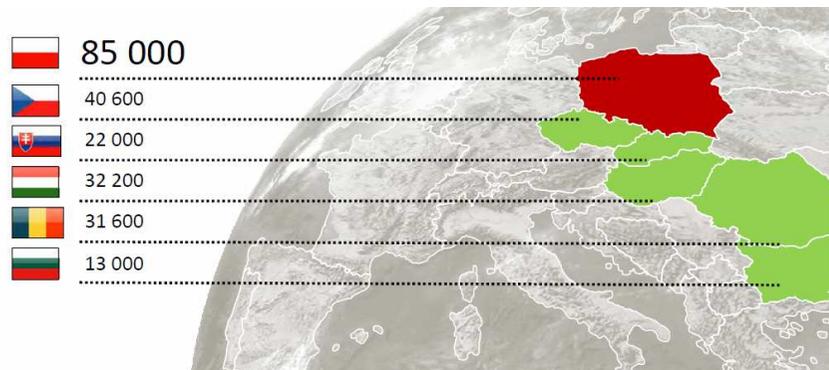
Source: Annual Global Services and Tholons Top Outsourcing Cities Ranking 2013

(scale and quality of workforce, business catalyst, financial, infrastructure, risk environment, quality of life)

Three steps survey: business centers survey, government institutions, quantitative & qualitative Tholons consultants analysis

# Poland – mature location

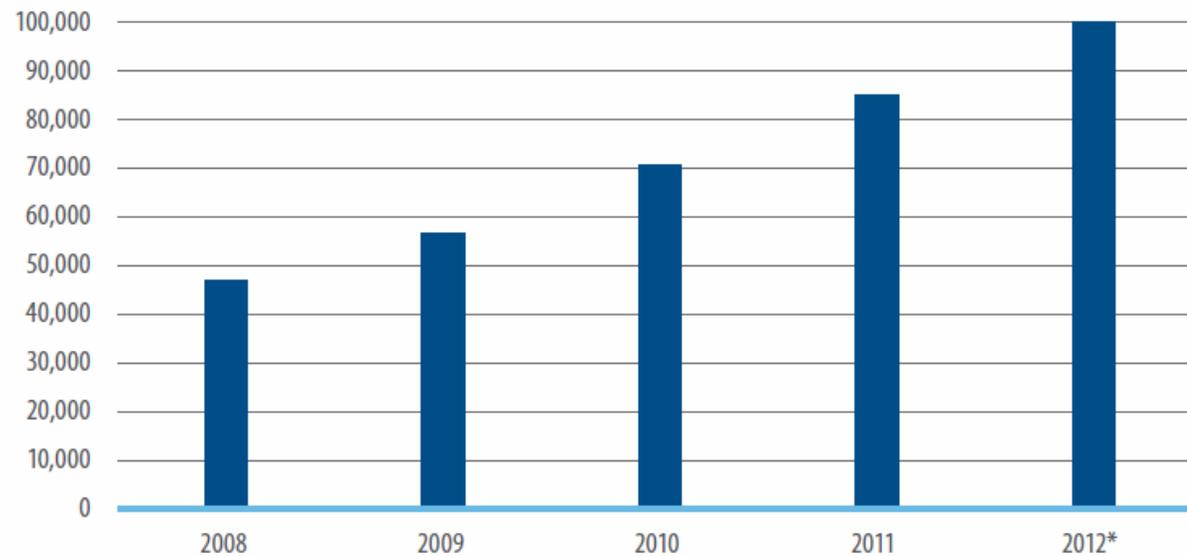
- ✓ 10 out of 23 SSC BPO cities located in Poland
- ✓ 85.000 SSC BPO jobs located in Poland (38% of East Europe SSC BPO jobs)
- ✓ 20% annual growth of SSC BPO sector in Poland



Source: ABSL, McKinsey 2012

# Business service centers' trends in Poland

Rysunek 8. / Figure 8. Zatrudnienie w sektorze nowoczesnych usług biznesowych w Polsce w latach 2008-2012 / Employment in the business services sector in Poland in the years 2008-2012

