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HUNGARIAN INVESTMENT PROMOTION AGENCY

BUSINESS SERVICES HUNGARY 2019

REPORT ON THE HUNGARIAN BUSINESS SERVICES INDUSTRY

HOA

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HOA – Hungarian Service and Outsourcing Association

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BUSINESS SERVICES HUNGARY 2019

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Foreword

Hungary has now become one of the leading international hubs for business services within the Central and Eastern European region, with 120 companies employing more than 55,000 people. The Hungarian Business Services Sector in recent years has reached a high level of maturity and complexity, while maintaining the ability to engage and retain talent and to continuously attract new investments – whether first comers or expansion projects – in the field of the BSC sector.

The Hungarian Investment Promotion Agency (HIPA), together with the Hungarian Service & Outsourcing Association (HOA) envisaged creating an annually published, multi-dimensional overview of the sector's current state-of-play and prospective forecast, presenting key industry trends and tendencies. We also had a common goal to raise awareness of both the sector's and Hungary's potential. This cooperation resulted in a comprehensive survey of the Business Services Sector in Hungary. The report captures key features of a consistently progressing market that continuously innovates and incorporates more and more complex, high value-added services while expanding its potential for future growth.

Inspired by the success of last year's Business Services Hungary Survey and Conference, we were very pleased to see that industry stakeholders found our efforts to be of value and many reengaged with us in a comprehensive dialogue during 2019. As such, the Business Services Hungary 2019 report is the result of a multi-stakeholder and careful analysis, achieved through a cooperative process, valuing direct industry input and incorporating key lessons learned based on previous findings. This year the report has a special overview on the potential of the TIER-2 cities and real estate opportunities for the sector.

In spite of the continuously changing environment, the forward-looking mindset, promising new initiatives and cooperation platforms of key industry stakeholders in recent months have made a real difference in reinforcing the sector's position and mobilizing untapped resources for its further growth. Corporations, policy advocate organizations, educational and governmental institutions joined forces to improve employer branding through social media channels, organizing open days and increasing sector visibility at career orientation events and job fairs, while also placing emphasis on youth education by launching sector specific training programmes for university and vocational school students as well as secondary school pupils. All these new initiatives have contributed to the increased awareness and attractiveness of the sector as a whole. We remain optimistic in our forecast that Hungary's inherent qualities, its growth potential, political stability, and highly skilled workforce, coupled with our ability to work and think together, will ensure the success of this flagship industry in the future as well.

We strongly believe that the Hungarian Business Services Sector remains an attractive and dynamically developing segment of the Hungarian economy worth further exploring, and we hope this report can provide an essential summary of its central features and potential. We would like to thank all the participating companies of this survey who provided invaluable input that enabled us to present this up-to-date and comprehensive overview of the industry, the findings of which we trust will be useful and appreciated by every reader.

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Preface

In 2019, the Hungarian Business Services Sector demonstrated further growth and reached a higher maturity level. New companies arrived, the established companies have opened new units, and existing offices have been expanded. Some of the incumbents enlarged their service portfolio, often with high value-added services. Others broadened the geographical scope of their operations, so their responsibility has been raised to a regional or even global level.

In brief,
Hungary has kept its competitive advantage thanks to its skilled workforce, proper IT and office infrastructure, stable political and economic environment, and good quality of life.

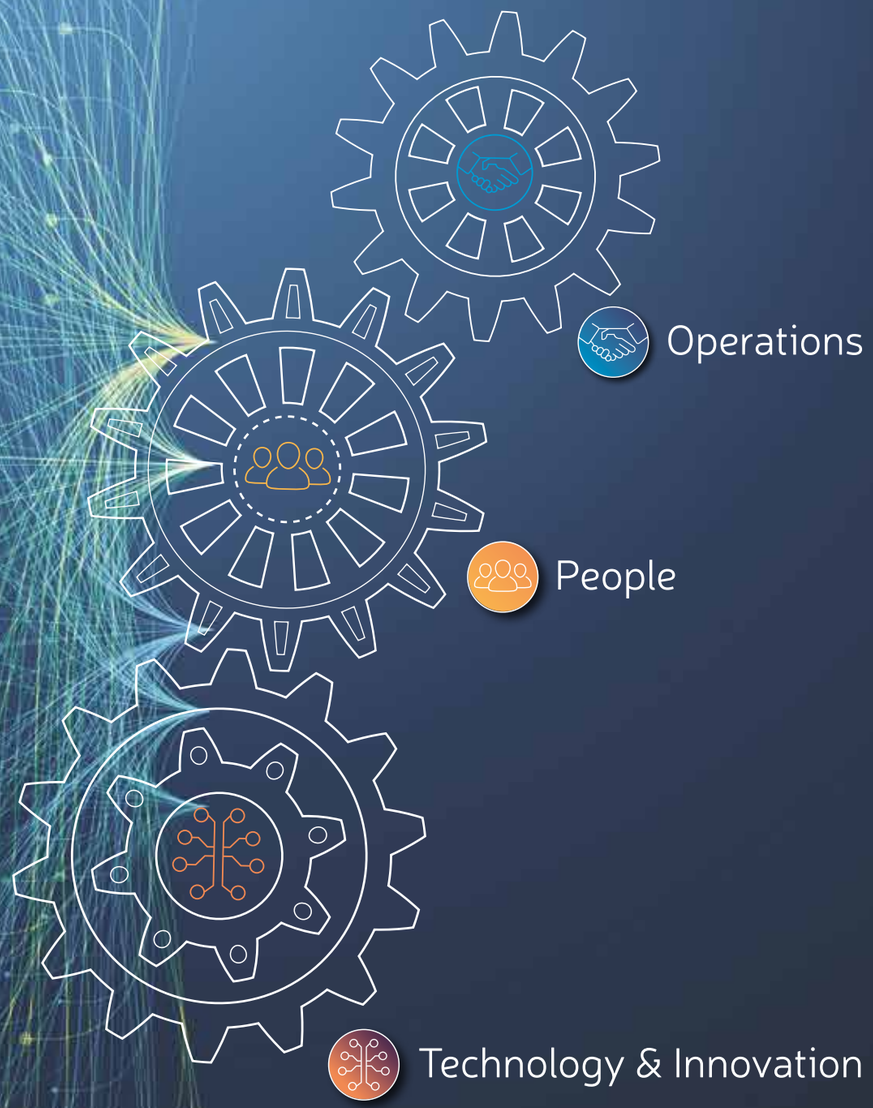
It cannot be denied, however, that the notable decrease in available labour and the recent rise in salary levels pose similar challenges to the Hungarian BSCs as in other industries and in some other counties in the region.

The response of the Hungarian BSC sector to these contextual changes is multiple. First of all, the fight for talented employees has intensified, so our BSCs are focusing more on sector and employer branding, cooperation with educational institutions, effective recruitment practices, international staffing, and retention programmes. Atypical employment, home office options, and flexible hours are also part of the new HR practices that over the coming years may radically change the way a BSC office presently operates.

The other direction is technological innovation: our research showed significant progress in the use of service delivery automation and customer self-service mechanisms – both can significantly improve the efficiency of operations. Nevertheless, contrary to popular belief, there is no simple trade-off between people and technology. The primary purpose of the transformation is not to make employees redundant, but to increase the service volume, on one hand, and to let people focus on more complex and meaningful tasks on the other. This trend has also been confirmed by our survey results: the majority of the implemented RPA solutions are operated in assisted mode (that is, with the occasional intervention of the human user). Meanwhile, our BSC employees exhibit a surprisingly high level of acceptance towards these automation tools.

The third coping strategy is still emerging, but it is already noticeable that more and more BSC units are being opened outside Budapest, mainly in the largest towns, where the available workforce is larger and cost levels are more favourable too. In parallel, some of the BSCs are targeting new social groups as potential staff, including employees from other sectors (e.g. the public service), senior or even retired people, and people with disabilities or foreign students studying/graduated in Hungary. These initiatives, however, could require new types of training and retraining programmes.

Many further details of the above trends and other developments can be found in this report, which is mostly based on our representative survey research conducted this year in the Hungarian BSC sector. We do hope that it can serve as an accurate reflection for those who have already arrived in this arena, and as a strong incentive for those who are still considering coming.



Executive Summary

The Hungarian Business Services Sector has reached its highest level of maturity ever. There is a clear tendency for companies to broaden the scope of high-value added activities and place greater emphasis on conscious talent management, education cooperation and innovation. In order to keep up with new trends both in the business services and labour markets, gradual transformation of corporate strategies and operational practices are needed.

The sector has seen an upswing in the migration of high value added activities and keeps on transitioning from the traditional captive and BPO models to a hybrid service delivery model. We are also witnessing a broadening of the geographical scope of BSC operations, as the increasing development of Tier-2 cities with strong university backgrounds, an available qualified work force, and modern infrastructure open up new opportunities for expansion.

Fulfilling the ever-growing demands of new talent and retaining employees are fundamental for centres, which inspires a new focus on employer branding, smart recruitment processes, and employee value proposition (EVP). As the use of data analytics and automation become extensive in this field, employee skillsets are also undergoing changes. Specialist roles, such as data analyst, finance analyst, and software engineer, make up an increasingly larger proportion of the workforce sought by companies, while there is a similar growing demand for experienced employees with advanced skills.

In order to successfully target future talent, business service centres have realized the importance of employer branding. Therefore, more and more collaboration between industry stakeholders and educational institutions have been established, while industry specific education programmes and promising new initiatives have been launched to raise the awareness and attractiveness of the sector for young people.

With the implementation of technological innovations, increasing digitalization and service delivery automation, a growing number of centres keep on improving the efficiency of business processes. The emergence of new solutions within the market will lead to further technological advancement, which will allow employees to focus on executing more high value added tasks.

In summary, the Hungarian Business Services Sector has been able to maintain its competitive edge due to the fact that Hungary continuously provides a highly skilled workforce, high-standard office infrastructure, a stable political and economic environment coupled with an excellent quality of life. Flexible adaptation and the common efforts of every stakeholder are key for the sector to achieve operational excellence at every level, and to make use of it for its future growth.

Operations Overview

The Business Services Hungary survey was conducted from September to October 2019. A total number 120 companies were surveyed and 64 companies from various industry backgrounds with 76 unit operations in Hungary participated. The participants thus form a solid basis to evaluate the current performance and future trends and tendencies of the sector in Hungary.

General **Information**

Number of Survey Respondents

Number of Employees Represented by Survey Respondents

Industry & Employee **Coverage**

Companies
64/120
53%

Employees
41.87k/55k
76%

Average Age

of Hungarian BSCs with Respect to the Year of Foundation

Considering the average age of the Hungarian BSCs, the sector has reached an advanced level of maturity.

22% 0–3 years

9% 4–6 years

19% 7–10 years

50% 11+ years

16% Manufacturing

14% Financial Services

13% Software & Internet

8% Telecom, Media & Entertainment

8% Healthcare

8% Business Services

6% Customer Services

6% Chemical, Pharmaceuticals & Biotech

5% Energy & Utilities

5% Automotive

3% Retail

3% Transportation & Logistics

8% Other

Industry of Parent Company / Respondents

The maturity of a sector can be characterised by the age of the companies. Almost 70% of the BSCs have been operating in Hungary for more than seven years. The industry profiles of the respondents' parent companies are mainly from the manufacturing sector. This is followed by Technology & telecommunication and financial services.

Subsidies & Allowances Received by BSCs

19% Cash subsidy for **training purposes**

14% **Job creation** subsidy

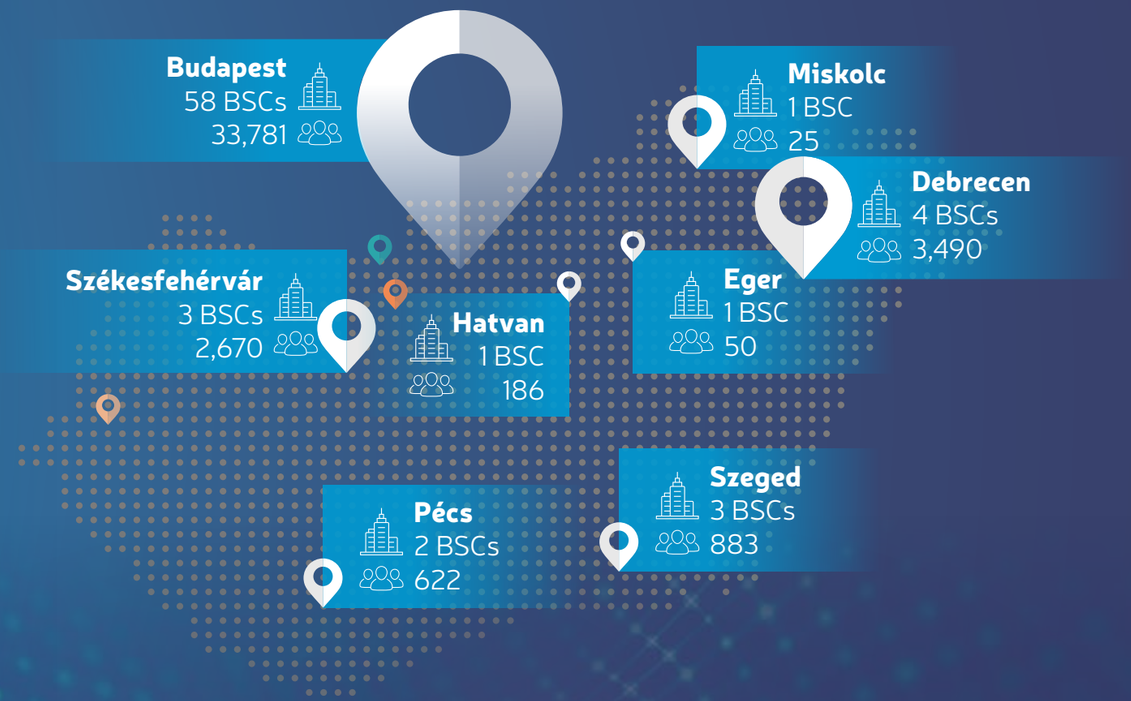
5% Cash subsidy for **R&D activities**

8% Subsidies for **other purposes**

The Hungarian Government is entitled to provide multiple incentives for the BSCs in Hungary. Based on the current statistics, companies receive non-refundable cash incentives for job creation purposes outside of the capital, related to the establishment of new business centres or for an expansion project. Training subsidies are also available in the case of external or internal training for new and existing employees in Budapest and in the provinces. As of 1 January 2017, a new non-refundable cash-intensive scheme was implemented in order to support the establishment or expansion of Research & Development units/projects and activities.

Survey respondents

by service units' location and number of employees



Other cities with employees

70 Biatorbágy

50 Esztergom

42 Vasvár

Out of Hungary's settlements, during the last 15 years Budapest has consistently been preferred as a top BSC location and grown into a mature BSC market, capitalising on the availability of a highly skilled labour force and developed infrastructure. It is also an attractive choice for the expat community (international schools, a wide range of social, cultural activities and healthcare services, access to international flights etc.). Based on the headcount number of the responding companies 80% of the BSC employees work in the capital city of Hungary. Moreover, Tier-2 cities with university backgrounds are continuously increasing, based on the available talent-pool, developed infrastructure and opportunities for cooperation with local municipalities and educational institutions.

The distribution of the responding companies is in line with the ratio of the national average in terms of the location of BSCs and the number of employees.

Business Services Locations in Hungary

Property Overview

Major Hungarian BSC Locations

*Agco, Albemarle, ALDI, Arconic, Avis Budget Group, B.Braun Avitum, Bare International, BlackRock, BP, BT, Celanese, Citi, Cognizant, Comforce, Computacenter,Corning, CPL, CRH, Cushman & Wakefield, Docler, DXC, Eaton, Emirates, ESAB, Exxon, Flowserve, Greif, Grundfos, Harman Becker, IBM, IFF, ITSH, Johnson Electric, Lexmark, LogMeIn, MOL Group, Morgan Stanley, MSCI, Nalco, NI, Nissan, Nokia, NÜSZ, NXP, Paramount, Photel, Process Solutions, Provident, Roche, SAP, Sykes, TCS, Tesco, ThermoFisher, Transfer Wise, Ubiquity, UNHCR, Varian, Viacom, Villeroy & Boch, WHO, ZF**

Budapest
98 BSCs
~48,000

United Call Center, Vodafone, Callfactory, 112- Miskolci Hívásfogadó Központ

Miskolc
4 BSCs
1,680

BT, CallFactory, Diehl Aviation, EHA, EPAM, Flowserve, ITSH, NI, NSC Global, RDI Software / Capgemini, Transcosmos, T-Systems Hungary, UCC Cloud, Raiffeisen Bank, TIGÁZ

Debrecen
15 BSCs
4,500

Arconic, Harman International, IBM, SAPA Profiles

Székesfehérvár
4 BSCs
3,250

Győr

Kecskemét

Pécs
7 BSCs
1,000

ALDI, Anderson Group, Concentrix, ITSH, Lexington Unisys, Viessmann

Szeged
8 BSCs
1,510

BP, ITSH, Magyar Telekom, NKM Áramhálózat, Provident, TelCo Call Center, Telenor, Transcom Hungary

**list of company names participated in the survey*

Budapest / Office Market

The business services sector remains one of the key drivers of the office market in Budapest. Riding on the wave of current strong business sentiment, many service providers have increased capacities and lease extensions to their operations in Budapest. This move is partly driven by the relocation of new functions from other locations, which creates increased demand for best-in-class office space in nearly all major submarkets. Companies are more willing to commit in advance and accept less generous but still competitive market terms.

Population
1,752,286
(greater area)

Office Completion
187,000
m² / annum

The modern office stock in Budapest amounted to 3.7 million m^2 as of late 2019, of which ca. 80% operated on a lease basis while the remainder was owner-occupied space. New developments that started a few years ago came onto the market in 2018, making it a breakthrough year in terms of new supply during this cycle, with thirteen new office completions across Budapest, totalling 230,500 m^2. The first half of 2019 brought a modest supply to the market with a combined volume of 31,700 m^2. Geographically, the Pest side of the city has received the bulk of the new office supply since 2016. The Váci Corridor submarket is home to a third of the total new supply registered during this period, while Central- and Non-Central Pest are home to nearly 20 % each.

781,000 m²
Development pipeline

Looking at what is on-going and ahead in the planned office pipeline, it seems that the recent supply upswing was only the beginning of a prolonged completion wave. Budapest is currently in the midst of a maturing development boom, with 577,800 m^2 of new office space under construction as of September 2019. The majority of this volume kicked off on a speculative basis while actively looking for, or negotiating with, anchor tenants. The Váci Corridor remains the most favoured development location as 38 % of the volume under construction concentrated here, followed by South Buda with 29 % of the on-going volume. There is a total of a further 203,000 m^2 of planned projects in the pipeline with a scheduled delivery beyond 2021, bringing the overall amount in the pipeline to 781,000 m^2 for the next three years.

Office demand
396,000
m2 / annum

As of mid-2019, 12 months office take-up amounted to 396,000 m^2, in line with the preceding annual period. There have been over 530 registered office deals over the last 12 months, producing an average transaction size of ca. 750 m^2. This new demand activity was mainly driven by pre-lease agreements, i.e. companies committing themselves to space not yet delivered. This volume totalled 108,000 m^2 in total, demonstrating a 90 % increase on the previous year. Expansions of established businesses led to expansions of premises on a total of 57,000 m^2, 6 % above last year's level. Owner-occupation deals accounted for a combined 5,300 m^2 – indicating that Budapest is predominantly a lease-driven market.

Occupiers' Profile

25% industrial companies
21% professional services
18% public sector
16% telecoms
6% consumer services
4% financial services

Based on most recent statistics, the most dominant sector taking new office space in Budapest was the back-office operations of manufacturing, industrial and energy companies ("MIE") at 25 %. Professional services firms totalled 21 %, while public sector entities accounted for 18 %. Technology & telecom companies made up another 16 %, consumer services 6 %, and financial services 4 % in the office take-up. This split did not deviate significantly from last year, with the only notable changes being slightly increased shares of the MIE and professional services industries and the decreased share of financial services companies after the sector's revival in 2017/2018. Looking ahead, the MIE sector is likely to remain the dominant driver of office demand based on the transaction pipeline.

