

24.05.2019

ARE FOREIGN LANGUAGES A COMPETITIVE ADVANTAGE FOR ROMANIAN OUTSOURCING MARKET?

**CATALINA MAGUI
HEAD OF HR SHARED
SERVICE CENTER**

THE FUTURE IS YOU  **SOCIETE
GENERALE**

European Business Services

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SOCIETE GENERALE EUROPEAN BUSINESS SERVICES INTRODUCTION



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SOCIETE GENERALE EUROPEAN BUSINESS SERVICES



European Business Services



SOCIETE GENERALE FOOTPRINT

31 million

individual clients,
businesses and
institutional investors

+ 147,000

members of staff

67 countries

worldwide

€2.8 billion

Group Net Income

€23.95 billion

in Net Banking Income

11.5%

Common Equity Tier
1 ratio

OUR VALUES

Team Spirit

Innovation

Responsibility



Commitment

SOCIETE GENERALE EUROPEAN BUSINESS SERVICES - ID CARD

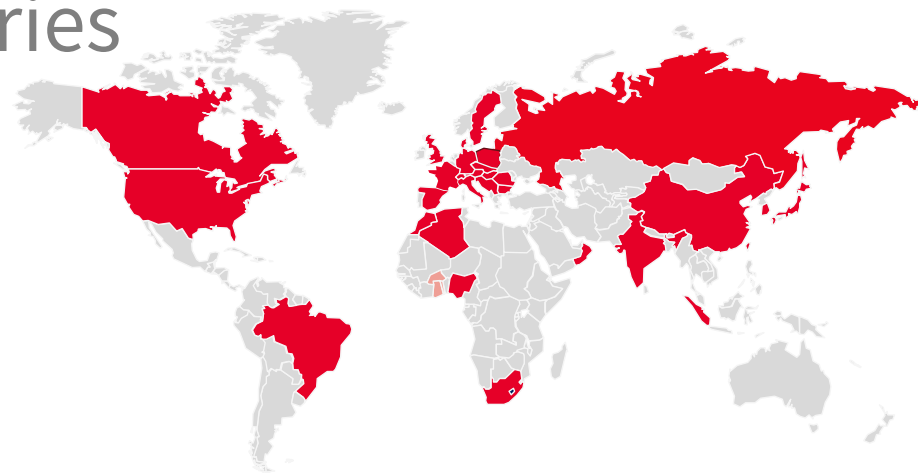
 1800
employees

35 countries
served

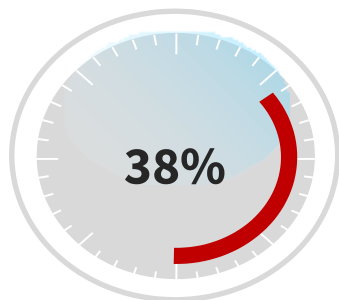
31 *average age*

 74%  26%

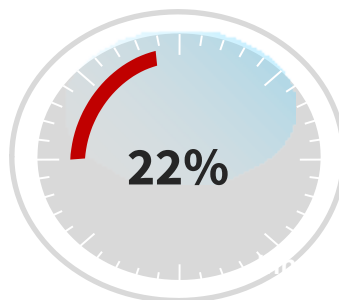
8 *spoken languages*



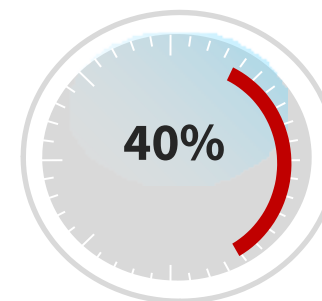
**Technology & Infrastructure
Management Services**



**Business Process
Services**



Support Units



2

ROMANIAN OUTSOURCING INDUSTRY OVERVIEW



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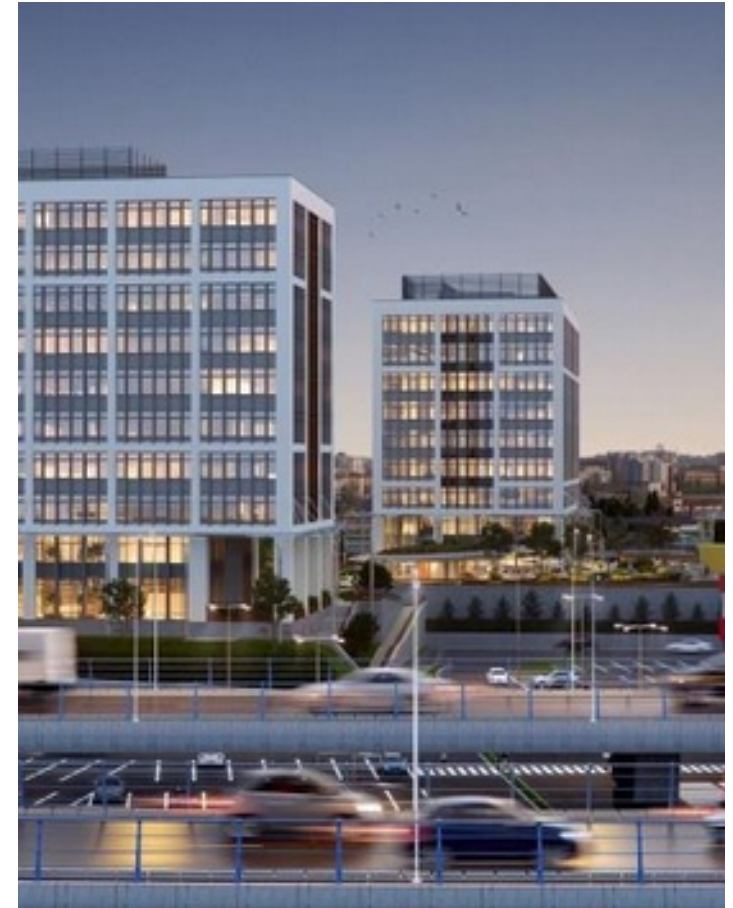
ROMANIA AS BPO LOCATION – RANKED 1ST PLACE GLOBALLY

Romania has matured from a pioneering market to a **mature BPO location of choice**.