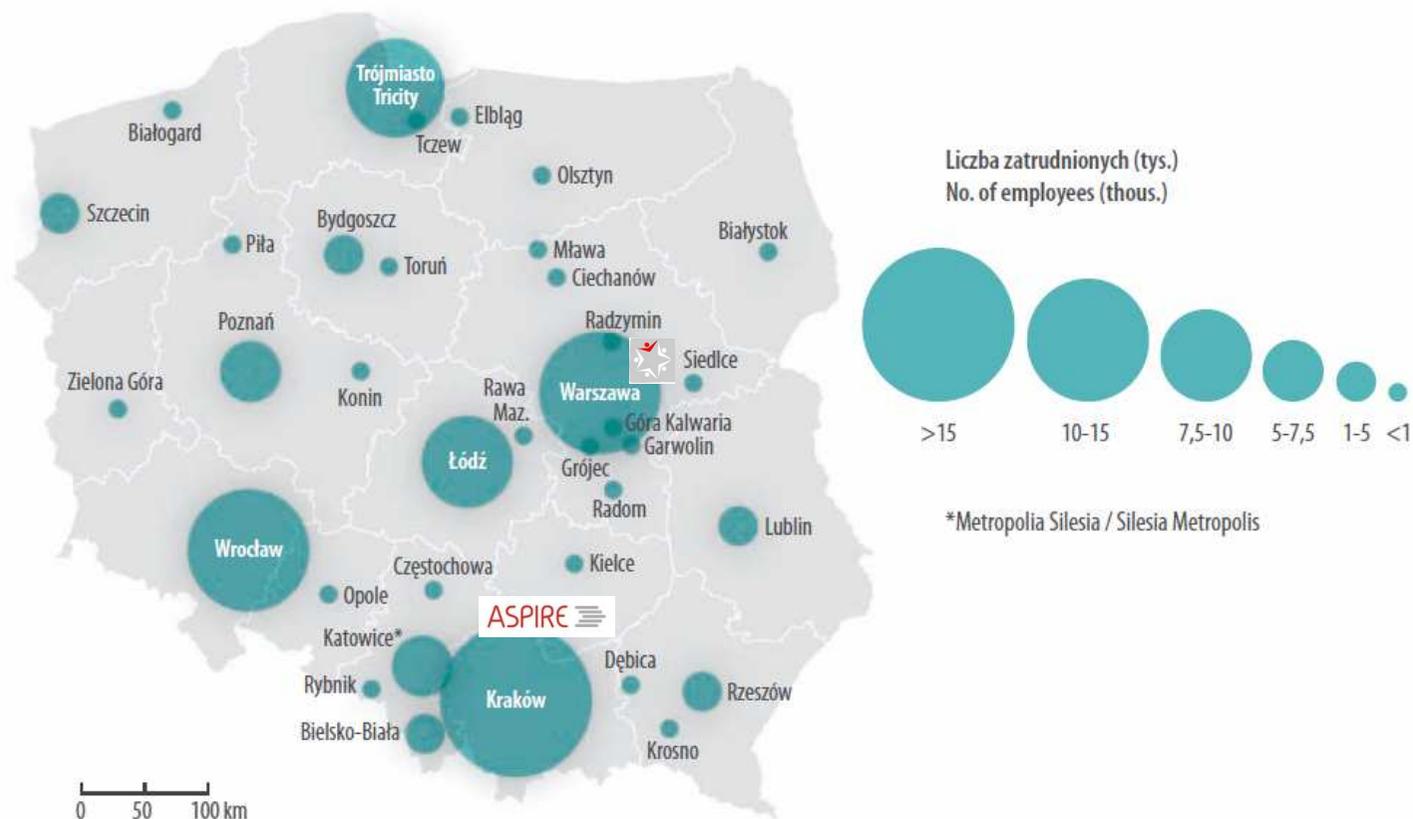


\*prognoza ABSL / ABSL's forecast

Source: Association of Business Service Leaders survey - 2012

# Service centers' trends in Poland