6.3%
Vacancy Rate

The average office vacancy rate across Budapest decreased further to 6.3 % as of mid-2019, down by 1.3pp y-o-y. The high occupancy in the newly completed stock did contribute to the recent drop, moreover, vacated premises in the existing stock are being occupied again. Grade "A" offices have an average vacancy rate of 3.3 %. The vacant stock in Budapest has decreased significantly over the last five years, with the current volume of 230,600 m^2 being a fraction of the post-crisis peak of 667,000 m^2. Tenants are more likely to opt for space in a new buildings currently under construction.

14.8 €/m²
Grade "A" Rent

In line with the continuous vacancy rate decline and robust office demand, rental levels have been in an upward trend for ca. five years. The average asking rent level across space on offer in the market stood at 12.5 EUR/m^2 pm; however, rental rates in grade "A" assets are averaging EUR 14.8. The new projects are being priced above this level, at around EUR 16-18, while top prime office premises offer availability for EUR 24-26. The average annualized asking rent growth amounted to ca. 3 %y-o-y over the last five years, mainly driven by appreciation in the "A" and "B+" category segments. While Budapest currently has the highest prime rent level amongst the CEE markets, the gap with Prague and Warsaw is likely to narrow over the coming years. We estimate the local prime office rent to stay at around EUR 25-26, although average asking rents in the wider stock could still notch up slightly, particularly based on the dynamic repricing seen amongst on-going new developments.

Budapest / BSCs

98
Major BSCs in the city

~48,000
Employees of the sector

Agco, Albemarle, ALDI, Arconic, Avis Budget Group, B.Braun Avitum, Bare International, BlackRock, BP, BT, Celanese, Citi, Cognizant, Comforce, Computacenter, Corning, CPL, CRH, Cushman & Wakefield, Docler, DXC, Eaton, Emirates, ESAB, Exxon, Flowserve, Greif, Grundfos, Harman Becker, IBM, IFF, ITSH, Johnson Electric, Lexmark, LogMeIn, MOL Group, Morgan Stanley, MSCI, Nalco, NI, Nissan, Nokia, NÜSZ, NXP, Paramount, Photel, Process Solutions, Provident, Roche, SAP, Sykes, TCS, Tesco, ThermoFisher, Transfer Wise, Ubiquity, UNHCR, Varian, Viacom, Villeroy & Boch, WHO, ZF

** companies represented in the survey*

Higher education

42
Institutions

149,446
Students

32,504
University graduates

17,756
Foreign students

VÁCI CORRIDOR
is the largest office submarket in Budapest with a modern stock of 770,000 sq m and further 190,000 sq m being under active construction. The submarket is stretched along Váci út, one the major artery in Budapest, starting at the historic city centre and running ca. 6 km northbound. Key tenants in the area are typical large floorplate tenants, the back office operations of financial service tenants and shared service centres for various industries. The submarket has a high diversity of business profiles with Unisys, Diageo, Roche or KPMG all having SSC here.

RING ROAD
is an emerging office destination due to its easy access from the city centre, the main motorways and the international airport. The area gives home to the largest single-leased office building in Budapest. On top of the existing 350,000 sq m modern stock, further 200,000 sq m is under active construction looking for new tenants in campus-style office parks. Besides Telekom Hungary. Allianz and Hungarian State Railway having their HQ here, Vodafone, Groupama and Raiffeisen operate SSC in the area.

SOUTH BUDA
is the main hub on the Buda side, having developed around the main university as an IT-related office market. Today this area is home to tenants of various background on ca. 360,000 sq m office stock. Further 170,000 sq m space will be delivered – mostly in new projects next to the Danube in coming years. The submarket is known for occupiers related to IT and Telecom industries, like British Telecom, Ericsson and evosoft.

Debrecen

Population

960,000
(greater area)

15
Major BSCs in the city

4,500
Employees of the sector

BT, CallFactory, Diehl Aviation, EHA, EPAM, Flowserve, ITSH, NI, NSC Global, RDI Software / Capgemini, Transcosmos, T-Systems Hungary, UCC Cloud, Raiffeisen Bank, TIGÁZ

Debrecen is the second largest city in Hungary and has a significant role in the nation's business services industry. As the major cultural, educational and economic centre of Eastern Hungary, the city offers accessibility by road and rail, while the international airport operates regular flights to various destinations from Debrecen. In addition to this, the city provides a good combination of a dynamically evolving economic life and a livable environment at affordable prices.

10-13 €/m²/m
Average rental fee
'category A'

124,000 m²
Stock

15,000 m²
Pipeline

The city has a modern **office stock** of ca. **124,000 m²** – making Debrecen the largest office market among the regional cities. The stock consists of several newly built and refurbished projects. The recent **completions** have ca. **29,000 m²** of **"A" category** vacant space across three modern "A" grade office buildings, available to tenants wishing to expand in the city, or to new companies coming to Debrecen. Besides the existing availability, there are further three projects in the **pipeline** (including the expansion of an existing building) with **15,000 m²** new space to become available from 2020 or 2021. The office stock is evenly spread across the city at strategic locations with high visibility and good access by car or public transport. **Average rental fees of category "A"** offices range from **10-13 EUR/m²/m**, whereas **category "B"** offices can be found from **7-8 EUR/m²/m**. On the demand side, Debrecen office stock is home to numerous international companies with a wide range of functions and sectors from IT and tele-communications through financial services to high added-value engineering activities.

Higher education

2
Institutions

34,902
Students

6,732
University graduates

6,570
Foreign students

Győr

Győr is the most important city of Western Transdanubia, the capital of Győr-Moson-Sopron County and the region, — halfway between Budapest and Vienna— situated on one of the major traffic arteries of Central Europe. For almost three decades now, Győr is one of the hotspots of automotive manufacturing and R&D locations in Hungary.

The city also has a developed service sector. The growing importance of the tertiary sector is reflected in the development of the office market. The largest office complex in the city is located right in the city centre on ca. 23,000 m2 GLA with current availability at around 1,800 m2 in three buildings. Besides the centrally located offices, there is a significant modern stock in the industrial park near the Audi plant with a considerable office element (ca. 20,000 m2 across various buildings). Office space is available in the city for a **rental rate** of **10-12 EUR/m2 per month.**

Population

780,291
(greater area)

10-12 €/m²/m
Average rental fee
'category A'

43,000 m²
Stock

23,000 m²
Largest office complex

Quality office spaces

Higher education

1
Institution

12,813
Students

2,622
University graduates

579
Foreign students

Kecskemét

Kecskemét benefits from being located halfway between Budapest and Szeged, and it has developed dynamically since the opening of the Merdedes-Benz plant in 2012. The city is undergoing an industrial property market boom in tandem with a growing interest in office space.

Population

711,048
(greater area)

Besides offices available in the industrial park, new developments are planned along the main road connecting the city centre with the main motorway exit. The municipality's clear objective is to further enhance the profile of the city; in order to facilitate this, it has started a mixed-use development on ca. 16,000 m² combining educational, business and leisure functions in close cooperation with business and engineering companies in the wider region of Kecskemét.

Quality office spaces

16,000 m²
development

Higher education

1
Institution

3,717
Students

652
University graduates

93
Foreign students

Miskolc

Population

500,000

(greater area)

4
Major BSCs in the city

1,680
Employees of the sector

112- Miskolci Hívásfogadó Központ, Callfactory, United Call Center, Vodafone

Miskolc is the largest city in Northern Hungary and has a long-standing industrial tradition. Similarly to other Central-European cities, Miskolc succeeded in transforming its economic character and managed to shift the focus from heavy industry and mining to high added-value production and business services.
The emergence of the service industry as a key economic driver is also reflected in the rampant growth of the office stock.

12-14 €/m²/m
Average rental fee
'category A'

14,400 m²
Stock

12,000 m²
Pipeline

On top of the existing ca. **14,400 m² office space, a further 12,000 m² of "A" category stock is under construction** or in the planning stage. The existing stock has limited availability, and is scattered across several historical buildings in the city centre. However, the new projects will be offering large adjacent floorplates in excellent central locations from late 2020. Miskolc is a reasonable choice for cost-sensitive companies as **rents start from 6-8 EUR/m²/m for "B" grade properties**, while modern **"A" category** office space available at **12-14 EUR/m²/m.**

On the demand side, Miskolc city is home not only to services directly linked to the buoyant manufacturing industry, but also to various other back-office operations, mostly customer service centres. Close cooperation between the city, the University of Miskolc and the existing businesses are facilitating further growth in this sector. Besides attracting and retaining talented young people and an active workforce, the city is actively supporting the local Research & Development activities and working on a Smart&Green Miskolc concept to further increase the livability and attractiveness of the city.

Higher education

2
Institutions

9,500
Students

2,000
University graduates

379
Foreign students

Pécs

Population

450,000

(greater area)

7
Major BSCs in the city

1,000
Employees of the sector

ALDI,
Anderson Group,
Concentrix,
ITSH,
Lexington,
Unisys,
Viessmann

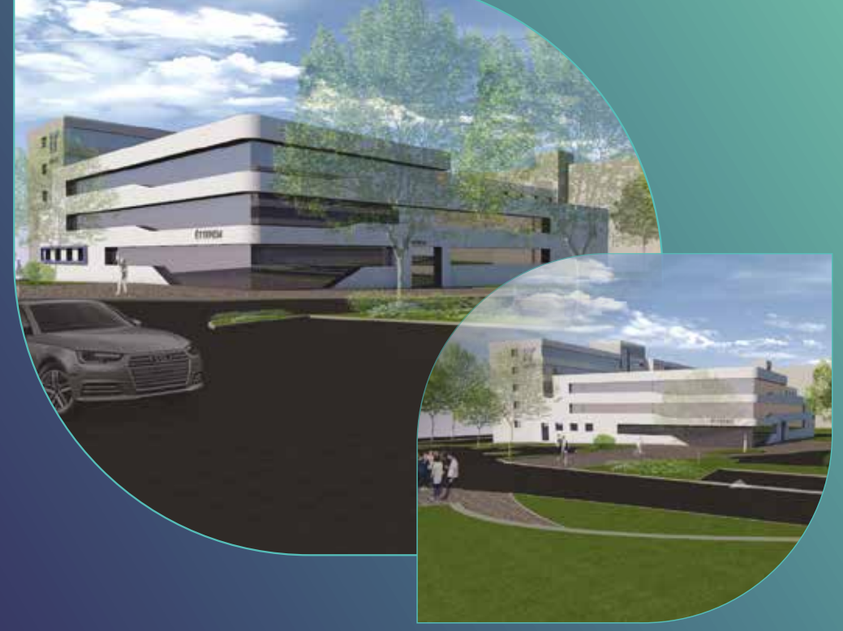
Pécs is South-Transdanubia's largest city and the main educational and cultural hub in the region. The city used to have an industry-driven economy focusing on mining, manufacturing and food processing. However, there has been a gradual development of high-tech industries establishing in the city (including electronics and IT network manufacturing).

12 €/m²/m
Average rental fee
'category A'

27,000 m²
Stock

3,700 + 14,600 m²
Pipeline

Current modern office stock is estimated at 27,000 m^2 – including properties with full occupation. The stock consists mostly of smaller floor plates in refurbished historical buildings or in "B" category facilities. Newcomer companies can choose from among 10 office buildings of various quality with a total immediate availability of ca. 7,200 m^2. Two projects are under construction with ca. 3,700 m² of modern "A" category space available in the city centre, and available from 2020/21. Based on existing plans, a further 14,600 m² of office space can be developed at a later stage should tenants require it. The headline rents vary from 5-6 EUR/m²/m in the "B" category properties up to 12 EUR/m²/m in the "A" category stock.



Higher education

3
Institutions

23,170
Students

4,312
University graduates

4,278
Foreign students

Szeged

Population

452,000

(greater area)

8
Major BSCs in the city

1,510
Employees of the sector

BP,
ITSH,
Magyar Telekom,
NKM Áramhálózat,
Provident,
TelCo Call Center,
Telenor,
Transcom Hungary

Szeged is not only the seat of the South-Great Plain region but also the EU's gateway city to the Southeast. The city is an important scientific centre, home to various medical, biological & biotechnical research centres and to the ELI-ALPS laser research institution. The Science Park is a planned scientific research centre to accommodate start-up businesses and innovative companies next to ELI-ALPS. The business services centre industry has emerged as an important driver of the local economy. The city has been a cultural and educational centre of the region, hence its economy strongly relies on the service industry.

13-15 €/m²/m
Average rental fee
'category A'

20,000 m²
Stock

29,800 m²
Pipeline

The current office **stock** is estimated at **ca. 20,000 m²**, however, the majority of this space is occupied by long-term tenants. Currently there is **ca 4,900 m²** of **available office space** across four buildings, including a business incubator space operated by the municipality to provide temporary office solutions to newcomers. There is **29,800 m² of "A" grade office space in the pipeline**, out of this **10,000 m² is scheduled to be delivered in 2020** – and is still available for lease and sub-lease. A further 19,800 m² is planned for development based on tenants' interest and needs. The **headline rent** for new office space is in the range of **13-15 EUR/m²/m**, whereas smaller office needs can be accommodated in current vacancies at a rent of 6-10 EUR/m²/m.

Higher education

2
Institutions

20,700
Students

4,879
University graduates

4,000
Foreign students

Székes-fehérvár

Population

836,000

(greater area)

4
Major BSCs in the city

3,250
Employees of the sector

Arconic,
Harman International,
IBM,
SAPA Profiles

Székesfehérvár is the largest city with ca. 97,000 inhabitants in Central Transdanubia, and is the economic centre of the region. The city's proximity to the capital and its strategic location on the main railway and road connections have attracted a number of foreign investors to the city since the 1990s.

9-12 €/m²/m
Average rental fee
'category A'

27,000 m²
Stock

3,700 m²
Pipeline

Foreign direct investment has played a crucial role in the city's maturing to become one of the major Hungarian economic hotspots, accounting for 1/3 of the regional GDP. Besides that, the city has become the centre of electronic manufacturing and business services. The business services sector employs more than 3,200 people. The modern office stock is mostly concentrated in the industrial parks in mixed-use premises, however, there is also available office space in the city centre. The average rental fee starts from 9 EUR/m2/m

Higher education

2
Institutions

8,028
Students

1,810
University graduates

747
Foreign students

Strategies & Processes

32%
hybrid centres

55%
representation of bsc in the top management of parent company

30%
profit centres & investment centres

59%
respondents with global service provision

75%
respondents with expansion forecast

73%
respondents with inbound services migration last year

28%
respondents with outbound services migration last year

78%
SLAs with all customers

62%
transactional Services based on Headcount

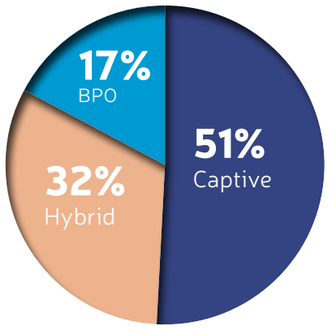
38%
knowledge-based Services based on Headcount

Growth Strategies

14% of the BSCs in the survey plan to open a new service unit in Hungary in the next 2-3 years. Similarly to last year's ratio, locations outside of the capital would be ideal when it comes to the opening of a second site. This justifies the strategic plans and actions of several large settlements to attract investment from the Business Services Sector. Their efforts include the creation of new infrastructure (such as business parks, science centres, new office buildings) and the support of educational institutions in developing curricula that prepare the potential workforce for BSC employment. In this way, not only the local talent are retained in these towns, but international students can also be invited and motivated to stay in Hungary and work at BSCs offering international career opportunities.

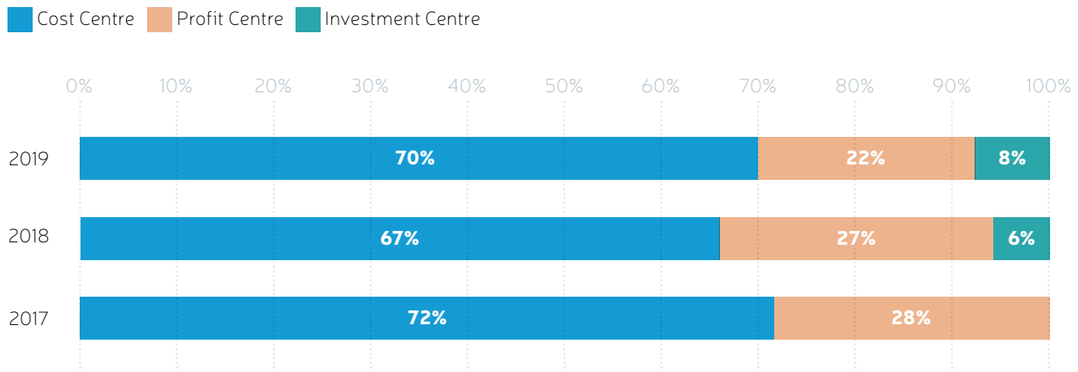
Operational Details of Business Centres in Hungary

Operational Model of the BSCs



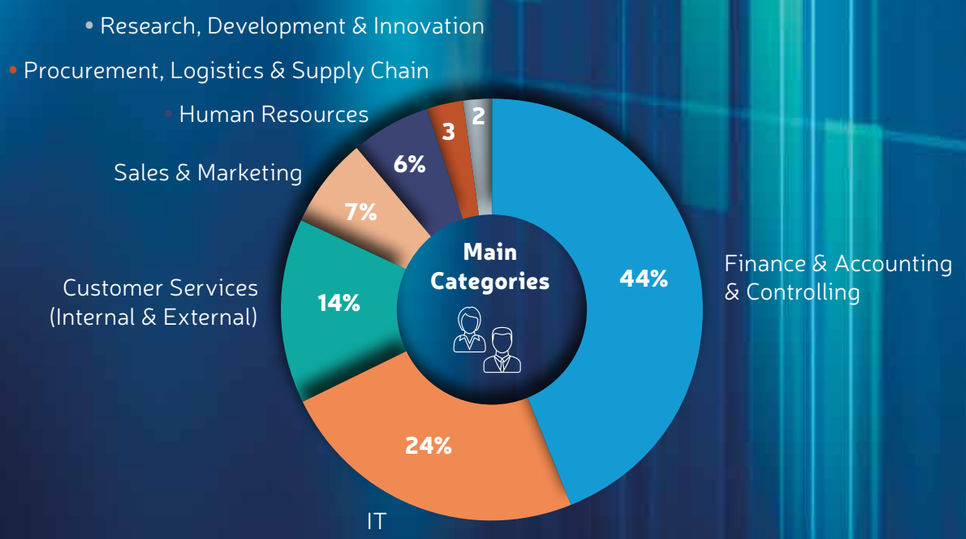
51% of the respondents are Captive Centres providing support and services for the parent-company. One-third of the companies are Hybrid Centres, and 17% are BPOs. These proportions have not changed significantly during the last 5 years. The ratio of Hybrid Centres indicates a higher maturity level, when well-performing captive centres are entitled to provide services to external clients as well, thus switching to a more profit-oriented operational mode.

