

# BUSINESS SERVICES SECTOR IN THE CZECH REPUBLIC

2023



## Report prepared by

**Association of Business Services Leaders in the Czech Republic (ABS L)**

in cooperation with:

Grafton Recruitment & GI Group, Colliers, The Hackett Institute, Deloitte, Scott.Weber Workspace



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With special thank you for the content contribution to **all members that completed our survey, the ABS L Board of Directors, partners and supporting members.**

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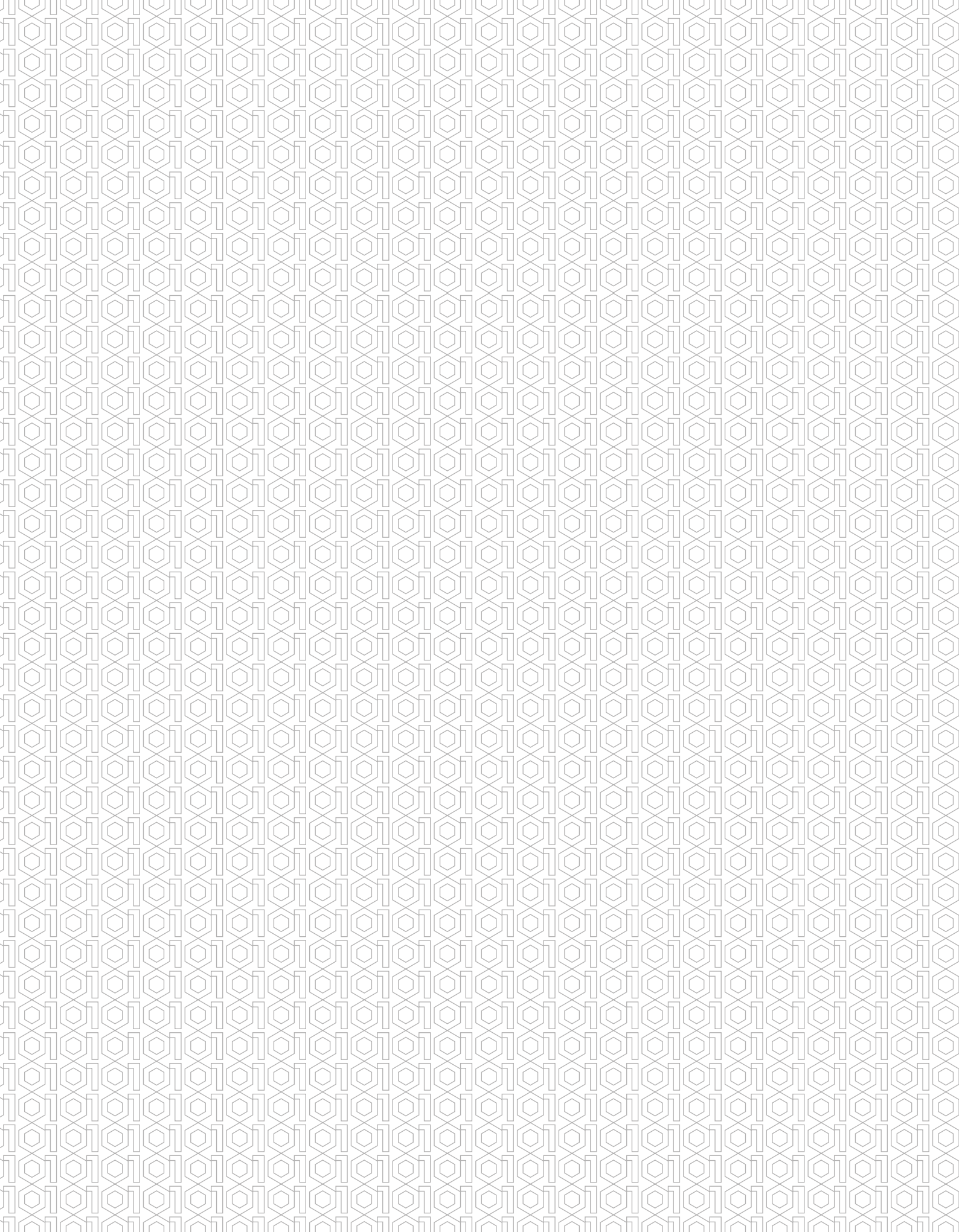
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Chapter Content Provider: ABSL

# ABSL INTRODUCTION



## FOREWORD

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Dear Business Services Community,

It has been my first year in the role of ABSL president and I have to say we had an amazing year as a sector.