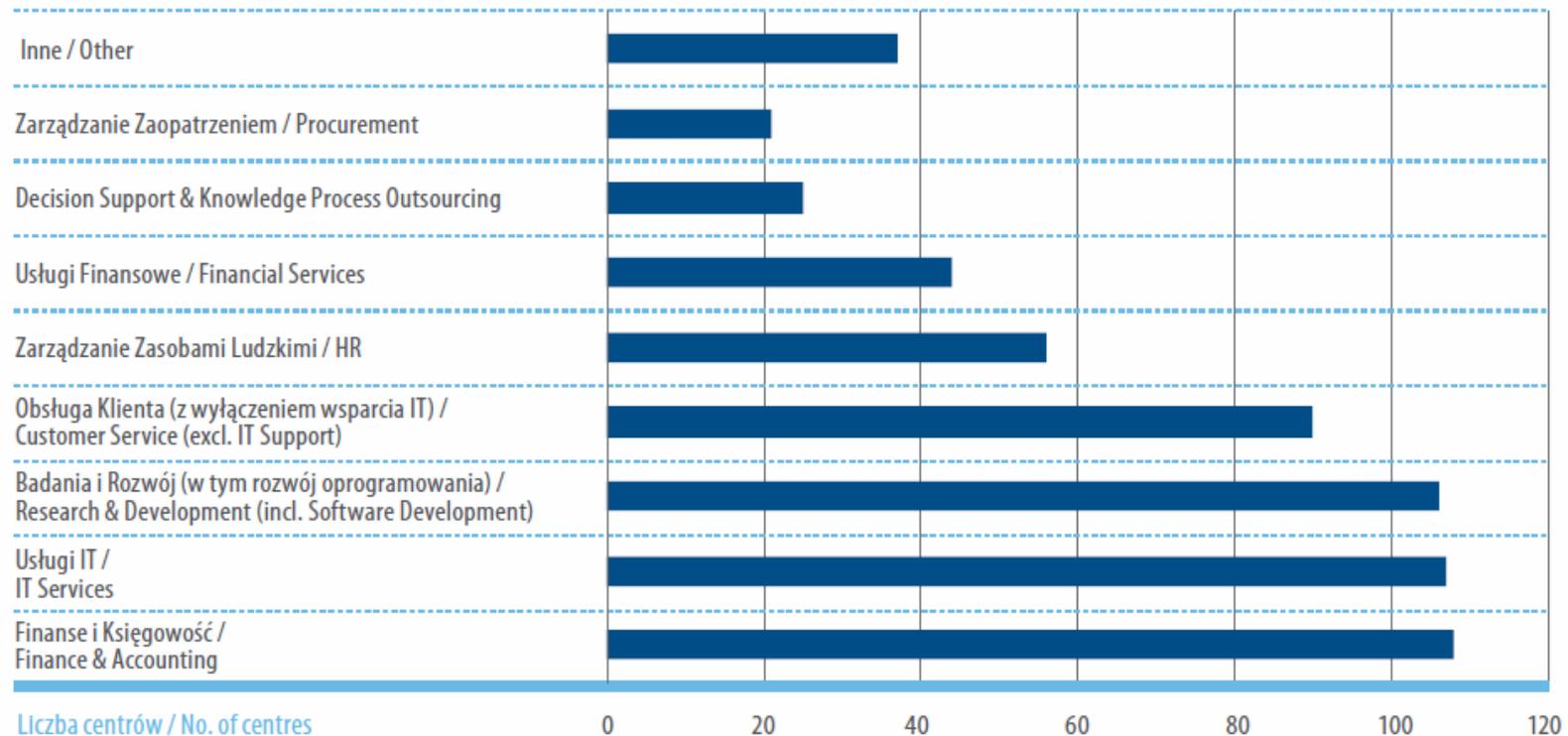
Rysunek 6. / Figure 6. Zatrudnienie w zagranicznych centrach usług w Polsce w 2011 roku / Employment in foreign services centres in Poland in 2011