Financial Responsibility of Participating Companies' BSCs

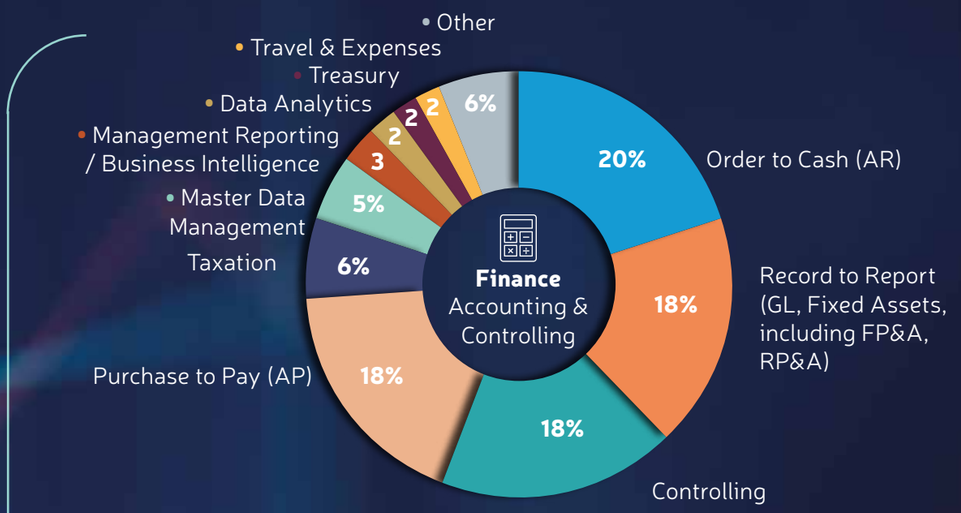


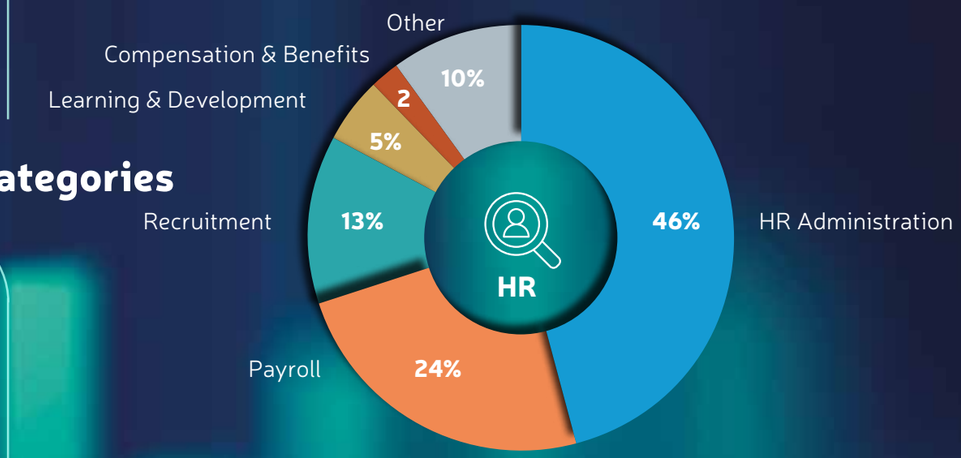
70% of the centres are operating as Cost Centres with predefined budgets. This model is applicable in most cases of the Captive Centres. However, BPOs and many of the Hybrid Centres are assigned with Profit Centre or Investment Centre responsibility. The emergence of Investment Centres is promising since this responsibility concept implies a long--term commitment.

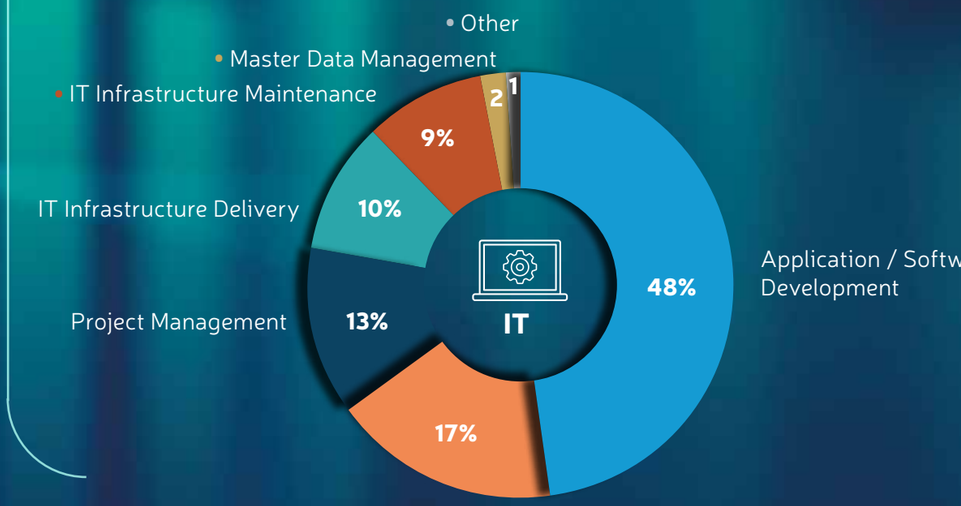
Distribution of the Workforce among Different Functional Areas in Hungarian BSCs

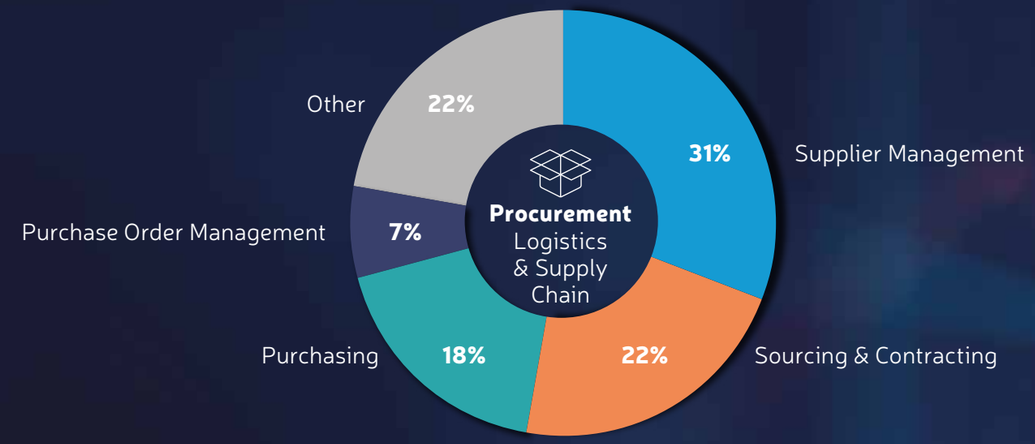


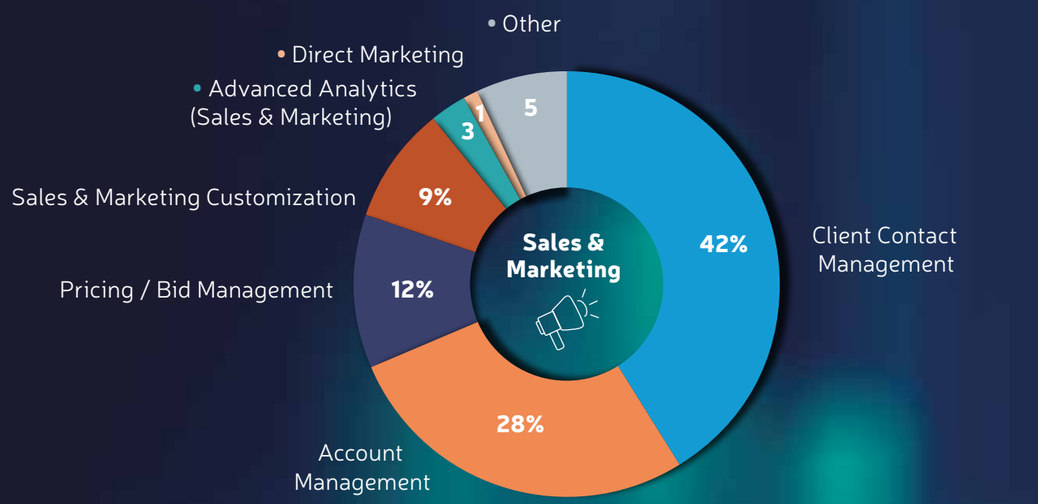
Subcategories

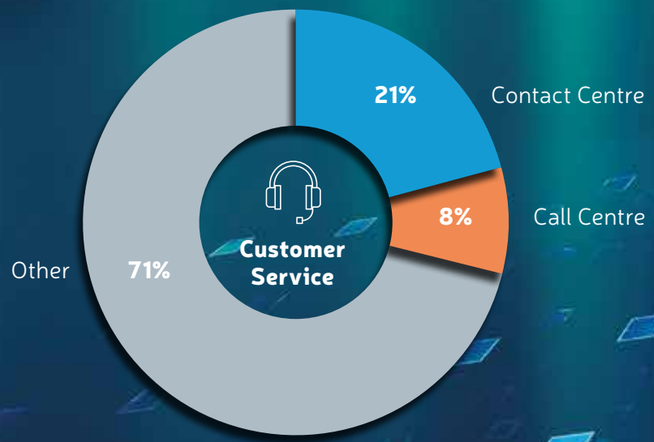






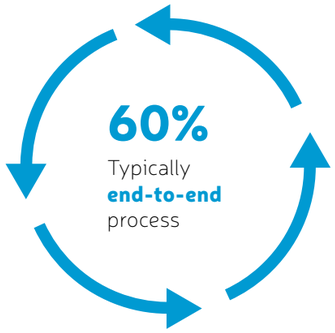


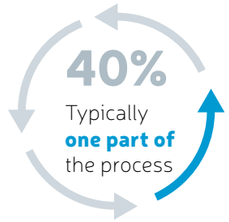




Characteristics of **Service Processes** Executed by the BSCs in Hungary

The majority of the Hungarian BSCs manage complete E2E service processes that can also be associated with the global focus of the sector. This trend is also in line with the geographical coverage of the Hungarian centres, later represented in this survey.



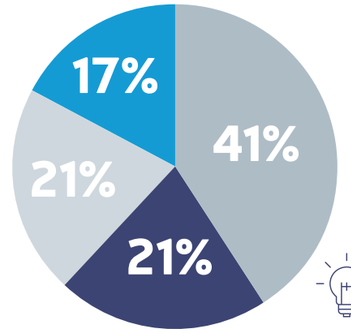


High Value-Added Services

Current Distribution of Services (Knowledge-Based vs. Routine)

Majority of routine-based tasks

Majority of routine-based tasks

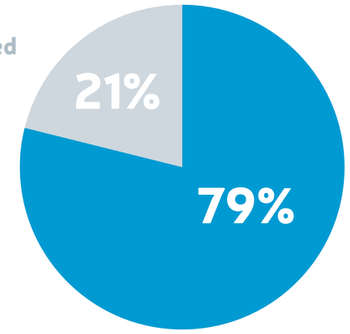


Vast majority of routine-based tasks

Vast majority of knowledge-based tasks

Short Term Strategy of BSCs Regarding the **Level of Added Value**

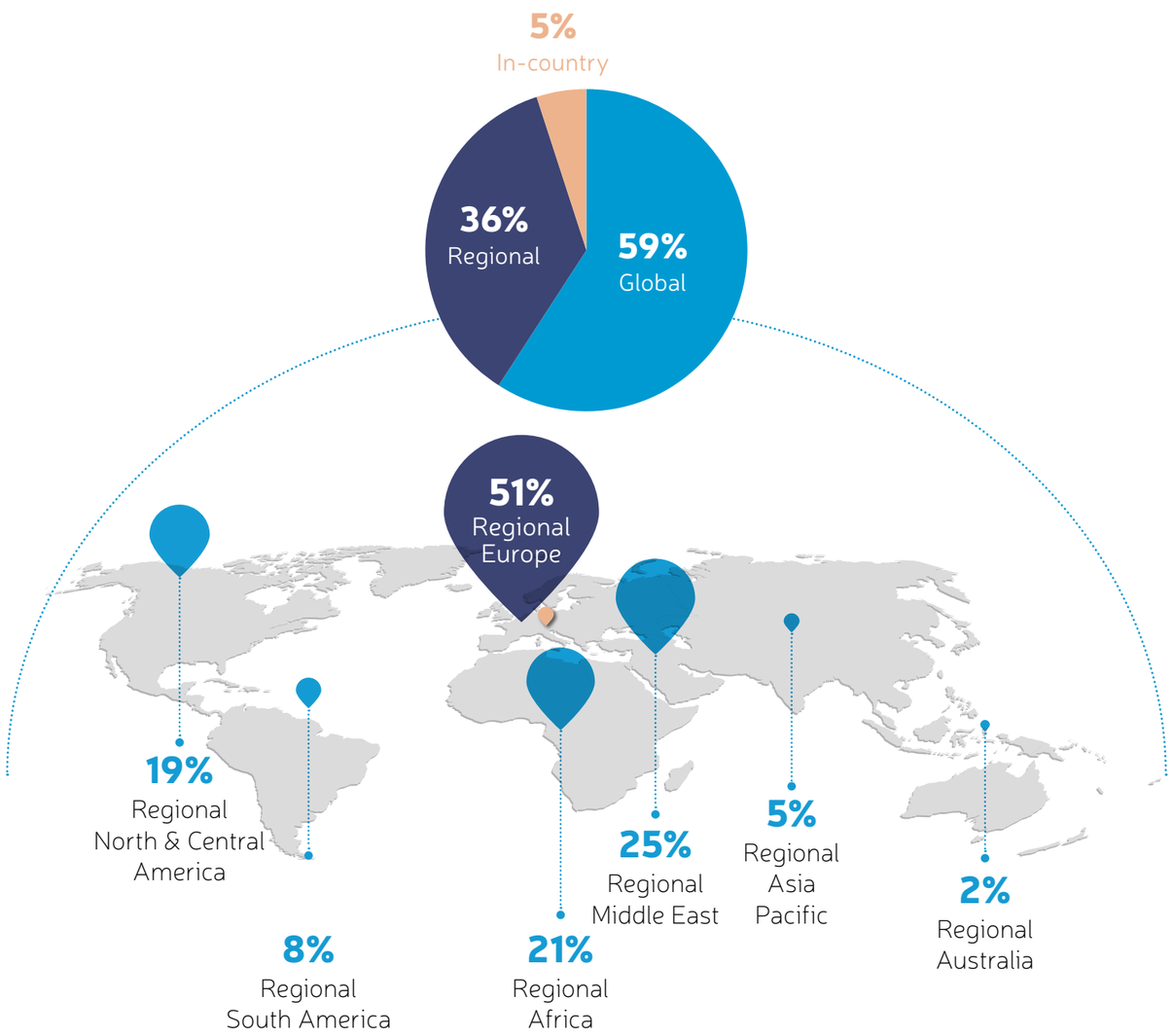
Focusing on **low-value added** functions (transactional tasks)



Focusing on **high-value added** functions (knowledge work)

The vast majority of Hungarian BSCs opt for a strategy in which higher value-added functions constitute the larger proportion of the services provided. All these efforts are supported by initiated projects in the field of process improvement and automation.

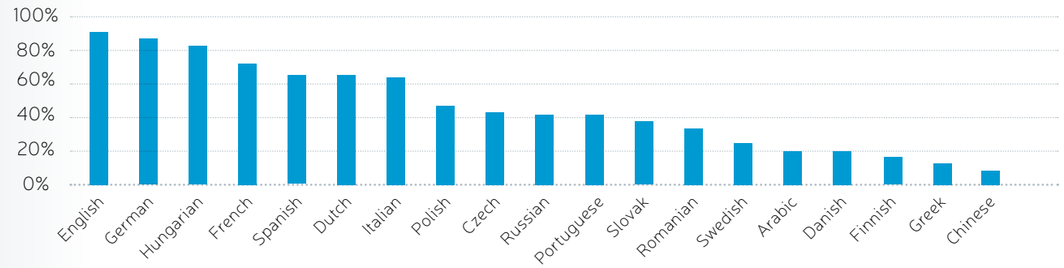
Geographical Areas Served
from BSCs in Hungary



The trend of becoming a more global-oriented service provider has continued from last year, as the migration of new, higher value-added and knowledge-based services and processes are in focus.

Planned growth of the centres reported last year has also been justified by the number of transformation and implementation projects of the E2E global processes at the Hungarian centres.

Languages Supported from BSCs in Hungary (2019)

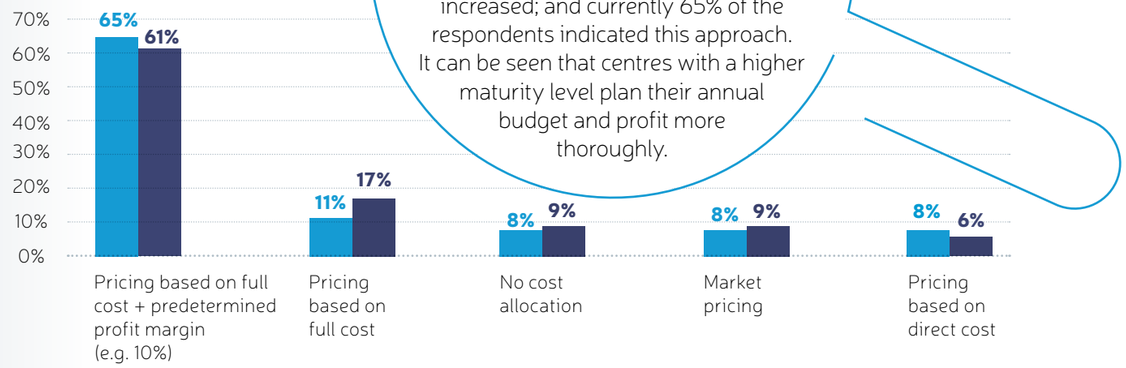


Based on the survey results, the Hungarian BSCs are excellent in providing multi-language services. On average, more than eight languages are spoken in the centres and 41% of the responding units support at least 10 languages. The largest number of languages used in a service unit is more than 30. The most popular foreign languages used in the Hungarian BSCs are English, German, French, Dutch, Spanish, and Italian.

Services on exotic languages are often provided by foreign citizens, as native speakers as well. Since Budapest is a vibrant European metropolis, a growing number of foreign citizens (including students) come with the intention of living and working/studying in the capital. Other large Hungarian cities are also becoming attractive for foreign employees, as more and more BSC units carry out activities there as well.

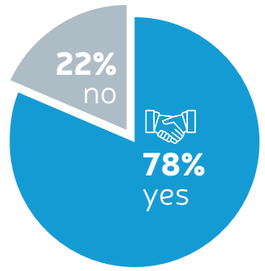
Pricing Methods
Applied by BSCs in Hungary

Besides specifying the service scope, the Service Level Agreements also include agreements regarding the charging model for provided services. An analysis of charging methods shows that the vast majority of the companies use the cost-plus approach. The ratio of this pricing method has increased; and currently 65% of the respondents indicated this approach. It can be seen that centres with a higher maturity level plan their annual budget and profit more thoroughly.

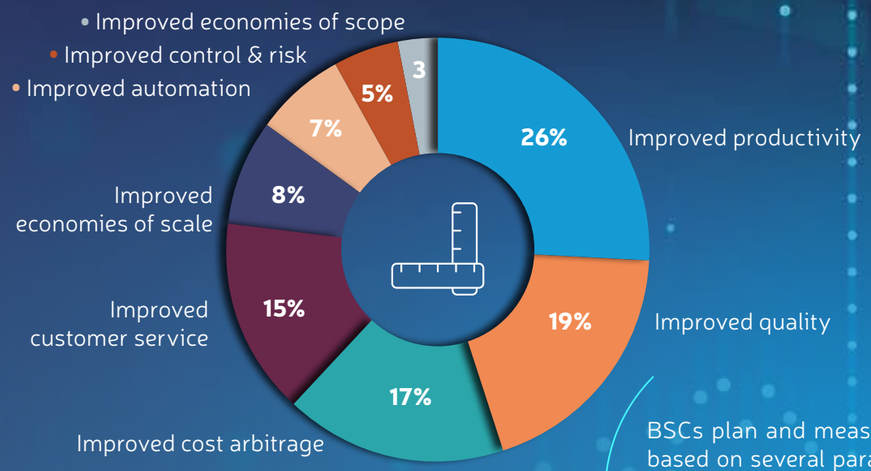


BSCs Operating with SLAs
Do you have SLAs with all customers?

Service Level Agreements (SLA) are an important tool in effectively managing BSCs. The survey shows that the use of SLAs is significant. The proportion of BSCs with SLAs towards their customers is at around the same level as in the last three years; more than 75% of BSCs have service agreements with their customers. This high ratio demonstrates a professional and more mature service provision.