We have overgrown the number of employees in the automotive industry, becoming the real driver of the Czech economy.

Our centres have also grown in maturity - developed new and enhanced existing capabilities we offer for our mother companies.

I am also director of ABInBev Prague Digital Hub BSC and I cannot imagine us not being part of ABSL.

ABSL provides platforms to benchmark, learn best practices from others and educate our colleagues.

What I value the most about ABSL is the network ecosystem – it brings together centres and partners and becomes the engine for success of the centres and the whole industry.

Let 2023 which is for ABSL our 10<sup>th</sup> Anniversary year be even more successful than 2022 for our sector.

**Jaromír Staroba**

President at ABSL Czech Republic,  
Prague Capability Centre Director  
at Anheuser-Busch InBev



## ABSL Czech Republic A Decade Driving Growth and Capability in Business Services.

As we celebrate the 10<sup>th</sup> anniversary of ABSL in the Czech Republic - how to sum up our contribution to the success of the sector in the last ten years? Four key areas come to mind, where the impact of ABSL has contributed in Building growth, Maturing services, Leadership and Innovation.

**Building Growth.** Our sector has tripled in size since 2013 - from 50,000 to over 160,000 people and become the largest business sector in the country - contributing significantly to the country's GDP and FDI growth. ABSL has facilitated this growth directly with over 150 new international investors opening centres in the last 10 years across the country and reaching a total today approaching 400 centres in Prague, Brno, Ostrava and many other Czech cities.

**Maturing services.** Our ABSL strategy is to support Czech centres to increase the depth and breadth of business services in their portfolio. We achieve this through benchmarking, knowledge sharing and member networking to accelerate the flow of ideas and sharing capabilities across the sector. The diversity of talent in Czech business services is second to none and we have supported the growth, education and development of the talent pool to ensure Czech has the highest reputation as a great place to build your career in the sector.

**Leading in Business.** Our sector has shown amazing resilience over the last 10 years and thrived through Covid, Ukraine and inflation crises with consistent double digit growth. Our ABSL membership has grown from zero to over 100 leading international brands in that time and ensured that our network can support our members with events attended by over 2 500 people, 10,000 business followers and millions of readers across Czech media to promote and highlight the success stories of our sector. We lead the way in Czech business forums with active cooperation with Business Chambers, Ministries and Universities - ABSL has become a cornerstone of the Czech business ecosystem - driving change and ensuring the future success of business services here in the Czech Republic.

**Driving Innovation.** Our annual ABSL Diamonds have come to be recognised as the beacons of innovation and creativity in our sector. Over 50 Diamond winners from our sector in the last decade have proudly displayed the global innovation and value provided by Czech centres and their amazing talents. ABSL Diamonds provide inspiration and recognition for achievement and help drive a culture of creativity across our sector that benefits all Czech business and society. In the last decade ABSL has launched multiple successful innovations in Education, ESG, Digitalisation and Diversity that have provided a catalyst for business and leveraged the power of our member network.

In this our 10<sup>th</sup> annual ABSL report you can read more about the incredible success story of Czech business services in all these areas - with case studies and insights from our ABSL board members on the future opportunities for our sector. We are proud to share the achievements of our sector and would like to thank all of our ABSL members for sharing this journey with us over the last 10 years. We look forward hugely to the next decade and hope that you will join our many events this year to celebrate our anniversary.



**Jonathan Appleton**  
Managing Director  
ABSL Czech Republic



## ABOUT THIS REPORT

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The purpose of the ABSL Report 2023 is to highlight the most significant data and provide an overview of the shared, business and outsourcing services in the Czech Republic. The source of data in this publication comes from the ABSL Survey, which was conducted amongst ABSL member companies in the period from June until October 2022.

The in-depth ABSL survey has been completed by 48 centres employing almost 25 thousand people. The supporting data and information have been collected through an independent ABSL's own research across the sector in order to provide a more complex overview of the industry.