Source: ABSL survey - 2012

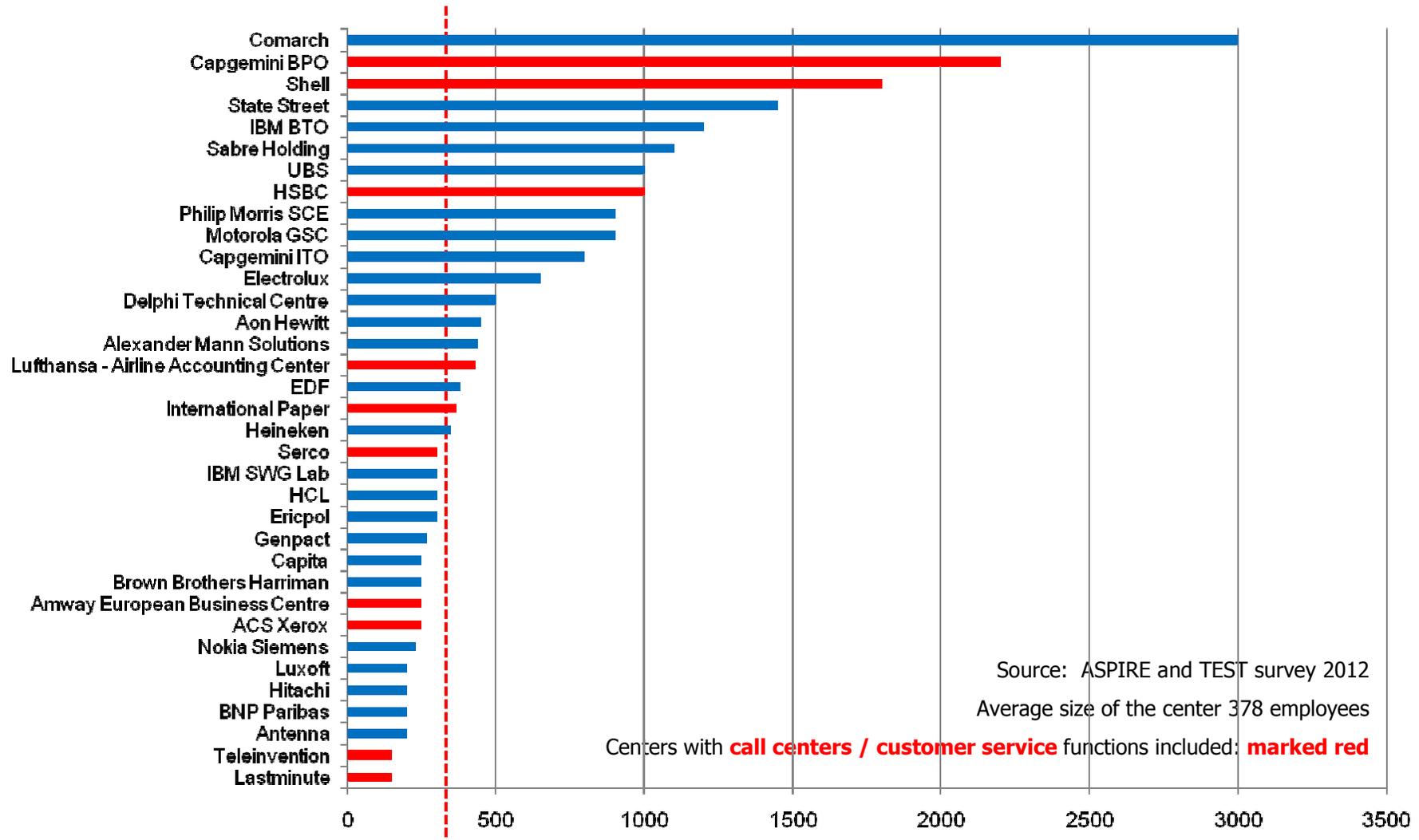
# Business service centers' trends in Poland

Rysunek 12. / Figure 12. Rodzaje usług świadczonych w zagranicznych centrach w Polsce (2011) / Types of services provided in foreign centres in Poland (2011)