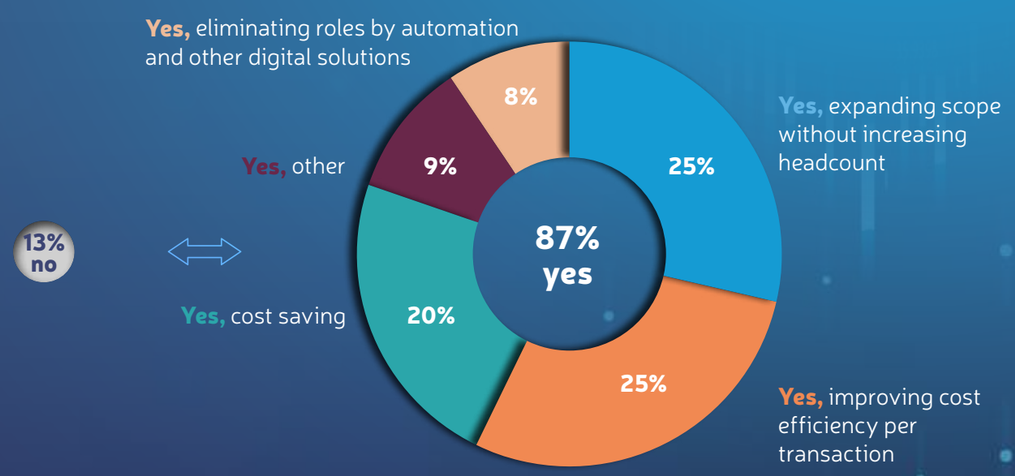


Service-Related Value Measurement
and Efficiency Targets (internal KPIs)



BSCs plan and measure their services based on several parameters, including e.g.: productivity improvement, quality improvement and customer service level improvement.

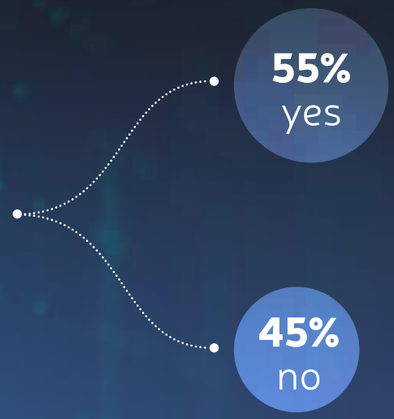
BSCs with and without **Efficiency Target Setting**



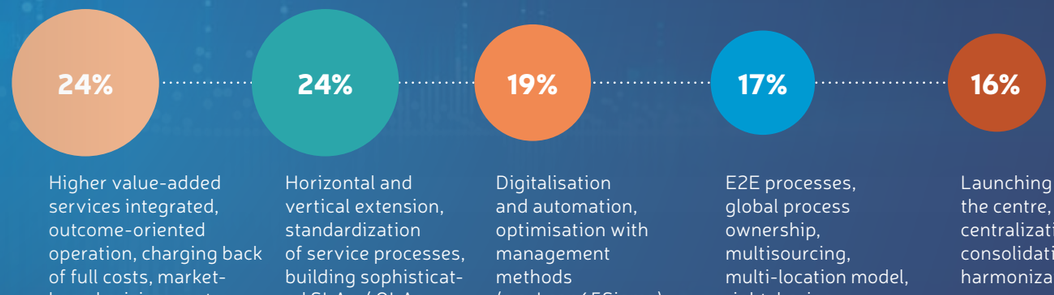
Future BSCs are characterized by integrating both transitional and knowledge-based services. The majority of BSCs have an efficiency target for their operations with the approach of the expansion of the scope without increasing headcount. Cost saving and cost efficiency per transaction are also important targets when considering the yearly budgets and operational goals. This approach demonstrates the trend that BSCs are becoming more profit-oriented and moving toward a hybrid operational model.

Representation of BSCs in **the Company Top Management** at an International Level

More than 50% of the BSC leaders are represented in the top management of their parent company. On the one hand, this indicates the strong results and capabilities of the centres and their leadership recognised by the parent company, on the other hand, it demonstrates the global responsibility roles of the centres deriving from Hungary.

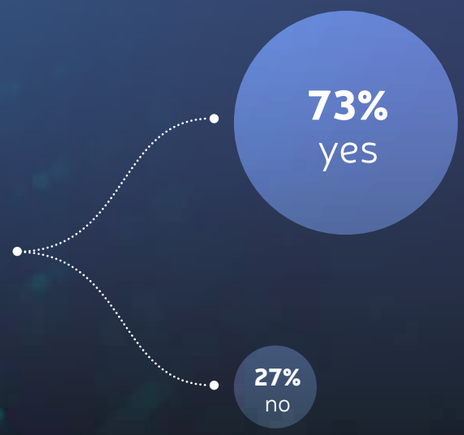


Maturity Stage
of BSCs Considering Operations

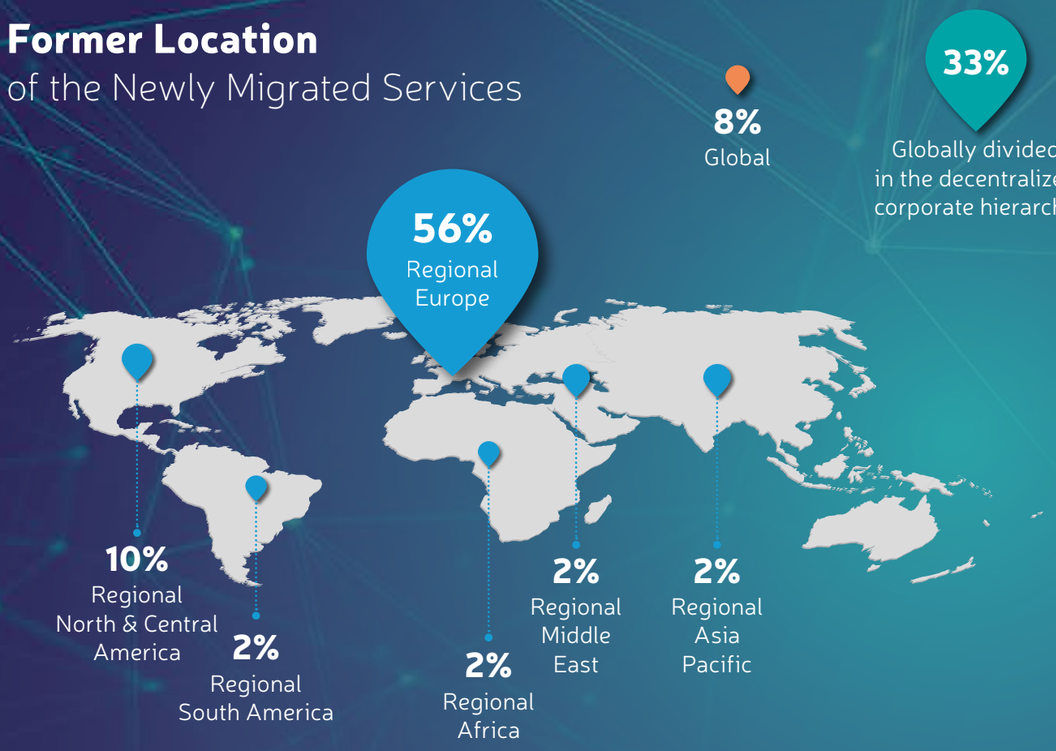


Migration of new services
into the BSCs in Hungary in the last year

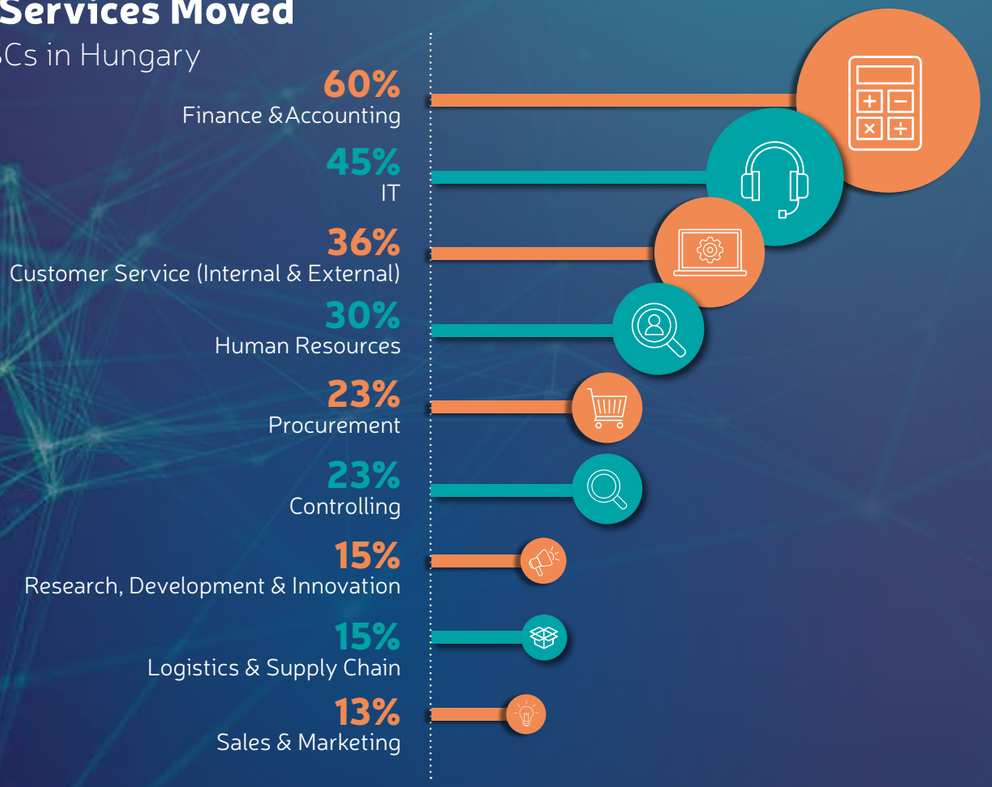
Hungary is becoming a mature market for centres with a higher level of value creation and outcome-oriented operations.



Former Location
of the Newly Migrated Services



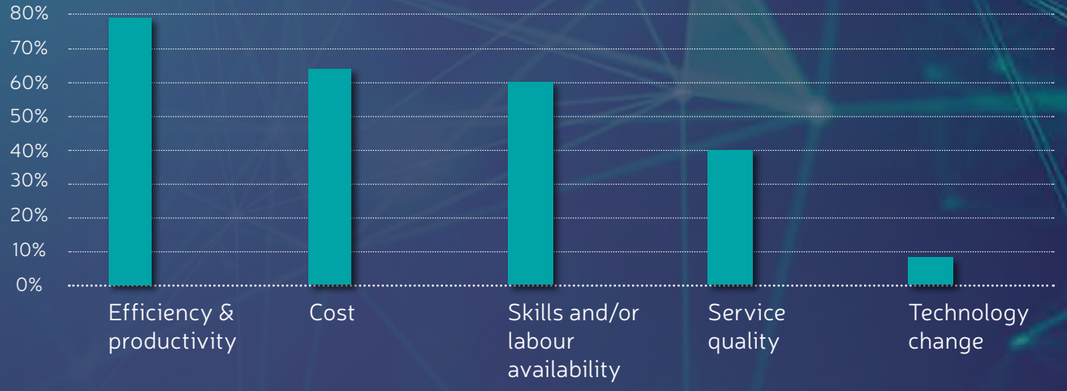
Kind of Services Moved
into the BSCs in Hungary



Based on the responses it can be stated that the volume of the newly moved or implemented processes is high.
Respondents highlighted that 73% of the BSCs have brought new services into their operations during the last year. The majority of the services transferred (implemented in) into the Hungarian BSCs are Finance & Accounting, IT and Customer Service with a continuously growing share of HR processes and functions. It can be also seen that in the field of Research & Development & Innovation and also in the Logistics & Supply Chain the growth rates are outstanding. These facts justify the trend of bringing high value-added services and processes to Hungary.

Reasons for **Inbound Service Migration**

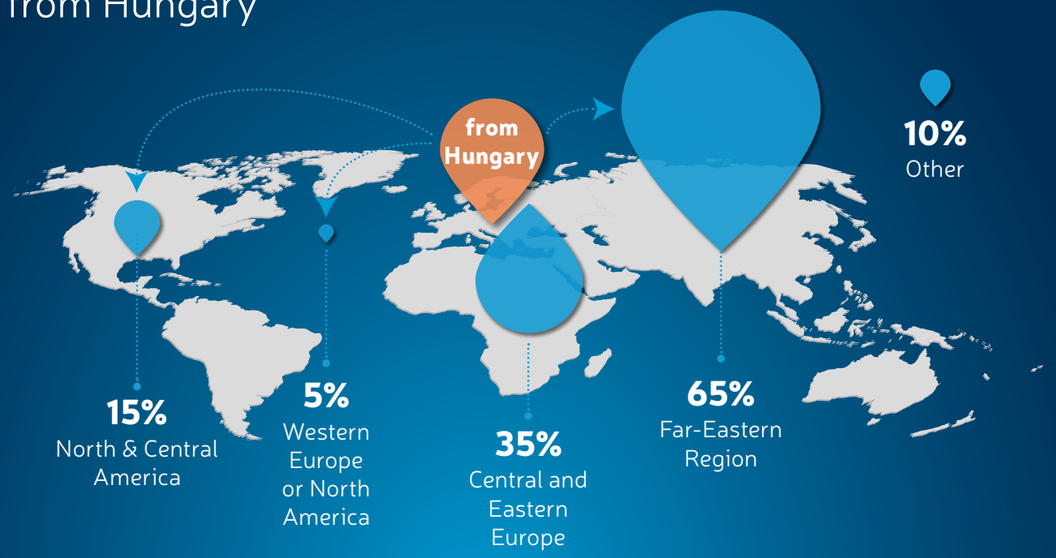
In most cases, the reasons for the inbound service migration were Efficiency and Productivity coming before two other important features, like Cost and Skill and Labour Availability. The shares of Efficiency & Productivity and Cost doubled since last year, while the percentage of Skills and/or Labour Availability shows an even higher, threefold growth. This latter fact, complemented by the previous two factors, reinforces the results from last year of showing Hungary as a preferred destination for BSCs where the labour market can provide well-educated, skilled and talented pool for the sector.



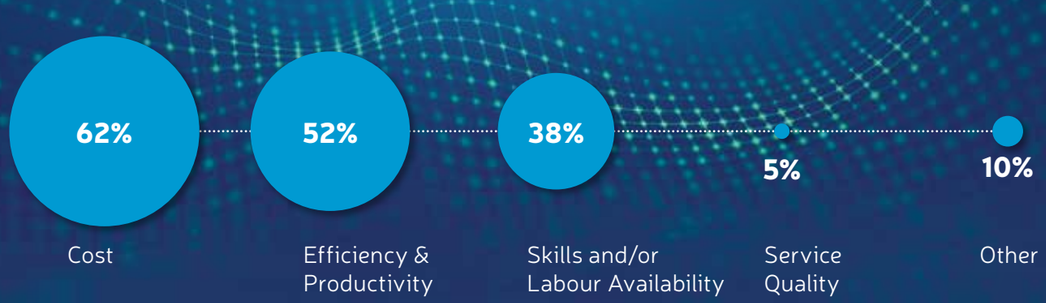
Transferring Services from Hungarian BSCs in the Last Year

No
Yes, to another internal BSC of my parent company (migration)
Yes, to an external Outsourcing service centre
Other

New Location of These Migrated Services
from Hungary



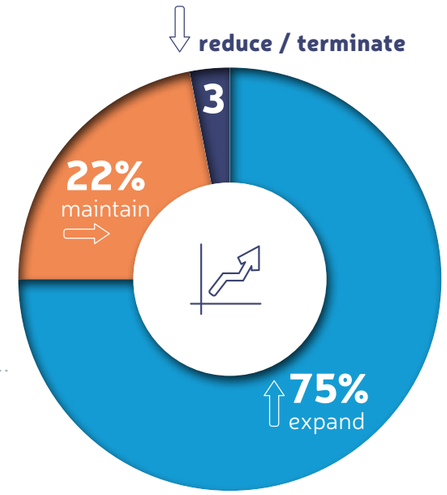
Reasons for **Outbound** Service Migration



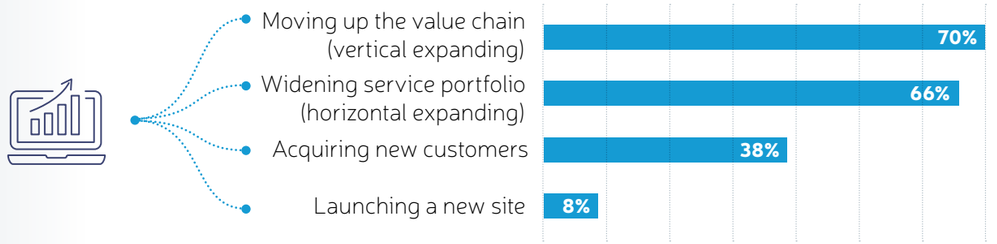
In the case of outbound service migration, the majority of services were moved to another internal BSC of the given parent company and not to an external service provider. These ratios are almost the same as last year. The portfolio of services moved is mostly made up of low value-added services, mainly from Customer Service, IT or Finance & Accounting. The majority of these services were moved to the Far East, but it is worth mentioning that the proportion of other Central and Eastern Europe countries as destinations has increased significantly from 11% to 35% within one year. The main reason for outbound service migration was cost savings, but also efficiency and productivity and skills and/or labour availability are among the decision factors. It should also be mentioned that this is mainly in connection with the repetitive, low value-added processes and tasks.

Development Forecast
of BSCs in Hungary

More than two-thirds of the BSCs in Hungary expect further growth and 22% of the companies expect to maintain the current service volume. Only 3% of respondents expect a reduction due to migration and outsourcing of certain activities.

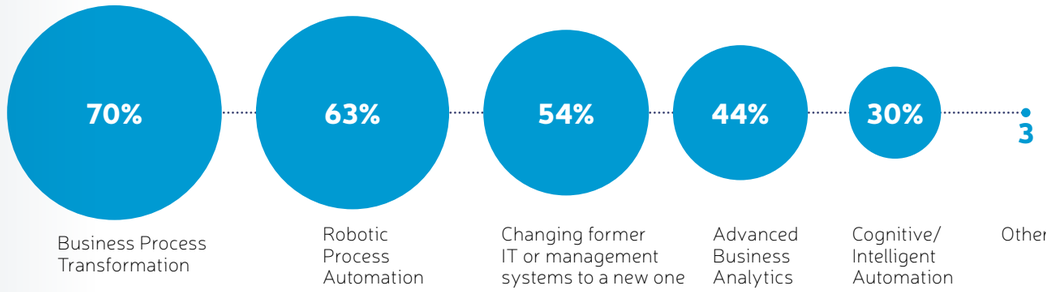


Factors that Influence
the Development Forecast



Companies still consider moving up the value chain as their main growth factor (70%) when making their development plans and implementing such projects. This vertical expansion could be observed in their service migration practices. Horizontal expansion, which is the widening of the service portfolio, is still the second most important factor, followed by attracting new customers.

Operational & Technological Solutions
applied to Drive Performance



As in the preceding years, the main driver of BSC performance is still the business process transformation. Presumably, also as an outcome of prior successful reorganisation projects, the number of Robotic Process Automation initiatives has risen significantly and now 63% of BSCs deal with them. At the same time, BSCs are adapting their IT and management systems to match the new digital technologies. Based on this upgrade, more complex and advanced digitalisation approaches and solutions are being implemented in the centres, such as advanced business analytics (big data, master data management, data mining) and cognitive/intelligent automation are coming to the forefront of their future operations. With these developments, some BSCs are becoming Centres of Excellence in certain professional areas as well as in the field of automation within their global company.