## INTRODUCING ABSL

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Association of Business Service Leaders (ABSL) in the Czech Republic was founded in 2013. It is the largest association of companies operating in the Business Services and Business Outsourcing Industry. It acts as a platform for enhanced dialogue and collaboration within the Business Services Community. ABSL currently represents close to 100 member companies.





## The ABSL Board of Directors

**Jaromír Staroba**

Chairman of the Board of Directors at ABSL, Prague Capability Centre Director at Anheuser-Busch InBev

**Jonathan Appleton**

Managing Director at ABSL

**František Havel**

NGSC Prague Strategy & Operations Manager at Novartis

**Iveta Chválová**

Managing Director at SAP Services

**Adam Kiwalski**

GBS Head Business Solutions & Services and Delivery Management at Siemens

**Helle Juhl McDermott**

Senior Director, Managed Services at ADP

**Jan Nedělník**

General Manager at Comdata Czech and Comdata Hungary

**Roman Pavloušek**

Global Finance Service Centre Manager at Atlas Copco Services

**Marek Rešovský**

Managing Director at Deutsche Telekom Services Europe SK & CZ

**Bohumil Říha**

Managing Director at Johnson & Johnson Global Services in Prague

**Jan Skoták**

Regional Centre Head at Infosys (Czech Republic)

**Ota Kulháněk**

Honorary Member of the Board of Directors

## The ABSL Team

**Helena Tabakovová**

Senior Operations Manager

**Adéla Fejfarová**

Event & Community Manager

**Ivana Smatanová**

Marketing & Content Creator

**Jarmila Drastíková**

Education Programmes Manager

**Adela Pilátová**

Project Manager

## ABSL Member Community



Think Ahead

BNP PARIBAS  
CARDIF



## ABSL HIGHLIGHTS & ACHIEVEMENTS IN 2022

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The year 2022 was a real ride for Czech Business Services and for ABSL. After 3 years of reshaping our businesses to going digital or hybrid, we finally could meet live and offline. We have used every opportunity to share best practices and build business connections stronger.

### Best Practice and Knowledge Sharing Opportunities



# 570+

attendees at webinars

Relevant topics such as impacts of war, new ways of working, digital innovations, education and technology

---



# 1000+

attendees at live events

Great opportunities of networking, knowledge sharing and contributing to the overall growth of the sector in CZ

---



# 13

new Members

Joined the ABSL to be part of the growing network in business services and beyond

---



## Media & Social Networks moving ABSL forward



# 468

media articles published with total value of 17 million CZK



# 300+

Social Media Posts, with 600 + new followers and over 5000 interactions



## Brno City Profile

New guide to business services sector in Brno



## Building Stronger Government Relations

Personal Meetings with Minister of Labour and Social Affairs, Deputy Minister of Trade & Industry and Minister of Education



## Active Member

of the Czech Chamber of Commerce

## ABSL Fusion programmes supporting growth and education in business services



# 15

Fusion Leaders Graduates in 2022



# 15

Fusion Professional Graduates in 2022



# 3

Excellent projects as a result of the long-term hard work of the ABSL Fusion Leader 2022 participants

# ABSL CONFERENCE 2022 - TOWARDS RESILIENCE

2,5 days of expert best practices exchange: keynotes, panel debates, breakout sessions, masterclasses & embracing crucial business connections.

After 2 years of digital & hybrid experience and having limited personal contacts we could finally meet in person. ABSL Conference is the most influential event for the business services sector in the Czech Republic. Almost 500 tickets sold, over 200 speakers (150 companies) among the top leaders and renowned experts from the sector met in the exquisite and modern setting in Prague city centre - Marriott Hotel - to discuss the newest best practice, trends & development of the growing Business Services industry.

We had the honour of welcoming at the conference the President of the Czech Chamber of Commerce - Vladimír Dlouhý, Deputy Minister for Digitalization and Innovation at Ministry of Industry and Trade & Acting CEO of CzechInvest - Petr Očko, Czech UN Youth Delegate of the Czech Republic Kryštof Stupka. The two days of the conference were moderated by Czech journalist, commentator and Under 30 Forbes entrepreneur Filip Horký.