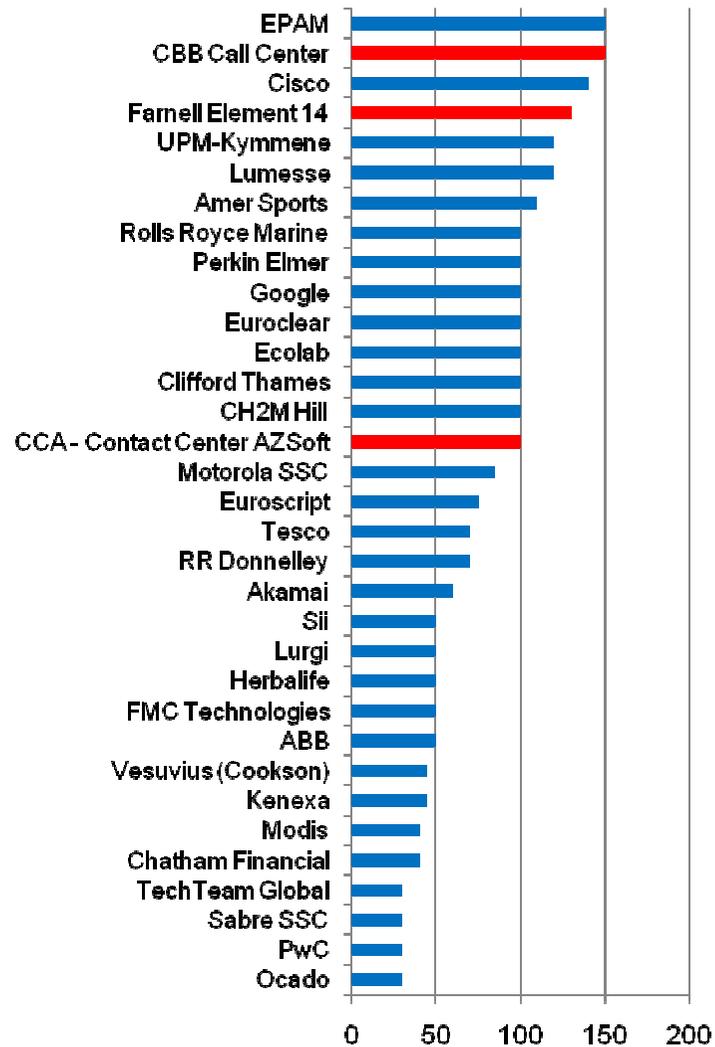
Source: Association of Business Service Leaders survey - 2012

# Centers' headcounts in Kraków



Source: ASPIRE and TEST survey 2012  
Average size of the center 378 employees

# Centers headcounts in Kraków



Source: ASPIRE and TEST survey 2012

# Why SSC/BPO?



# TEST and AIESEC students survey

## Perception of SSC/BPO companies - Krakow

- **Survey conducted by AIESEC and AG Test on behalf of ASPIRE**
- **Answers from 505 students from Krakow Universities**  
Uniwersytet Ekonomiczny (30.75%), Uniwersytet Jagielloński (18.65%), Akademia Górniczo - Hutnicza (23.41%), Politechnika Krakowska (5.16%), Uniwersytet Pedagogiczny (21.23%), Other (0.80%)
- **Year of study**  
4<sup>th</sup> year (56%), 5<sup>th</sup> (43%) = 24 / 25 years of age
- **Methodology**  
Paper questionnaires completed by students
- **Date**  
April / May 2012

# Key considerations in choosing an employer:

## Positive

Salary	73%
Atmosphere at work	73%
Company reputation	61%
Job security	54%
Flexible working hours	40%
Development opportunities	37%
Benefits	30%
Recognized brand	27%
Private access to internet	17%
Opportunity to work from home	15%
Country of origin	11%
New investment	2%

"The most important while choosing employers is..."