Top Location /Site Considerations **if the Companies Chose Today**

Ranking 1 (less) –5 (most important)

Availability of skilled labor force
4.07

Cost of labor
3.35

Existing entity and operations in Hungary
3.29

Quality of life
3.25

Cost of living
3.00

Time zone
3.00

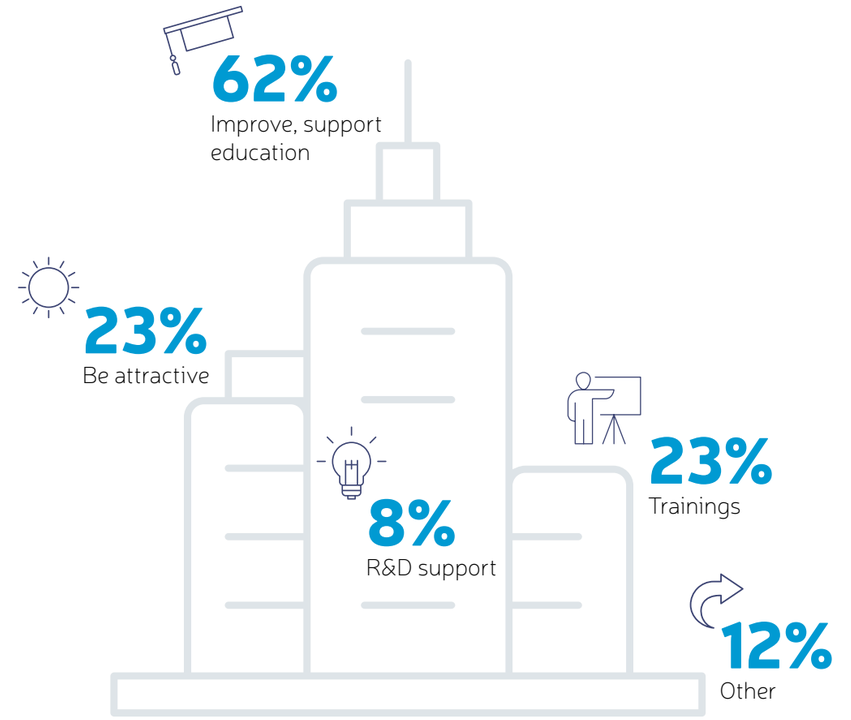
Stable political / economic environment
2.96

Availability of office & IT infrastructure
2.82

Incentive opportunities – Cash subsidies / Development cash allowance
2.79

The most important factors in the investment decision process are still the availability of skilled and talented labour, employment related costs, followed by the experiences of already existing entities in Hungary. Besides that, a stable political and economic environment, quality of life and the cost of living are also significant influencing factors in making decisions. The Hungarian BSC sector also benefits from the time zone of the country that enables it to provide a wide range of services on a global level, making Hungary a global service provider hub. Additions to the list include the available office and IT infrastructure and incentive opportunities offered by the government that make the country an attractive location from the companies' perspective.

Actions Recommended for the Future
of the Business Services Sector



The recommendations made by the BSCs are in line with the top location considerations (if they chose today) and their ranking. The top three recommendations mainly highlight the actions that BSCs should focus on and underline the importance of the latest initiatives and joint efforts of the companies (education, training, branding) that can be see seen in the market.

People
Overview

Average age of employees
32

Ratio of female employees
58%

Ratio of university or college graduates among employees
78%

Proportion of employees with some form of disability
1.2%

Ratio of female managers
45%

Voluntary attrition rate
18%

Companies with employee engagement survey system
84%

Ratio of foreign citizens among employees
16%

Average training days per person per year
9

BSCs providing 24/7 service delivery
33%

BSCs providing a standard career path for employees
83%

For Business Service Centres, one of the most valuable and important resources is their human capital. The success of a centre depends to a large extent on the performance of its staff.

Based on the survey responses, the average age of the employees is around 32, and the overwhelming majority have a university or a college degree. The ratio of the latter has increased to 78% compared to 75% in 2018. These figures justify the fact that centres are hiring young and well-educated, talented people for their operations.

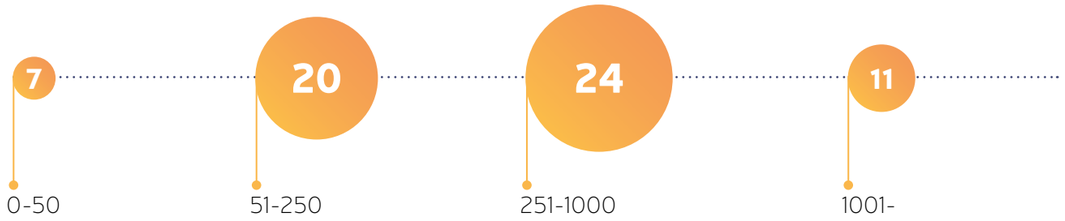
Whilst there were significant changes such as the expansion of BSCs' service portfolios, the adoption of new service technologies and the change in the labour supply on the Hungarian Business Services market during recent years, has meant the man workforce has not only preserved, but also strengthened its importance.

The recruitment and retention of the right kind of labour became a competitive edge for BSCs. 33% of the centres operate on the basis of a 24/7 service delivery model.

Average age of employees

32

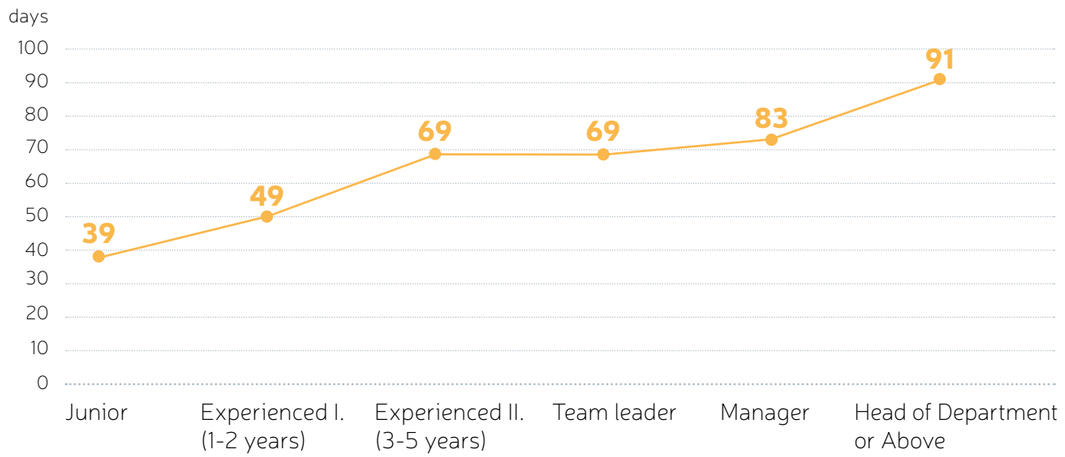
Headcount of the Survey Respondents



The BSS sector is set to become an increasingly important area of employment. A closer look at the numbers of FTE employed shows that the mix of responding companies comprises centres of all sizes. Both small and mid-sized companies are present besides larger companies. The third category with mid-sized BSCs (250-1,000 FTEs) includes the highest number of responding companies and this also applies to the Sector as a whole. The survey shows that 56% of the responding companies in Hungary each employ over 250 employees.

Average BSC **Recruitment Lead-Times**

From vacancy opened for search until offer acceptance: days



By integrating new functions into the BSC, the qualifications needed and job profiles will change accordingly. Knowledge-based processes and professional services require a higher level of qualifications than transactional activities. Due to increasing automation the focus is on the know-how owners and experts for end-to-end processes, such as data scientists (data management, data forensics, and behaviour management), analytics and process experts.

Based on the above trends and responses from the companies it takes up to three months to find managerial and above level staff, depending on the positions to be filled. The recruitment of junior employees with processing skills typically does not take more than one and half months.

Ratio of foreign citizens among employees

16%

Average ratio of full-time work contract employment type

90.9%

Proportion of employees with some form of disability

1.2%

Ratio of Foreign Citizens among Employees

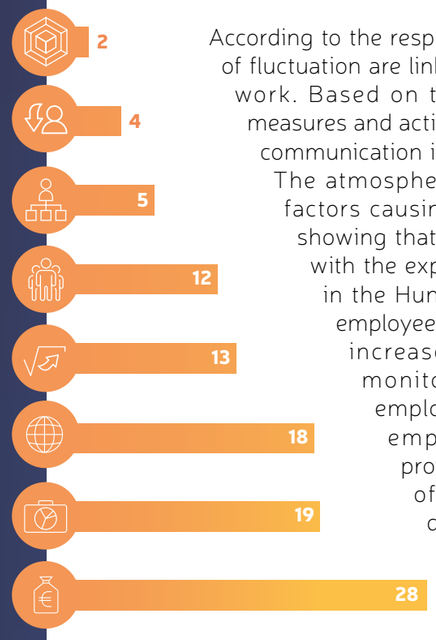
The nationalities of the foreign citizens working at BSCs in Hungary show a very wide range. Large numbers of people are coming from neighbouring countries such as Serbia, Romania, Slovakia, and Croatia. Significant numbers of foreign nationals are coming from the EU (e.g. Italy, Spain, France, Germany, UK, Czech Republic, Poland, Romania) but increasing numbers are from the non-EU countries as well (e.g. the USA, Brazil, Russia). The Hungarian Business Services Sector offers a multicultural and diverse work environment for all nationalities that come to work in the sector.

Positions Fulfilled by **Female Employees**

The number of employees with disabilities has started to increase during the last three years, while the ratio of female employees has increased to **58%** which is an all-time record since this study has been elaborated during recent years.

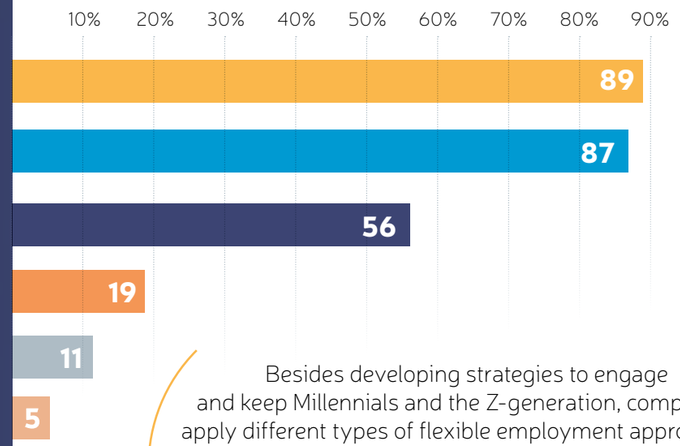
the new approaches and initiatives in work organisation also support this field.

Fluctuation Drivers among Employees at BSCs



According to the respondents, the most significant drivers of fluctuation are linked to salaries and contentment with work. Based on the responses BSCs took several measures and actions regarding management style and communication in order to retain talented employees. The atmosphere at work came last in the list of factors causing employees' dissatisfaction, thus showing that the locations and offices are in line with the expectations of the employees working in the Hungarian centres. In order to manage employee satisfaction BSCs provide e.g.: salary increases, flexible employment options, monitoring of the satisfaction level of employees (90% of participants have an employee engagement survey) and provide a job-grading system (84%). All of these indicators have increased during the last two years. According to the responses of BSCs, the voluntary attrition rate was 18% in 2019, which is the same as last year.

Types of **Flexible Employment**

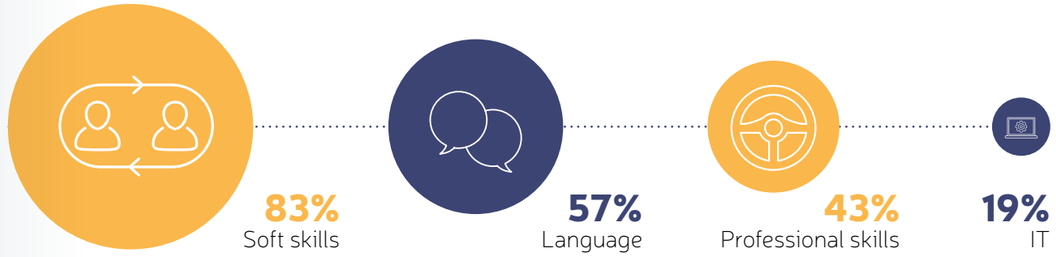


Besides developing strategies to engage and keep Millennials and the Z-generation, companies apply different types of flexible employment approaches.

90%

of the Hungarian BSCs provide flexible hours and a home office solution for their employees.

Top Basic Skills and Knowledge Required by BSCs



Competences will become the key currency for people to thrive in future labour markets. While it will be still be indispensable to develop job-specific skills, more general skills, e.g.: computer use or project management, but soft skills such as team work, leadership, empathy will become more and more important.

The respondents were asked about the top basic skills and knowledge needed in their business service provision activities. The responses were broken down into four main categories. Based on their answers, respondents highlight the soft skills as their main focus. Skills such as creativity, initiative, critical thinking, persuasion and negotiation are mentioned. The most significant of these skills are ownership, customer focus, proactivity, communication skills, and problem-solving skills. Companies also consider language skills (oral and written level) as a very important requirement for their current and future activities.

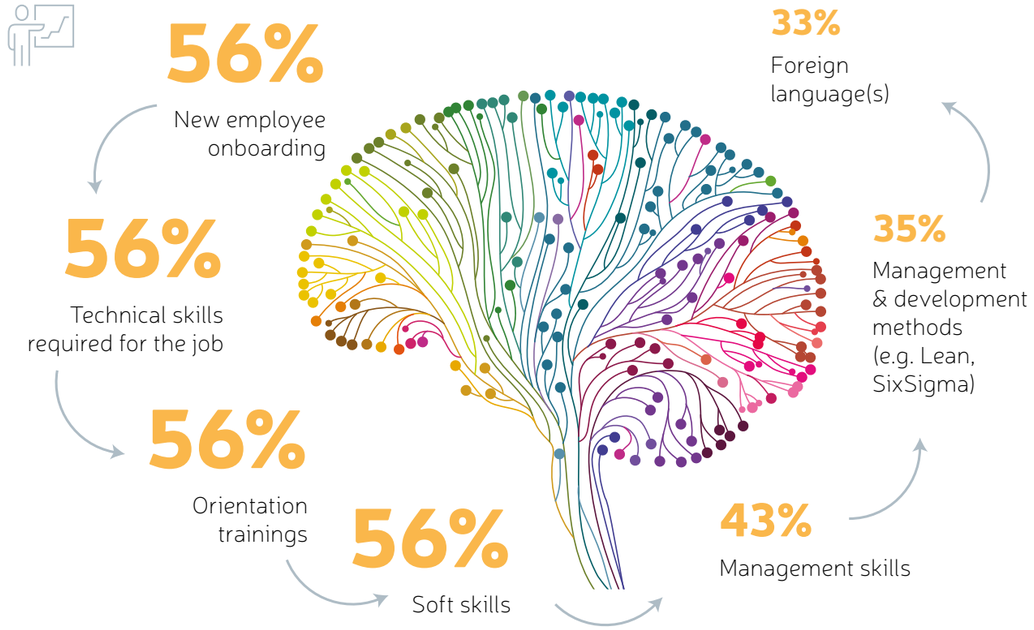
On the other hand, skills and knowledge in the field of IT are also important due to the nature of the operations of business service provision and the projects initiated in the field of digital transformation.

Other Skills Required by BSCs

%	
64	Ownership
62	Customer focus
60	Language
57	Problem solving
48	Continuous improvement
48	Communication skills
43	Proactivity
43	Logical thinking & system approach
38	Flexibility
38	Professional skills
38	Responsibility
38	Effective handling of change
37	Working in a team
35	Technical skills
35	Drive for results
35	Understanding processes

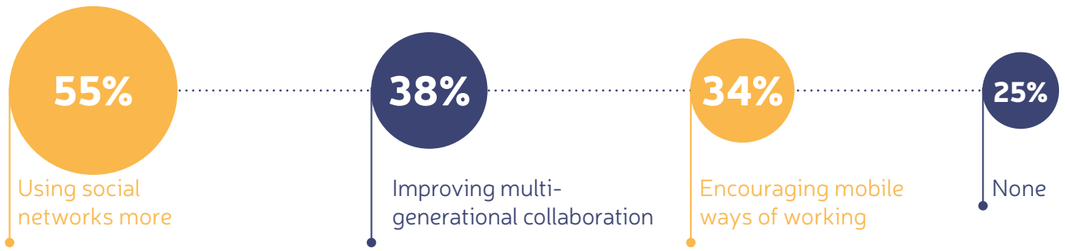
%	
32	Stress tolerance
27	Continuous learning
27	Business communication
27	Conflict management
24	Project management
22	Dealing with cultural diversity
22	Initiating action
22	Coping with monotonous tasks
21	Receiving & providing feedback
19	Follow-up
16	Negotiation skills
16	Self-confidence
14	Time management
14	Building trust
11	Presentation skills
10	Personal credibility

Elements of Internal Training
or Educational Programmes of BSCs



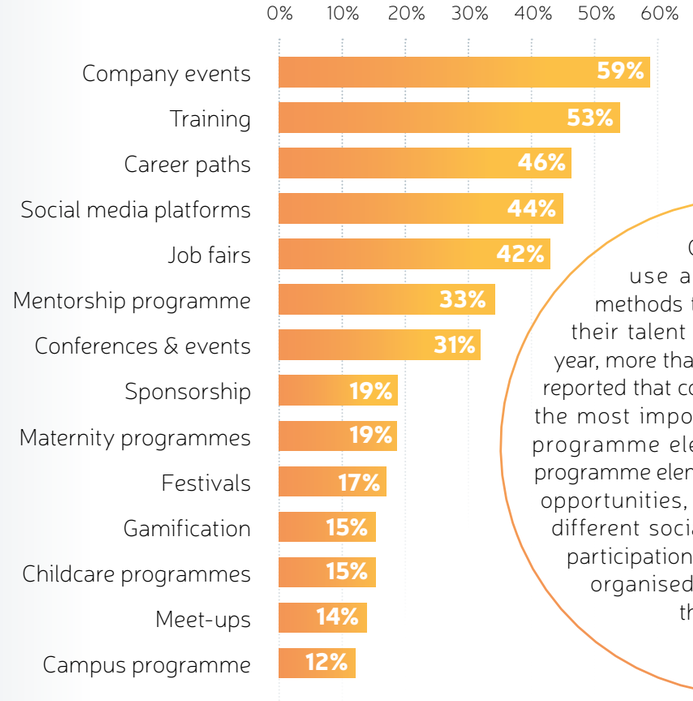
Lifelong learning will be a priority for the future, keeping skills up to date and flexible. Companies are moving towards leaner organizations and rapid adaptation to change. In such a rapidly changing environment in the labour market, it is crucial that people both up-skill and reskill throughout their careers. When developing the training programmes, companies put the same emphasis on soft and hard skills. Furthermore, the proper induction and orientation training sessions are gaining importance in order to make the employees acquainted with the company culture of their employers within a short period of time. Another crucial subject of training programmes is the development of managerial skills. All the above serves the main goal of the BSCs: attract, engage and keep the talent on a market where an adequate talent pool is available.

New Generation Related
HR Strategy Approaches



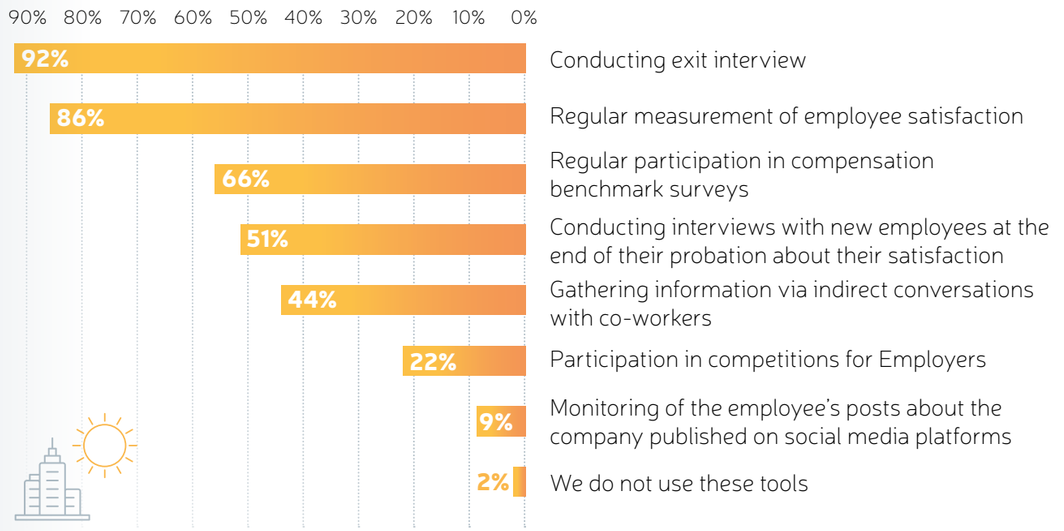
Currently, the vast majority of the labour market is constituted by Millennials and the Z-generation. It is of outmost importance for companies to develop programmes to engage these groups and gain their loyalty. The responding companies report that 75% of them have developed and follow specific HR strategy focusing on these age clusters.