Despite annual salary inflation starting to tighten cost margins and erode its cost competitiveness, its favorable operating conditions (ranked first place globally) and enhanced connectivity **continue to attract investment**.

BPO - MATURE LOCATIONS					
	30%	20%	50%		
LOCATIONS	CONDITIONS	RISK	COST	2016 RANK	2015 RANK
ROMANIA	1	12	6	1	2
PHILIPPINES	19	20	1	2	1
HUNGARY	6	16	5	3	5
BRAZIL	20	18	3	4	4
MOROCCO	18	22	2	5	7
CZECH REPUBLIC	9	8	7	6	8
POLAND	10	9	8	7	9
INDIA	22	19	4	8	11
CHINA	12	10	9	9	6
MALAYSIA	17	7	10	10	3

*Source: Cushman and Wakefield – BPO and SSC Location Index 2016

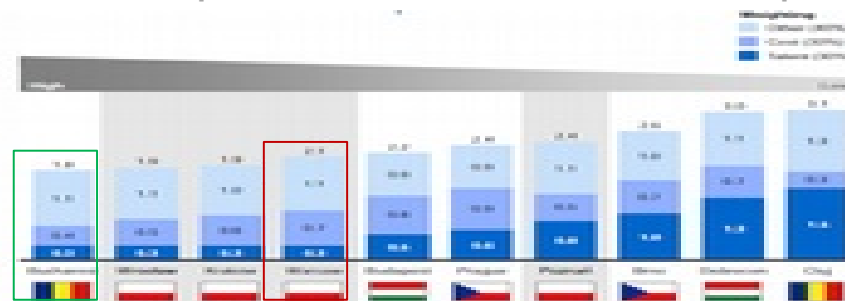


ROMANIA - THE NEW OUTSOURCING VALLEY OF EUROPE – SILICON VALLEY OF EU

OUTSOURCING DESTINATION

- Romania ranks as **1st most attractive outsourcing** hub and patently steals the limelight when it comes to **ITO –1st in Europe** and 6th in the world by number of certified IT specialists.
- Romania is one of the **most preferred near-shore locations**, capitalizing on the solid education system, with a strong focus on IT and finance & accounting and, therefore, providing a steady, inexpensive and qualitative flow of skilled resources to meet the growing demand of SSC / BPO entities.

Romanian top cities' attractiveness locations in the CEE top 10



Well educated talent Pool

16 public and 18 private universities in Bucharest
206,000 graduates per year.

Number of engineers per capita greater than the US, India, China or Russia.

Language proficiency

15 languages spoken, 90% of young Romanians speaking English, 50% a 2nd language and 25% a 3rd one (IDC 2011).

Wide pool of fluent French & German speakers with around 36 000 French& German speaking graduate/year.

Costs among the lowest in EU

Savings on operating costs per FTE for transactional BPO services ~50%.

Least expensive country among EU member countries.

Proximity with rest of Europe

EU member hence no restriction to transfer activities, EU legal and regulatory framework.

Good IT and telecommunication infrastructure.

Strong cultural proximity. 3 hours flight from most European capitals.

Source: Telus, IESE; Brainspotting; ANIS; ARIES; ZDNet; Invest Romania

ROMANIA AS BPO LOCATION

Romania has matured from a pioneering market to a **mature BPO location of choice**.

KPMG report presented to Association of Business Service Leaders (ABSL) in 2019: over 70% of the players in outsourcing and SSC sector are planning to increase activity next year, generating increasing pressure on talents.

Very dynamic labor market.

More than 50.000 employees.

Activity sectors:

- Banking, insurance, financial services
- Technology & Telecom
- Business and Professional Services
- Industrial and Consumer goods
- Consumer services
- Other services

Main services:

- Finance and accounting
- IT
- Customer operations
- Human Resources
- Procurement
- Supply chain management
- Customer services
- Business transformation

3

FOREIGN LANGUAGE ADVANTAGE FOR THE INDUSTRY



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BPO EMPLOYEE TYPICAL PROFILE FOR YOUNG GRADUATES



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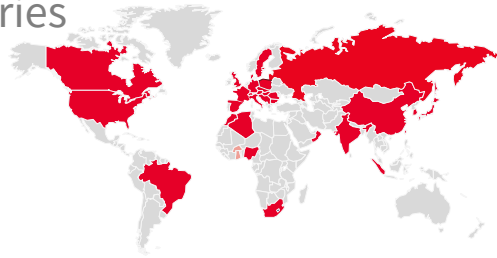
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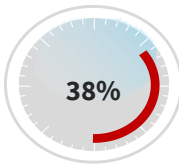


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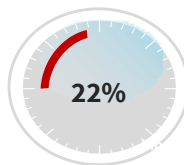
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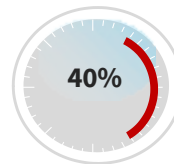
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PRESENTATION | TYPE OF PRIVACY | XXXLXXXX | 4

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PRESENTATION | TYPE OF PRIVACY | XXXXXXXX | 18

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