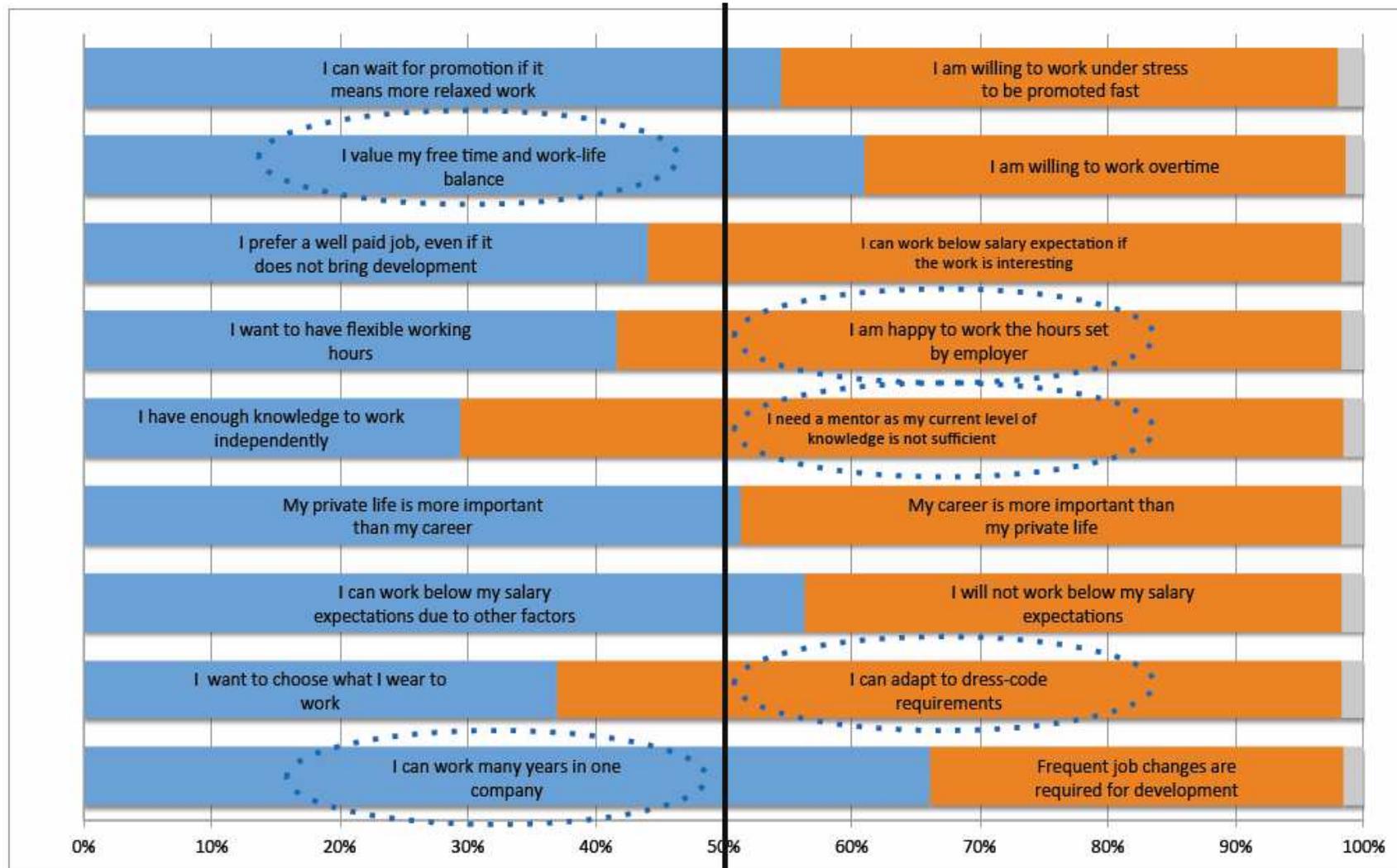
## Negative

Poor reputation as employer	68%
No development opportunities	59%
Salary below my expectations	43%
Overtime required	33%
Relocation required	29%
Fixed working hours	27%
Limis on internet access	24%
Company products are considered harmful	23%
Frequent business travel is required	20%
Weekend work is required	19%
Company brand is not well respected	17%
Not active in CSR	13%
My direct manager is my age / younger	12%
Other	0%

"I would reject job offer if..."

Source: TEST and AIESEC students survey: Perception of SSC/BPO companies - Krakow