## Topics & Highlights



Transformation strategies to building resilience



Leadership skills in times of change



Technological leaps & the importance of Cybersecurity



Boom in headhunting & recruiting talent



Aligning with employee mindset



High Performance vs Well-being & Personal endurance



Digital innovations and beyond AI



Czech business environment and investment opportunities



## WHAT WAS IT LIKE FOR ABSL CONFERENCE 2022 DELEGATES?

» Great place to meet great talents. Interesting panel discussions. Digitalization and automation enabling the GBS sector to deliver value.

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» In one word? Awesome! In more words? Hot topics, energising and inspiring atmosphere and finally a real physical event with 500 people happy to see each other and keen on networking.

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» Thank you for organising this event, it was well prepared and offered many insights into topics which are very relevant in the GBS space right now; with diverse speaker panels. It was also great to engage with colleagues from other GBS centres and share experiences, tips and tricks and network in general. It really felt like there was something for everyone.

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## ABSL DIAMOND AWARDS 2022

44 innovative projects  
8 diamonds  
1 evening gala  
at the Municipal  
House in Prague

ABSL Diamonds were created to award the projects and initiatives that have significant and tangible impact and contribute to the dynamic growth of the industry. As the largest organisation representing the sector, ABSL wants to promote innovative, cutting-edge solutions and initiatives that continue to inspire the community to strengthen its excellence in customer experience, IT and talent development as well as the working environment. The ABSL Diamond Awards 2022 were awarded to projects in seven categories from 44 submitted nominations. A record number of excellent projects that push the industry into new and exciting directions.

### BUSINESS INNOVATION

Knorr-Bremse Services Europe  
& Accenture  
Medtronic



**KNORR-BREMSE**

&

**accenture**

**Medtronic**

### CUSTOMER INITIATIVE

Infosys

**Infosys**

### EDUCATION

Bluelink International

**BLUELINK**

### EMPLOYER BRANDING & PEOPLE ENGAGEMENT

Accenture

**accenture**

### ESG TOWARDS RESILIENCE

Conectart



**conectart**

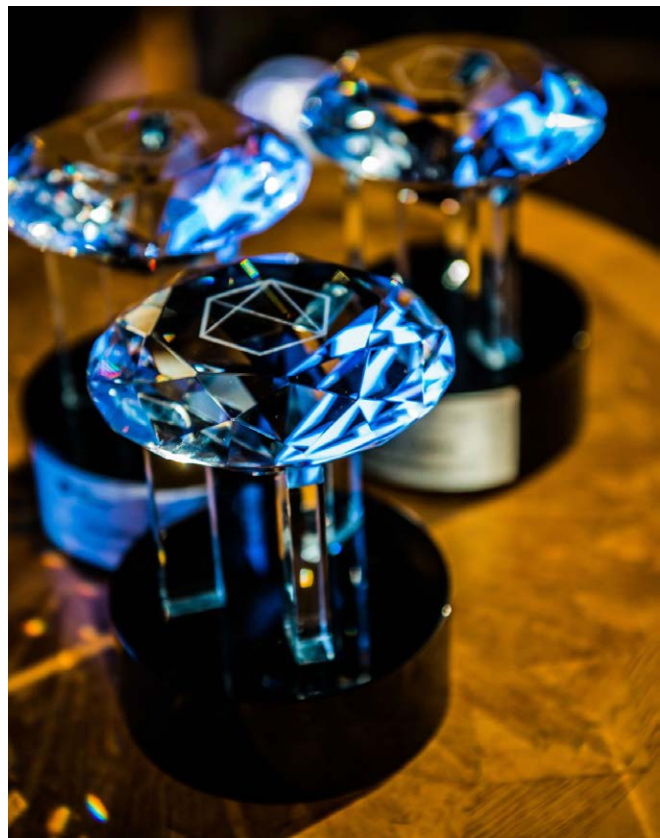
### INNOVATIVE WORKPLACE & REMOTE WORKING STRATEGIES

CTP

**ctp**

### VALUE CREATION

Deutsche Telekom Services  
Europe Czech Republic





**Šárka Vránová**

Country HR Lead,  
Accenture Czech  
Republic

"Winning an ABSL Diamond Awards is a great recognition for Accenture team. We pioneered an innovative way how to engage our people in challenging times via a custom built "Stronger Every Day" app and took all our colleagues on a rich virtual journey: 5-week walking mission through 5 continents improved our physical & mental health, connected people from 60 nationalities, brought joy & financial aid to local NGOs."