Employer Branding Programme
Elements at BSCs



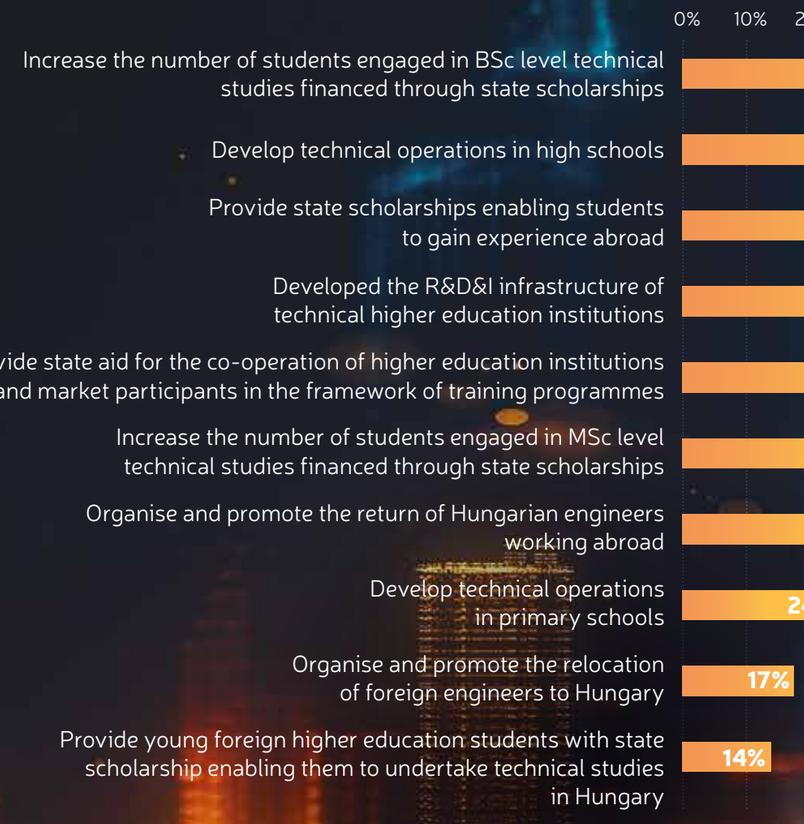
Companies use a wide range of methods to engage and retain their talent pool. Similarly, to last year, more than half of the respondents reported that company events are among the most important employer branding programme elements. Other important programme elements are providing training opportunities, career routes, the use of different social media platforms, and participation in the various job fairs organised in Budapest and in the provinces.

Methods Used for Tracking
the Attractiveness of the Company



Responding companies monitor the attractiveness of their firm based on the execution of exit interviews. They consider this practice as the most efficient way of giving feedback. The majority of the centres (84%) also carry out employee satisfaction surveys among the employees.

Important Measures in Order to **Attract More R&D&I Talented Employees**



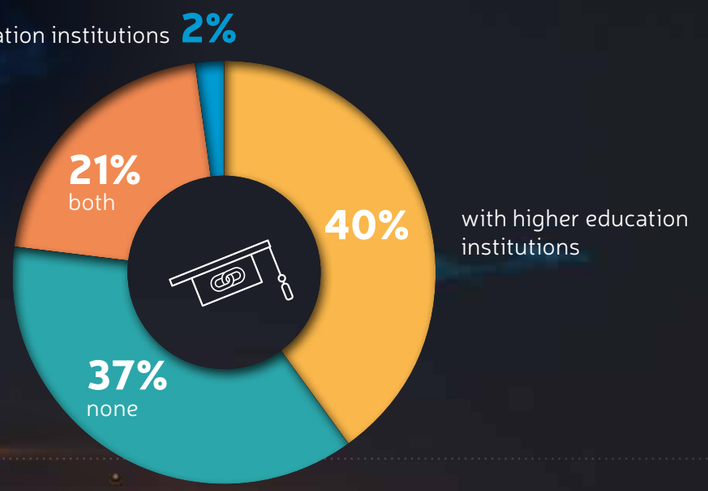
Education is the fundamental pillar

in the development of talent. Young people will need to be trained for a future in which technology will play a key role. Demand is increasing for technical degrees in STEM subjects (Science, Technology, Engineering & Mathematics). The need for a further increase in the number of students in these fields and the development of technical operations of the educational institutions have come to the forefront in the companies' key messages.

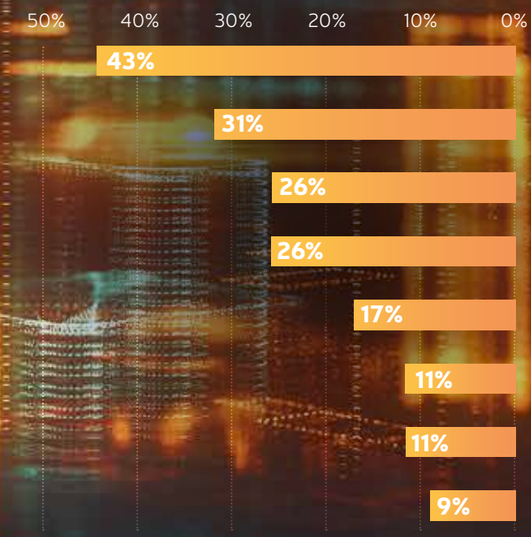
Active Relations with Educational Institutions

In comparison with former years, more and more BSCs have realised the importance of co-operation with educational institutions. Almost two-thirds of the companies have some form of relations with educational institutions, either at the secondary level or at a higher-level.

There are successful regional initiatives (e.g.: Debrecen, Szeged), where companies have established joint co-operation with the local educational institutions in different fields (e.g.: professional knowledge sharing and BSC specific language courses).



Areas of Co-operation with Educational Institutions



43% of the companies consider the importance of establishment and development of dual training programmes with the various higher-level educational institutions in order to narrow the gap between the competencies of the talented people to be hired and the ones required to fill the given position. In Hungary, companies cooperate smoothly with universities in this respect; dual training programmes are becoming more and more common.

Areas of Co-operation
with Educational Institutions
and their Evaluation
Ranking 1 (worst) – 5 (best)

71%
Employer branding
4.03/5.00

16%
University co-operation resulting in credit points for the diploma
3.66/5.00

42%
Trainee or graduate programmes
4.38/5.00

55%
Open days at educational institutions
3.09/5.00

11%
Joined laboratory / research programmes
3.75/5.00

There are many connection points and areas where companies and educational institutions can interact. The actions mentioned the most are as follows: employer branding, company visits, open days at educational institutions and guest lectures.
Employer branding got the most mentions by the respondents and qualified as second in terms of usefulness
for the companies in their active relations with educational institutions.

Based on their evaluation the most successful area is the trainee or graduate programmes as it was ranked **4.38** in a scale of 5.
The survey stated that only 21% of the BSCs develop and implement dual education programmes with educational institutions.

55%
Guest lectures
3.52/5.00

37%
Sponsorship / donations
3.14/5.00

26%
Participation in student competitions
3.40/5.00

58%
Company visit
2.54/5.00

24%
Action learning
2.88/5.00

21%
Partnering in dual educational system
3.38/5.00

Higher Education Institutions (HEI)
BSCs had Active Relations with in the Last Year
(Number of BSCs)

25	BCE	Corvinus University of Budapest
15	ELTE	Eötvös Loránd University
11	DE	University of Debrecen
10	BGE	Budapest Business School
10	BME	Budapest University of Technology and Economics
8	CEU	Central European University
7	ME	University of Miskolc
6	SZTE	University of Szeged
6	SZIE	Szent István University

New joint initiatives of the BSCs in Hungary

Career Networking Events – Career Path to Hungary

HIPA together with Hungary's embassies and consulates in the US, UK, Germany and the Netherlands organized a series of events focused on helping companies – which are planning to or have already established their presence in Hungary – to reach out to a previously untapped potential workforce; Hungarians living abroad. These events enable companies to reach out to young professionals and students who are considering or actively looking for job opportunities in Hungary.
HIPA started this project with BlackRock, which have attracted over 12 per cent of their workforce from abroad. Citi, Morgan Stanley and MSCI also joined forces thus at the beginning we concentrated our efforts on the financial services industry. In 2019, events were organized around the BSC sector as well as others.
The events are advertised to young professionals and graduates. In addition to personal invitations through the database of the embassies, targeted and highly effective social media campaigns were launched on Facebook and LinkedIn to attract a pool of talent for the companies.

The career networking events are structured similarly

1. ambassador's **welcome**

2. four-five companies introduce themselves and provide a brief overview on **career paths** within their respective organizations (8-10 mins)

3. **networking** with the representatives of the companies

Each company has its own "corner" with an assigned table for recruitment staff (like in job fairs). Usually companies participate with one high-level speaker and one-two recruitment officers and staff who, for example, have already returned from abroad and are able to discuss job offers and career paths in more detail. During 2020, new events will be announced and new locations will be added to the series.

AmCham BSS Attractiveness Forum project

AmCham Hungary, together with 22 companies and in partnership with the Hungarian Service and Outsourcing Association (HOA) launched the BSS Attractiveness Forum project in 2019. The mission of the cooperation is to raise awareness and attractiveness in the sector and to promote the business service sector as a career choice for pupils at secondary schools and students in higher education as well as for talented young people.
Project member companies joined forces to create the branding and communication strategy of the sector, including the industry's employee value proposition framework. A brand-new website was launched to provide relevant information about the BSS sector and it is also accompanied by social media channels to connect with young people. In addition, two major events were organized in 2019. In early October, we had a dedicated stage at the HVG Job Fair, one of the largest and most important career events in Hungary. During the two-day programme, 10 roundtable discussions were held with more than 30 colleagues from the project member companies who talked about the various opportunities and benefits of the BSS sector, painting a picture about the exciting everyday life in the business services centres.
An open-door event series, titled **'open_doors@business.services'** was also organized in October and November 2019, where 15 BSCs invited talented young people to their offices with great success. (https://bsshungary.com)

Debrecen Business Service Centers Roundtable

The Debrecen BSC Roundtable is a collaboration of corporate entities in Debrecen, recognizing the need to increase the awareness and attractiveness of the Business Services Sector in Debrecen and in the region. Based on the cooperation, the members of the Roundtable define and develop educational paths leading to the Business Services Sector and initiate several programmes for vocational students and students in higher education, as well as for teachers.
Open door events and design thinking workshops were organized based on the partnership with secondary schools, while representatives of the Debrecen BSC Roundtable participated at career orientation events in Debrecen. A BSC specific university course was launched for students at the University of Debrecen providing sector specific knowledge, skills and Business English. During the last two years, the Debrecen BSC Roundtable has established successful collaboration with six secondary schools and two university faculties in Debrecen, directly reaching some 600 secondary school pupils and 210 university students.
Currently, the Debrecen BSC Roundtable is working on a unique initiative, namely the accreditation process of training in business services for secondary school teachers in collaboration with the University of Debrecen. (https://bscdebrecen.com)

Technology & Innovation

Overview

Technology

Ratio of assisted RPA Solutions

62%

Use of customer self-service applications

75%

Participation of external BPM company or consulting firm in the implementation of automation technologies

42%

Use of automation technologies for services

85%

IT-supported knowledge management software

78%

New technology could be disruptive for the business services sector

47%

Employee Acceptance of Automation Technologies

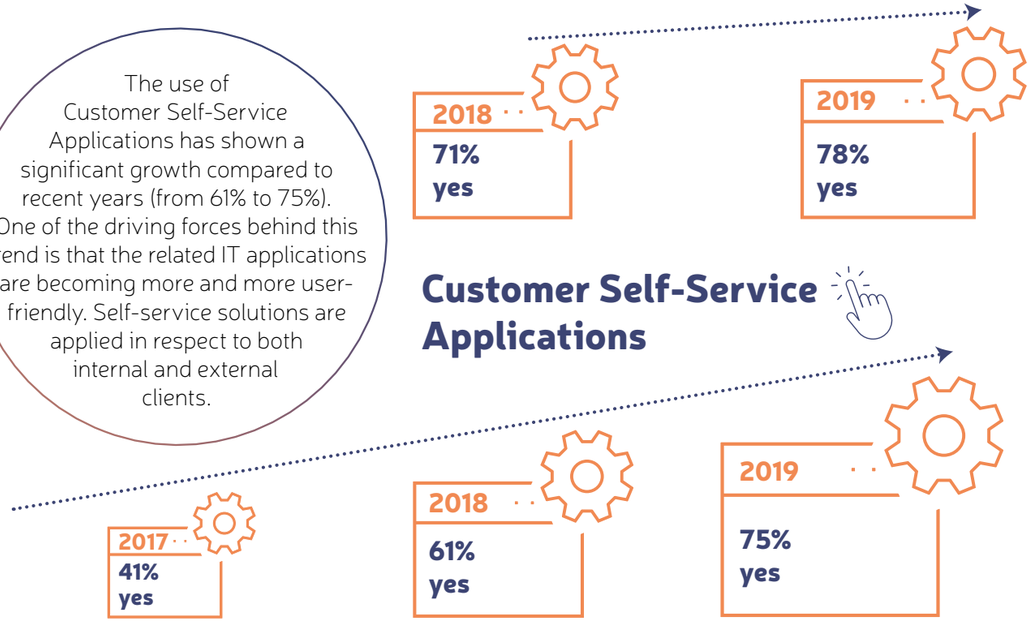
89%

Use of IT-supported Knowledge
Management Software Platform

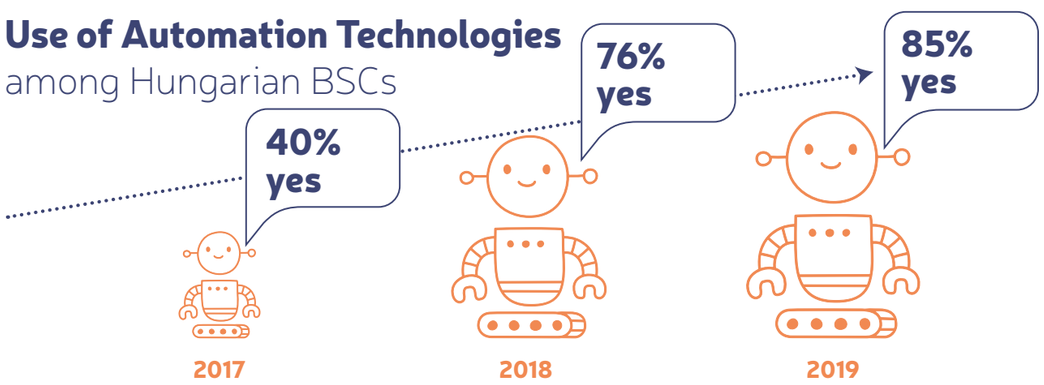
Knowledge management software can significantly speed up service processes, as well as improve the quality of service. It constitutes a collective intelligence in which proven procedures, quick solutions, and other best practices and good advice can be easily shared and found.

The use of IT-supported knowledge management platforms have risen from 71% to 78% compared to last year. This can also be attributed to the increased implementation of standard training and orientation programme that also rely on such applications within BSCs.

The use of Customer Self-Service Applications has shown a significant growth compared to recent years (from 61% to 75%). One of the driving forces behind this trend is that the related IT applications are becoming more and more user-friendly. Self-service solutions are applied in respect to both internal and external clients.



Use of Automation Technologies
among Hungarian BSCs

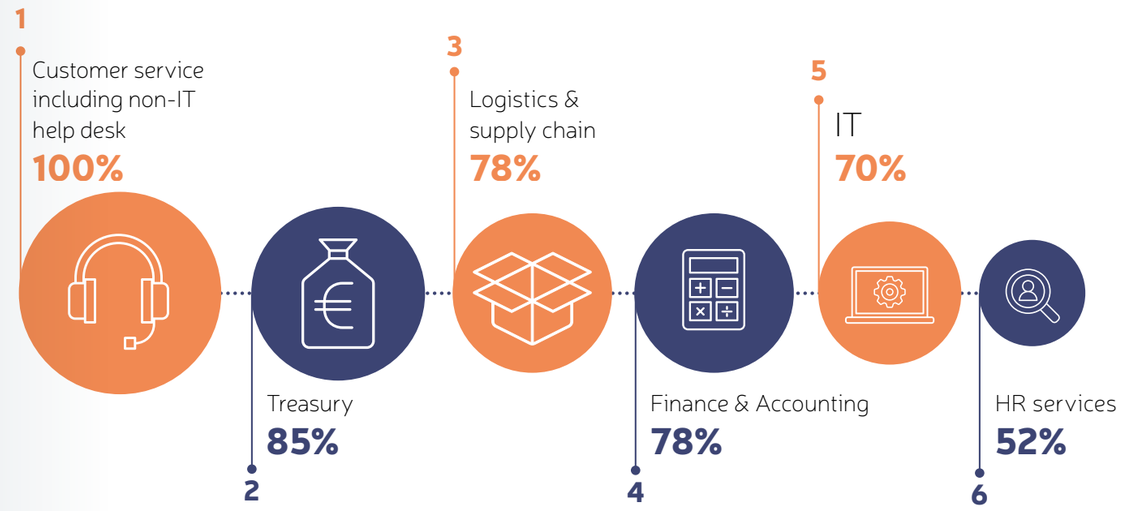


According to our definition, Automation Technologies include Desktop Automation (scripts, macros etc.), Robotic Process Automation (RPA), and Intelligent/Cognitive Automation (based on Artificial Intelligence). These technologies are rapidly spreading in the BSC Sector.

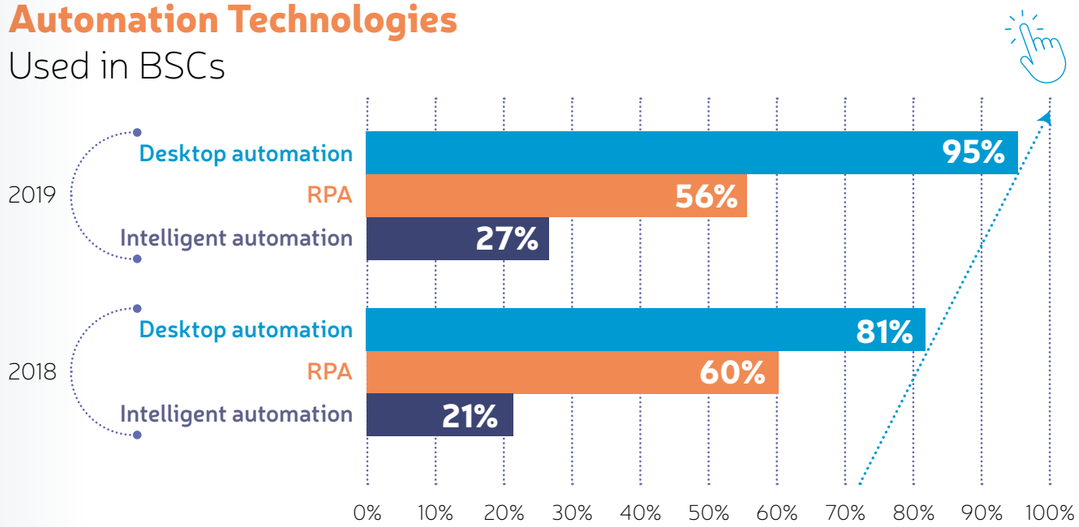
The proportion of companies using them has doubled over the last three years in our samples. Based on regional surveys and research work, Hungary is in a relatively good position when it comes to the testing and use of such technologies.

Automation Technologies
Applied to Various Service Areas

Companies are using these Automation Technologies in almost all of their customer service activities. Other leading application areas are Treasury, Logistics & Supply Chain, and Finance & Accounting.