# Students in their own words



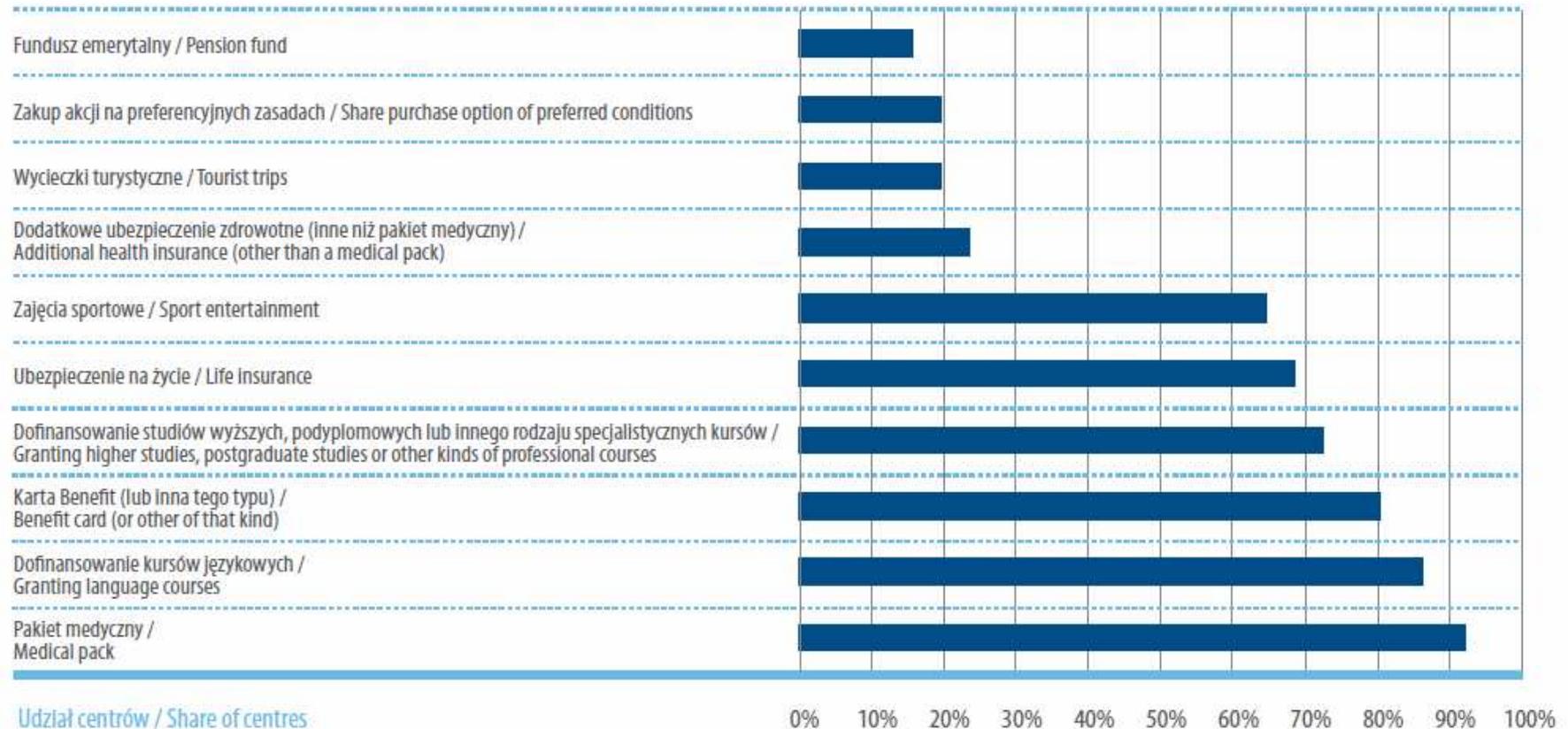
Source: TEST and AIESEC students survey: Perception of SSC/BPO companies - Krakow

# What is offered?

- Stable position and salary
- Organizational culture supporting teamwork
- Multicultural environment
- Opportunity to use foreign languages
- Development opportunities – vertical and horizontal promotion
- Additional package of benefits

# Non-financial benefits

Rysunek 16. / Figure 16. Świadczenia pozapłacowe oferowane przez centra usług w 2011 roku / Non-salary benefits offered by service centres in 2011.