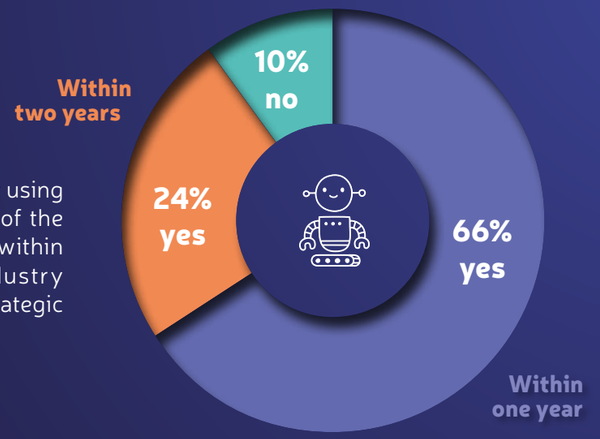
Automation Technologies
Used in BSCs



When assessing the various types of Automation Technologies, Desktop Automation leads the list with almost 100% penetration by this year. RPA maintained its stable second place while Cognitive Automation remained third, albeit with growing popularity. The ranking of the three technologies matches international trends and is also in line with the complexity of these technologies.

Future Plans
for Automation

66% of those companies that are not using automation technologies (15% of the sample) are planning to implement them within one year. This means that the BSC industry considers Automation Technologies as strategic necessities.

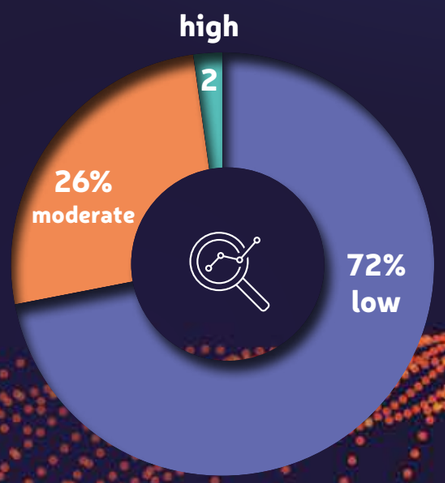


Acceptance / Resistance
to Automation Technologies

Resistance to automation technologies has been constantly decreasing over the years. When experiencing such resistance from employees, companies try to demonstrate the positive sides of these innovations with targeted training sessions or another form of education with special focus on the advantages these technologies provide for the employees themselves. These include the reduction of monotonous work and improved time management.

Expected Benefits
of Automation

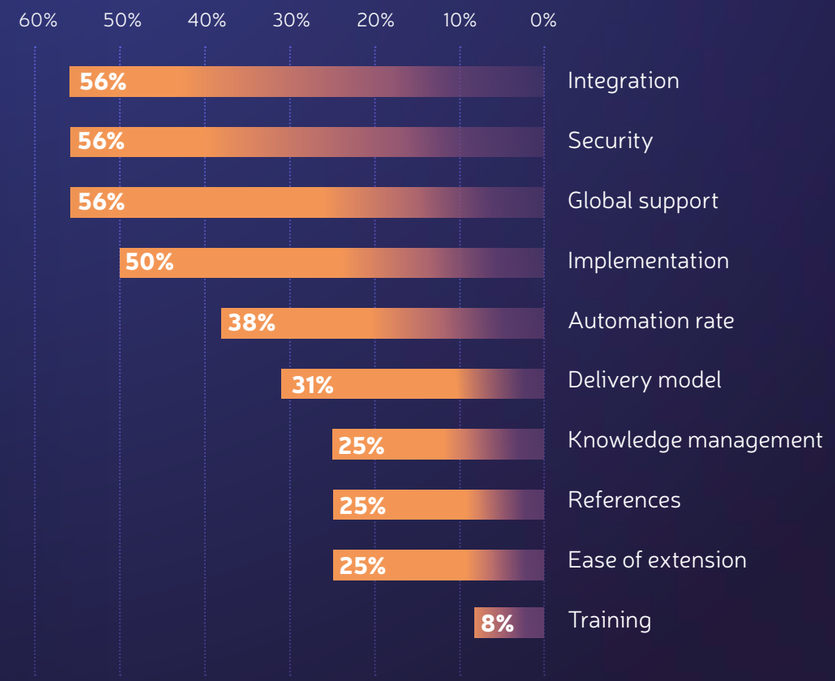
98% of the respondents expect moderate or low cost savings as a result of the implementation of automation technologies. This may sound less encouraging, however, it is in line with other expert opinions that improved efficiency and focus on more complex and meaningful tasks better describe the positive effects of these technologies.



Centre of Excellence
for Automation

44% of the companies support their automation technologies or the implementation of these with a dedicated Centre of Excellence.

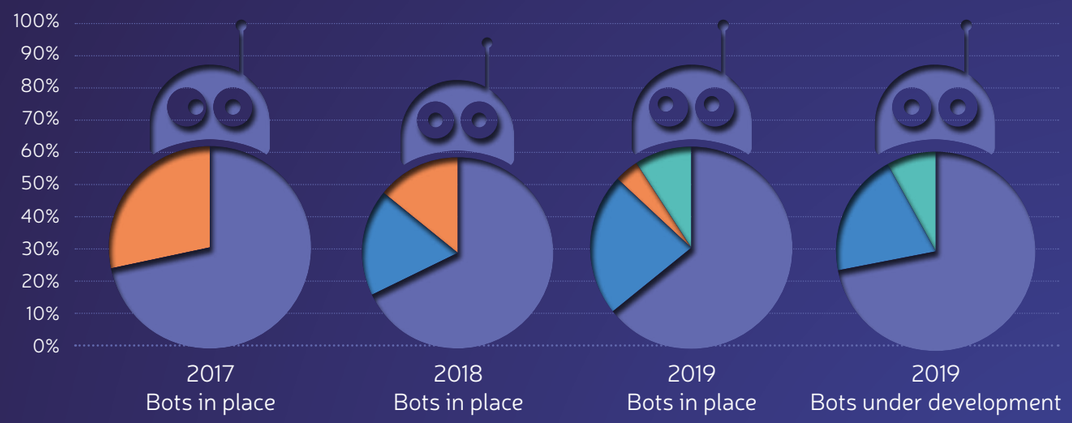
Criteria for Selecting
an Automation Technology Vendor



When selecting automation technology vendors and products, companies consider the opportunities for integration with their existing systems and software as the most important parameter. Security and global support are also important factors in the selection process.
It is also worth noting that the implementation of the automation technologies has been carried out at almost half of the companies with the support of an external management consultant or a technology expert.

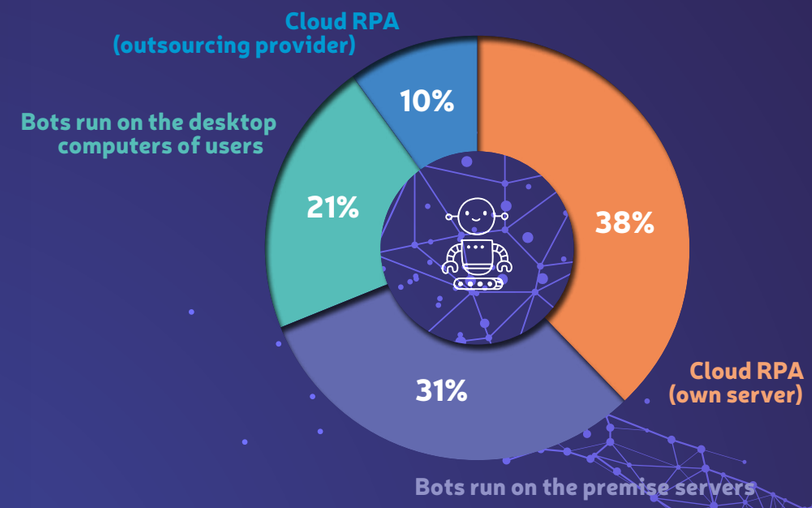
Number of RPA Bots
in BSCs (2017-2019)

1-10 pieces / 11-50 pieces / 51-100 pieces / 101- pieces



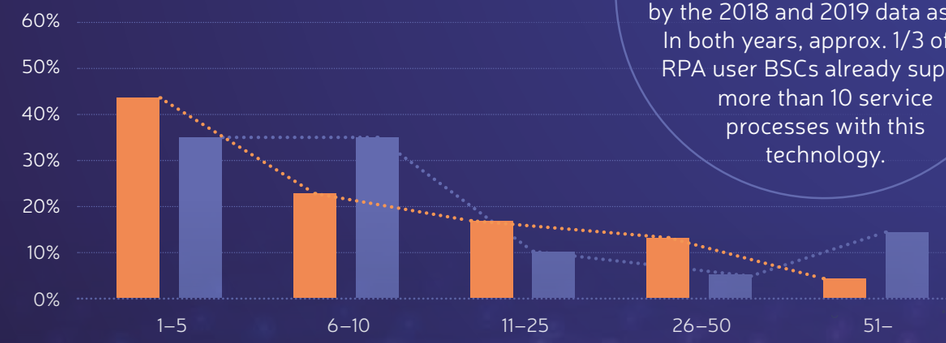
The number RPA bots implemented changed year-by-year, this can also be explained by sample differences, and by what new development is, however, this year some BSCs in the sample are already using more than 100 bots.

Implemented RPA Models



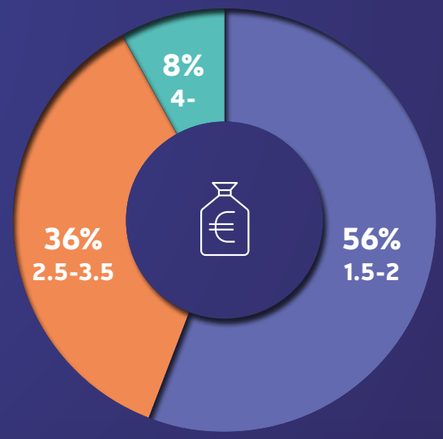
Only 10% of the respondents use cloud-based RPA technologies provided by an outsourcing service provider. 38% of the companies run bots based on a private cloud solution. It is also important to mention that 21% of the bots run on the desktops used by the employees.

Processes in Scope
when Using RPA Solutions



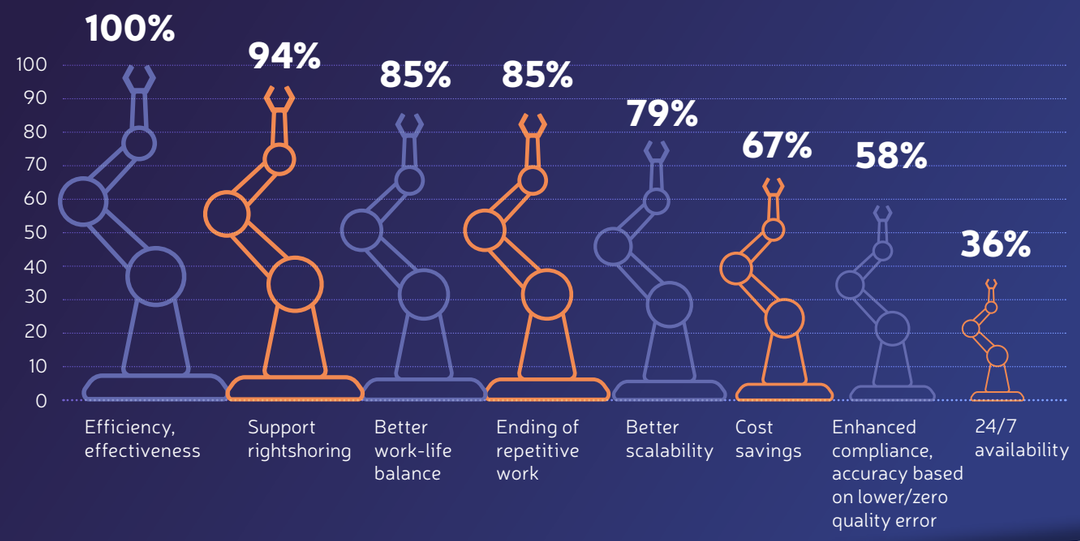
As more bots are implemented in a BSC, the more likely that further and further service processes are affected. This horizontal spread of the RPA technology is well reflected by the 2018 and 2019 data as well. In both years, approx. 1/3 of the RPA user BSCs already support more than 10 service processes with this technology.

Expected FTE savings
with RPAs



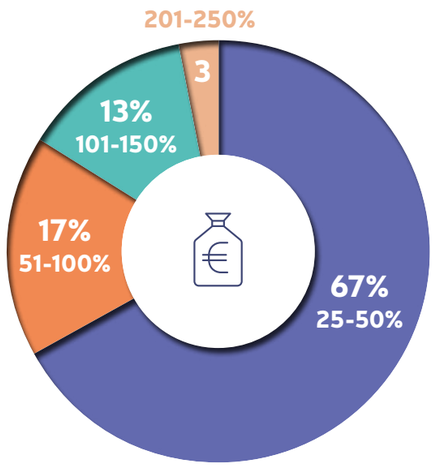
56% of the respondents believe that, on average, one implemented bot will replace 1-2 FTEs in the future, at the same time, 44% expect that this figure could reach 3 FTEs or more.
It is also worth noting that 60% of the responding BSCs are using their RPA-solutions with human resource support (assisted mode).

Most Important Effects and Benefits of Using RPA



The most significant impact of Robotic Process Automation is the improvement in efficiency and effectiveness. Through a better work-life balance and ending repetitive work human factors remain important in RPA projects. The high ratio of supporting rightshoring indicates the fact that managers expected reshoring in parallel with the expansion of RPA.

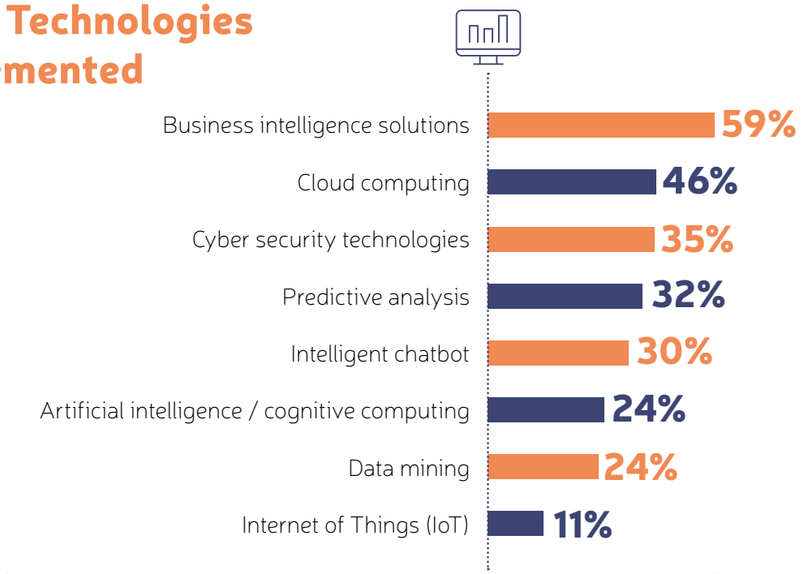
Expected ROI of RPA projects



According to the BSCs in the sample, two-thirds of them expected a moderate Return of Investment ratio in the RPA projects.

Only 33% of them thought ROI would exceed 51%.

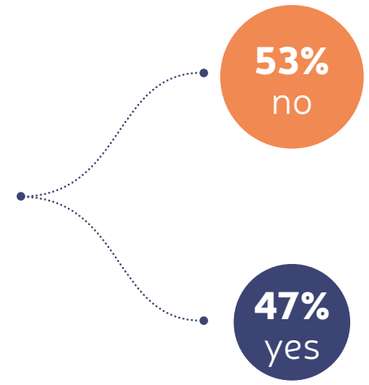
Proportion of Other **New Technologies Implemented**



59% of the BSCs already use Business Intelligence solutions in theirorganisations. Cloud Computing is also becoming an important technological inno-vation: 46% of the respondents apply this technology. In the CEE Region, the use of AI and chatbots is becoming a strong trend in addition to the applied RPA systems.

The Disruptive Nature of New Technologies

Do you think that these new technologies could be disruptive for the BSC sector?



BSCs are strongly divided over whether these new technologies will really disrupt their business operations. On one hand, many of the latest innovations, especially RPA and Cognitive Process Automation, indeed bear the potential to radically improve the efficiency of standard service processes. On the other hand, they are still not very experienced with these technologies and the majority of the implemented solutions operate in assisted mode. BSCs also compare the potential disruptive force of the new technologies to one of the older ones (e.g. ticketing and other workflow systems, ERP).

Clusters Analysis of the Sample

The database, as a result of the online questionnaire, provided an opportunity to examine whether there are BSCs with more or less homogeneous features that form well-defined clusters. The focus of the cluster analysis was on all BSC aspects identified in the three parts of the questionnaire (strategy and processes, people, technology and innovation). After testing all of the characteristics, only the following features were incorporated:

Operations

Technology & Innovation

People

The ratio of employees holding a college or university degree

Headcount of the centres

Development forecast of the centres

Responsibility type of centres

Applied service provision model

Position of centres in the corporate hierarchy

Maturity level of the centres as described earlier in the report

The cluster analysis performed on these aspects resulted in three relatively homogeneous groups. All of the seven aspects mentioned above prevailed in the formation of the clusters, but the headcounts, responsibility type of the units, and the level of maturity played the most dominant roles. Based on the above characteristics, 61 BSCs out of the 64 respondents had all the necessary data to perform the cluster analysis. Another BSC had to be taken out from the sample in order not to distort the results with its outlier data. Finally, the cluster analysis was conducted on the sample with 60 BSCs. The characteristics of the three homogeneous clusters that emerged from the analysis are summarised in the chart below.

One of our most important observations is that BSCs can follow an evolutionary path based on the three clusters.

BSCs in the first cluster (44) are at the beginning or in the middle of their development path with smaller headcounts and fewer technological opportunities. They are not necessarily new but can be quite well-established in Hungary. Their development plans vary but are between 10 and 30% on average.

BSCs in the second cluster (8) are more consolidated mid-sized entities in the middle phase of their development curve. They are interested in technological developments to a certain extent, but the drivers of their growth are mostly the increase in their headcount, service migration from the parent company and the strategic position gained within their company group. They may open a new service unit in Hungary.

BSCs in the third cluster (8) are at an advanced level of maturity. Evaluating the potential and risks presented by the new technologies they are heading towards a more value-added service portfolio. Their driver for growth is the use of automation technologies (in addition to an increasing headcount), which can even take a leading role in this respect within their corporate group. In some cases, they also operate as a Centre of Excellence. In spite of their large size, they estimate the highest growth potential for the coming years.

	Cluster **1** **Growing majority**	Cluster **2** **Consolidated mid-sized centres**	Cluster **3** **Matured giants**
	Including **44 BSCs**	Including **8 BSCs**	Including **8 BSCs**
	Mostly operate as a **Cost Centre** with less technological focus	Mostly operate as **Profit Centres**	Mostly operate as **Cost Centres or Profit Centres**
	Small and medium sized BSCs employing **230 people** on average	BSCs employing **880 people** in average	BSCs employing over **2,000 people** in average
	Mainly at the **3rd level of maturity** (Digitalisation and automation, optimisation with management methods (e.g. Lean, 6-Sigma)	Mainly at the **3rd level of maturity** (Digitalisation and automation, optimisation with management methods, e.g. Lean, 6-Sigma)	Mainly at the **5th level of maturity** (Higher value-added services integrated, outcome-oriented operations, charging back of full costs, market-based pricing, Centre of Excellence model)
	Ratio of employees holding a college or university **degree is 76%**	Ratio of employees holding a college or university **degree is 84%**	Ratio of employees holding a college or university **degree is 85%**
	With **no plans to open** a new centre in the country	Planning to **open a new centre** in the country	With **no plans to open** a new centre in the country
	Generally not represented in the top management of their parent company	Represented in the top management of their parent company	Represented in the top management of their parent company
	Mostly Captive or Hybrid Centres	BPOs or Captive Centres	Captive or Hybrid Centres
	Estimate their own growth for the next three years between **10-30%**	Estimate their own growth for the next three years between **10-30%**	Estimate their own growth for the next three years between **40-70%**

HIPA
Introduction

How do we support your **BSC** project?

BEFORE YOU MAKE A DECISION **WE OFFER YOU...**

...location search & evaluation + site visits.

...tailor-made incentive offers and information packages on the business environment, labour market, tax regulations, etc.

...assistance with your incentive application.

...reference visits at companies that are already established in Hungary.

...meetings with HR & real estate agencies, law firms and other consultants based on your needs.

...one-stop-shop management consultancy services to address your business needs.

Hungarian Investment Promotion Agency (HIPA) is the national investment promotion organisation of Hungary governed by the Ministry of Foreign Affairs and Trade.

We contribute to the economic development of the country by promoting Hungary as an ideal location for investments and by providing management consultancy services to investors and prospective investors. In the framework of our policy advisory activities we mediate between business and government and collect company feedback in order to prepare policy proposals to further improve the business environment.

We are also responsible for the government incentives for investments and work as the managing body of the VIP cash subsidy system based on individual government decisions. We provide management consultancy services in the fields of location selection, supplier development and mergers and acquisitions in a one-stop-shop service model on a free of charge basis.

AFTER YOU HAVE CHOSEN **HUNGARY**

We are open to your feedback and offer mediation between government and business based on your inputs.

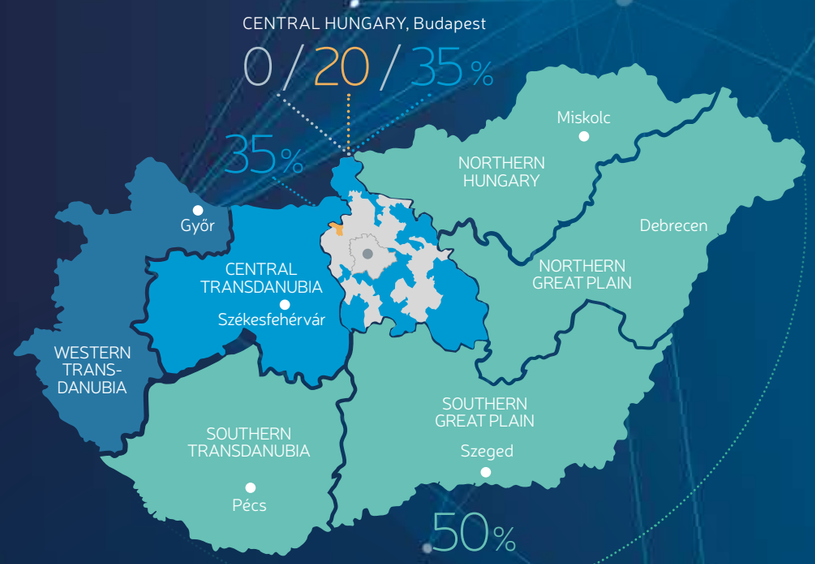
We support your further expansion and plans.

PLEASE CONTACT US

Address: 1055 Budapest, Honvéd utca 20.
Customer service: investment@hipa.hu
Telephone: +36 1 872 6520
Web: www.hipa.hu

Investment Incentives

VIP cash subsidy is a non-refundable, post-financed regional investment aid, based on the individual decision of the Hungarian Government. The amount of subsidy – influenced by the number of jobs created by the implementation of the investment, and the development of the region where the project will be implemented – combined with development tax allowance and further regional investment aids is up to the maximum aid intensity threshold, depending on the location of the investment:

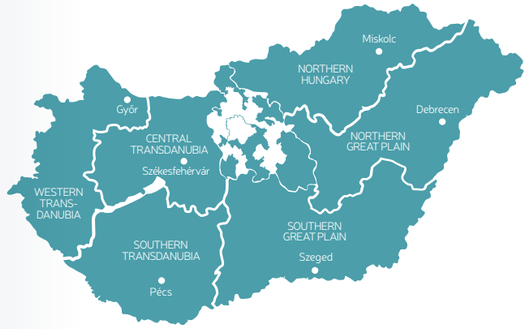


Legal background, application

VIP cash subsidy is regulated by Gov. Decree No. 210 of 2014 (VIII. 27). The incentive procedure – managed within the framework of the one-stop-shop service system of HIPA – commences with the submission of an application form (request list) describing the investment to be subsidized.

Forms of investment, conditions and eligible costs

The VIP cash subsidy system is designed to enhance multiple investment aims; the subsidy could be provided for asset investments, job creation investments, investments aimed at the creation or expansion of a regional shared service centre, technology-intensive investment and R&D projects. The aim of the investment to be subsidized determines those indicators (activity, number of new jobs, investment volume, and effect of the investment on net sales revenue or wages), which shall be met for eligibility in respect to the subsidy, depending on the location of the project.



Job Creation Investment

The eligible costs are 24 months of salary and contribution towards the newly hired employees within a three-year-period.

Investments targeting the creation or expansion of a regional service centre

The activities to be performed by the investor company as a result of the subsidized investment – creating at least 50 new jobs – shall comply with the activities listed in Annex 1 of Gov. Decree No. 210 of 2014 (VIII. 27.). Asset or personnel related costs could be considered as eligible in the case of regional service centres.

Training Subsidy

The Hungarian Government also offers a VIP subsidy opportunity for the training of employees.The subsidy is available to investors creating at least 50 new jobs. This subsidy is provided for trainings with maximum aid intensity of 50%. The aid intensity can be increased further in the case of small- and medium-sized enterprises and for training of disabled or disadvantaged workers.

R&D Investment

The newly-introduced objective of the post-financed cash incentive system effective from 1 January 2017 is to promote the R&D activity of large enterprises and the creation of R&D competence centres in Hungary. The incentive scheme provides the opportunity to grant aid for R&D projects implemented in Budapest and in other parts of Hungary.

The level of the cash incentive is based on several factors in relation to the R&D projects, namely, the location of the project, cooperation of the company with research partners, ownership of industrial property protection, etc. The amount of the incentive is also influenced by the level of commitments to be made by the company as a result of the realization of the R&D project.

HOA
Introduction

The mission of HOA is to support our members and the Business Services sector by promoting the successful and high quality business services and outsourcing possibilities, with the use of the application of the development offered by the digital age and by mapping the possibilities of the cooperative work of human resources and automation.

It is also our intent to promote the economic development of the country with the promotion of the above-mentioned activities. HOA is an open and independent professional organisation. Its common organizing principle is to participate in the service activities provided to the stakeholders of the national economy and public sector. We act in the interest of the Business Services and Outsourcing Sector and our Members.

To fulfill our mission, **our goal** is to

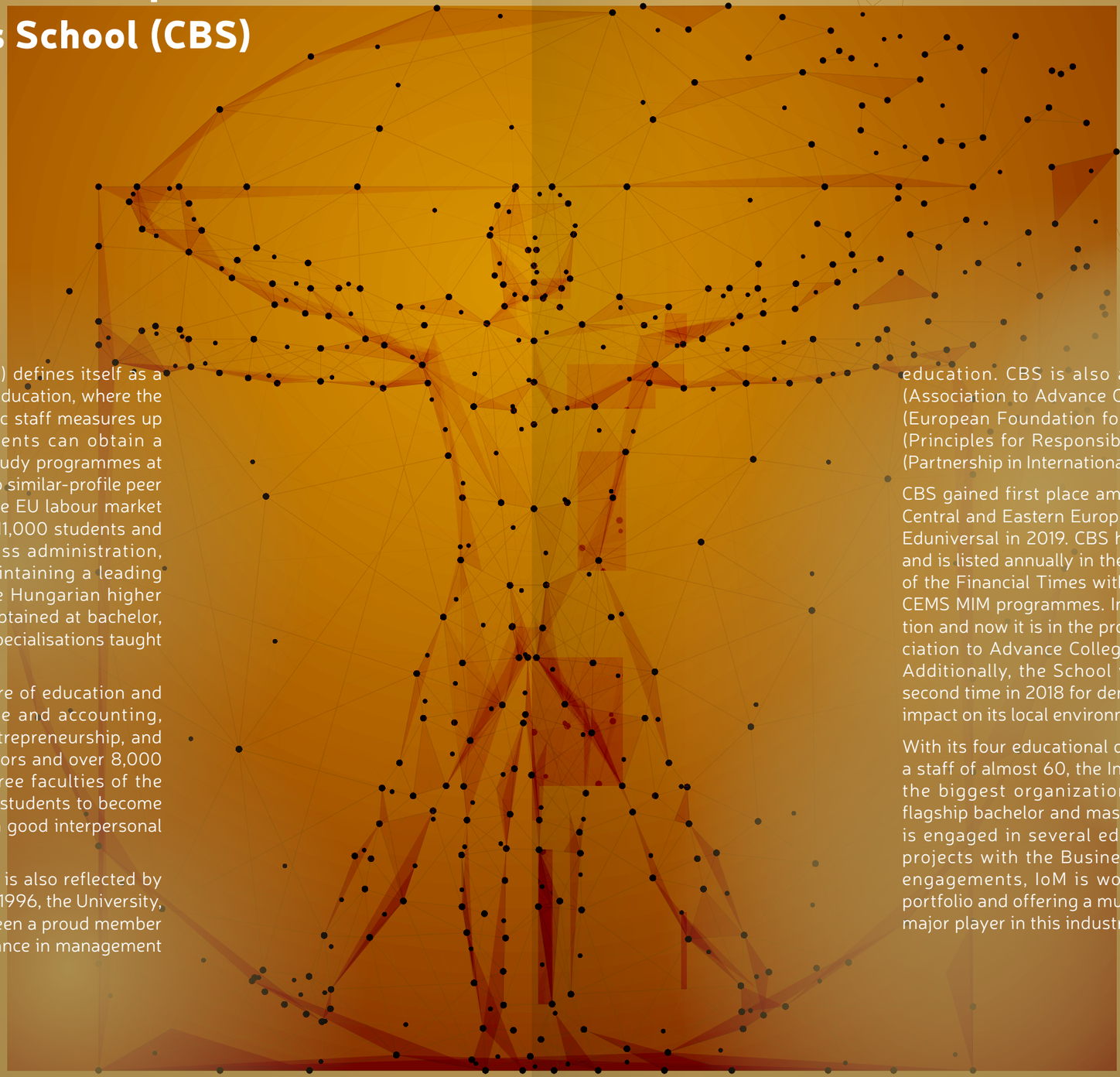
- Make known the potentials of the business services and outsourcing industries for a wide scale of the business sector
- Support and promote the continuous improvement of the sector's working environment; legal, human resources, training, economic, fiscal conditions
- Explore business opportunities in the business services and outsourcing industries
- Contribute to the growth of Hungary's share in the international business services and outsourcing industries
- Become the professional and methodological workshop and hub of the industry

Our activities in fulfilling our **Mission**

- Sectorial representation, lobbying, presentation of position papers to the government and its institutions, and develop HOA's strategic advisory and consultative role for all stakeholders of the sector
- Fulfill a strategic and influencing role in the development of the sector in Hungary, in the region and globally
- Build a strong community of the business services and outsourcing companies in Hungary and become a country of excellence of the Business Services and Outsourcing Sector
- International cooperation with similar associations and entities in order to strengthen the global business services community
- Operating a strategic platform and dedicated workgroups for the improvement and the promotion of the sector and its reputation
- Promote knowledge-share by organizing events, business meetings, conferences, professional programs, and by developing a knowledge-sharing platform for our members and the business community

Corvinus University of Budapest (CUB) & Corvinus Business School (CBS)

Introduction



Corvinus University of Budapest (CUB) defines itself as a research university oriented towards education, where the scientific performance of the academic staff measures up to international standards and the students can obtain a competitive degree. The curriculum of the study programmes at CUB is based on academic content identical to similar-profile peer universities and is acknowledged by both the EU labour market and globally. The University has more than 11,000 students and offers educational programmes in business administration, economics, and social sciences, while maintaining a leading position in most of these disciplines in the Hungarian higher education market. Degrees at CUB can be obtained at bachelor, master and doctoral levels and in countless specialisations taught in Hungarian, English, French and German.

Corvinus Business School (CBS) is the centre of education and research in enterprise economics, finance and accounting, marketing, management and leadership, entrepreneurship, and information systems. With over 250 professors and over 8,000 students, CBS is the largest among the three faculties of the University. Its educational approach enables students to become methodologically prepared practitioners with good interpersonal skills and sensitivity to social challenges.

The quality of teaching and research at CBS is also reflected by the national and international rankings. Since 1996, the University, through the Corvinus Business School, has been a proud member of the CEMS network, a prominent global alliance in management education. CBS is also a member of AACSB International (Association to Advance Collegiate Schools of Business), EFMD (European Foundation for Management Development), PRME (Principles for Responsible Management Education), and PIM (Partnership in International Management) organizations.

CBS gained first place among the best business schools of the Central and Eastern European Region according to the survey of Eduniversal in 2019. CBS has two EPAS accredited programmes and is listed annually in the top Masters of Management rankings of the Financial Times with its Management and Leadership and CEMS MIM programmes. In 2018, CBS received EQUIS accreditation and now it is in the process of completing the AACSB (Association to Advance Collegiate Schools of Business) standards. Additionally, the School was awarded the BSIS Label for the second time in 2018 for demonstrating its significant and positive impact on its local environment.

With its four educational departments, six research centres, and a staff of almost 60, the Institute of Management (IoM) is one of the biggest organizational units of CBS and manages the flagship bachelor and master programmes of the university. IoM is engaged in several educational and research cooperation projects with the Business Services Sector. Based on these engagements, IoM is working on building a new education portfolio and offering a mutually beneficial partnership for every major player in this industry.

Business Services Terminology

Artificial Intelligence (AI): a technology that is able to think and process information in a human-like way.

Attended RPA: bots respond to employee-triggered actions by automatically completing a certain task to simplify workflow. Typically run on local workstations, meaning they manipulate the same front-office programmes as the human employees.

Backsourcing: transfer of service from an external service provider back to the internal organization.

Basic automation: automation of activities within a software environment (e.g. VBA macros and scripts).

Business Process Outsourcing (BPO): transfer of responsibility for the execution of an entire (End-to-End, E2E) business process to an external service provider.

Business Services Centre (BSC): it is an umbrella term that includes all kinds of service centres that provide business services.

Captive centre: is a type of business services centre that has only internal customers or service recipients (within the same company). Sometimes it is also called as GIC (Global In-house Centre).

Centre of Excellence (CoE): an organizational unit (sometimes a high value-added subsidiary) that embodies a set of shared capabilities that has been explicitly recognized by the firm as an important source of value creation (e.g. deployment of new organizational and technological solutions), with the intention that these capabilities are leveraged by and/or disseminated to other parts of the firm. In the business services sector, CoE frequently means the whole business centre if it is a knowledge-based service delivery unit.

Cognitive/Intelligent Process Automation (CA, IPA): includes non-standard heuristic processes, typically requiring human intervention or sample recognition from big data. It is primarily a good idea to work with data analysis and unstructured data, where cognitive automation tools help logical reasoning with pattern recognition and natural language interpretation. It must support data and provide scenarios to develop their logical ability.

Cost centre: is a business unit that is responsible only for the costs of its operation.

Desktop-based automation: a software that is designed to help a single user on his/her desktop to automatically perform regular, standardized tasks, such as checking certain websites for new information. This often runs in the background while the user can perform other tasks simultaneously.

Digital transformation: the transformation of business enabled by digitized content and rapid change capabilities. This is the integration of digital technology into all areas of a business resulting in fundamental changes to how businesses operate and how they deliver value to customers.

Digitalization: adaptation of digital technologies on the process or organizational level aiming to improve customer/user experience. Digitalization focuses more on effectiveness.

Digitisation: converting analogue or paper-based data/information into digital format. Digitization focuses more on efficiency.

End-to-end (E2E): this includes every stage of a particular process that leads to the requested output for a certain external or internal customer. Typical E2E processes are Purchase to Pay (P2P9, Order to Cash (O2C), Report to Record (R2R).

Fix & Shift / Fix & Drop: means a service process optimization before relocation.

FTE (Full Time Equivalent): this represents the workload of full-time employees, which is comparable across different processes and contexts.

Global Business Services (GBS): is an advanced multi-locational and multi-sourcing service delivery model for the service centre. This compilation of services offered is global in nature with respect to both delivery centres and customers. The provider of the individual services can be either internal or external but must be managed centrally by the global business services organization. It covers consolidation and standardization of End-to-End service provision globally with the coordination of global process owners.

Hybrid centre (Shared Captive Service Centre): is a business service unit that provides services internally (within the same company) as well as externally (on competitive markets).

Insourcing: adoption of an activity/service function that was not previously part of the organization.

Investment centre: is a business unit that is responsible for generating an expected level of return over a certain time period (usually in multiple years) on the capital invested in it.

Knowledge Process Outsourcing (KPO): a knowledge-based, high value-added subtype of process outsourcing.

Lift & Fix & Shift/Lift & Fix & Drop: means a service process relocation that includes optimization ("fixing") during the transfer.

Lift & Shift /Lift & Drop: means a service process transfer without redesign ("fixing") of it.

Machine learning: a type of artificial intelligence that allows computers to learn without pre-programming.

Nearshore: service provision from a nearby country.

Offshore (or far-shore): service provision from a country far away from the service clients (usually from a different continent).

Onshore: service provision from the same country as that of the client.

Outsourcing: transfer of responsibility for executing a service process that was previously performed within the company to an external contractor.

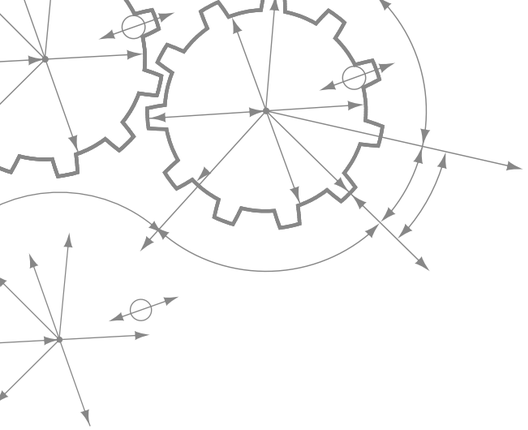
Process owner: a person who is responsible for the daily execution of an E2E process and for the fulfilment of the performance targets set for the same process. The global process owner is responsible for managing an E2E process and meeting its improvement objectives at corporate level, on a global scale.

Process standardization: is the unification of procedures in organizations to avoid using different practices for the same issue.

Profit centre: is a business unit that is measured and evaluated by the annual profit or loss it makes.

Proof-of-Concept (PoC): a project for the demonstration of a new method, idea or technology to prove its functionality and feasibility. Typically, it justifies the practical potential of an innovative solution through a small or incomplete example.

Rightshore (or Bestshore or Hub-and-Spoke): is a multi-locational service delivery model that breaks down the service process into different parts and finds the optimized service provision locations for them.



Robotic Process Automation (RPA): is mostly automation of an IT-centric process where communication with the software is carried out through the user interface. This is based on software robots (bots) that substitute human workforce.

Robotisation: establishing an automated operation by robots or robot-like machines (software robots, bots). Robotisation is part of automation when the robot imitates human activity.

Server-based automation: software is written and designed in a data centre to execute the task autonomously without human interaction, i.e. the software, the process, and the robot are run only on a server. Human interaction is not required, as this is an "Unattended RPA". Often there are trigger-based rules, which initiate the RPA.

Service 4.0: a transformation framework of those new digital technologies that support integrated, customized, data-driven, real-time and seamless service delivery.

Service automation: operating or controlling a process of electronic devices, reducing human intervention to a minimum.

Service Delivery Automation (SDA): is an umbrella term for the technologies that automate a series of human actions in a business or IT process. This includes various levels of automation technologies such as Basic Automation, RPA, and Cognitive automation.

Service Level Agreement (SLA): is a formal agreement between the (external or internal) service provider and service recipients. SLA includes all important details and KPIs about service provision that is monitored by both parties during the partnership.

Service migration: geographical transfer of the E2E process or only a part of it without any modification. It is also called a Lift & Shift or Lift & Drop project.

Service relocation: choosing a new service location for higher operational efficiency. This includes two types of transfer: service transition and service migration.

Service transformation: altering the structure or operational mechanism of service processes without geographical transfer.

Service transition: is a change both in the location of service delivery and structure or operational mechanism of service process.

Shared Services: services that are usually provided from (legally) independent units within a holding structure (shared service organization, SSO), which is typically an internal service centre (shared service centre, SSC).

Ticketing system: a workflow software that supports and helps a service organisation to manage with any issues/incidents from the moment they're identified through to their resolution.

Unattended RPA: bots automatically complete back-office functions at scale with minimal employee intervention. Unattended bots usually run on an organization's server with little to no human intervention.

Hungary
Smart.
Ambitious.
Competitive.

2019

Survey Respondents

Thank you for your co-operation