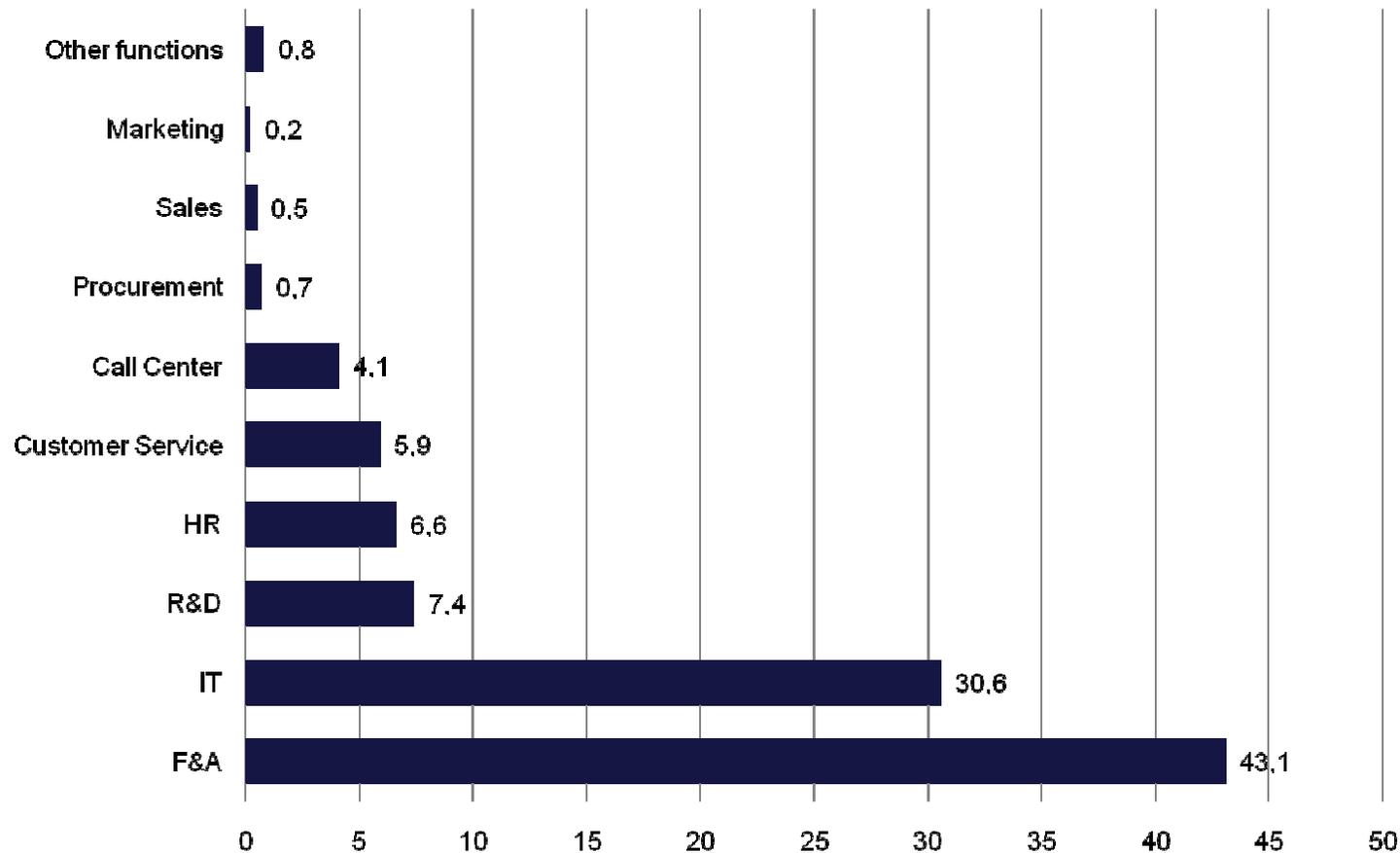


Source: Association of Business Service Leaders survey - 2012

# What can I do there ? Perspectives for students and graduates



# Types of jobs in Kraków



Source: ASPIRE and TEST survey 2012  
Average size of the center 378 employees

## Finance and Accounting

- Accounting: Accounts Payable, Accounts Receivable, General Ledger
- Controlling
- Analyses
- Reporting – etc.

## IT

- Development
- Administration – databases, systems
- Support
- Tests
- Business Analysis
- Business Intelligence

## Research and Development

- Designing
- Engineering
- Programming
- Testing, tooling

## Human Resources

- Recruitment
- Learning & development
- Payroll, etc.

## Customer Service

- Call Center
- Sales

## Procurement / Logistics

- Buying
- Scheduling
- Transport / distribution

## Marketing

# What is required?



- Motivation !
- Command of foreign languages
- Communication & interpersonal skills
- Organizational skills
- Teamwork
- Customer approach
- Analytical skills
- Educational background
- MS Office (Excel !)

# How can I get there?



- Advertisement / recruitment agencies' databases → application
- Phone interview
- Assessment Center / F2F interview
- Meeting with employer
- Job offer 😊
- Induction and trainings

# Thank you