**Jakub Mišinger**

Data protection & Security Officer  
Compliance Services & ICS (CSI),  
Deutsche Telekom Services Europe  
Czech Republic

"It means the world to our small team to win the ABSL Diamond Award. It proves, we are on the right track, which motivates us to continue in our initiative."

We are looking forward to further improving the platform and adding extra content, which our stakeholders value."



# URBAN WORK AND LIVING

## Vlněna

Brno's newest office, retail and lifestyle campus, bridging Brno's historical centre with the developing South Brno commercial zone.

[vlnena.eu](http://vlnena.eu)



## Ponávka

A dynamic, modern business park in downtown Brno, with a unique mix of tenants, students, building styles, and now an on-site exercise park.

[ponavka.eu](http://ponavka.eu)

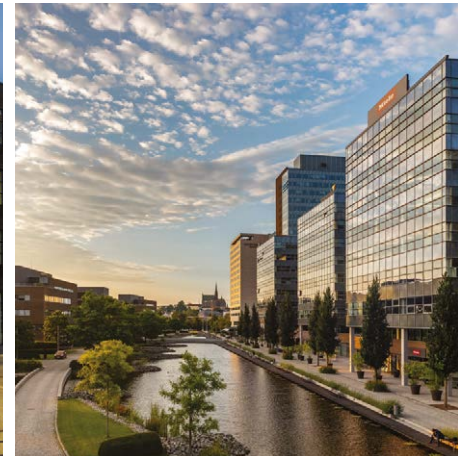


## Spielberk

Brno's premium business address. Spielberk, with its large central lake, exclusive hotel and bustling community attracts the most prestigious companies.

[spielberk.eu](http://spielberk.eu)

SPIELBERK



Brno is a magnet for knowledge-based software, R&D and tech businesses.

With calm, landscaped campuses, smart buildings, and fully customisable offices, CTP's premium office parks are home to many of the world's most well known high-tech companies. Rated BREEAM Excellent or above, our parks are designed for the well being and overall health of the office community. Now, with our own Community Management team, our parks are also lively, thriving hubs of activity. Find out which office best suits your business.

## Clubco

CTP's new modern co-working and community centre at Vlněna. Modern design infused with nature makes a unique atmosphere for developing businesses and workers on the go.

[clubco.cz](http://clubco.cz)



## Domeq

Domeq I, II & III are a new living concept providing affordable and stylish accommodation for young professionals, couples and students within a dynamic social community. Crisp and neat interiors are designed with an accent on purity of space and combined industrial elements.

[domeq.cz](http://domeq.cz)

DOMEQ

All of CTP's office developments are built sustainably to BREEAM Excellent or better certification.



★★★★☆

by  
CTP.



# 2

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## THE KEY TRENDS AND HIGHLIGHTS OF BUSINESS SERVICES



## BASIC FACTS

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The sector continues to grow despite the geopolitical situation in Europe, inflation rate and other economic demands. Business service centres are reporting positive numbers in employment growth, upscaling their expert teams and services they provide. Centres are widening their portfolios of services, higher focus on customer centricity, which goes together with providing higher-value services. There is also a huge trend that centres focus more on diversity and inclusion, promotion of women to senior positions as well as human rights promotion and support which leads to better understanding of overall employees well-being.



# 160,000

total number of jobs

---



# 200,000

expected number of jobs in 2025

---



# 12%

employment growth in the year 2022  
11 % expected growth for the year 2023

---



# 370

total number of business services centres

---

## CENTRES' PLAN FOR NEXT 2 YEARS

---



# 66%

centres plan to expand

---



# 1/5

centres plan to stabilise and optimise

---



## DIVERSITY & INCLUSION



**58%**

Women  
in business services  
+10% compared to  
2018



**40%**

Women  
in senior  
management  
+3% compared to  
2018



**72%**

of Centres  
Support Diversity  
(LGBT, human rights,  
etc.) as a CSR area  
+27% compared to  
2021

## IMPACTS OF CONFLICT IN UKRAINE ON BUSINESS SERVICES IN THE CZECH REPUBLIC

Czech centres see mostly the impact through their employees or prospective employees from Ukraine or Russia. However, the worrying part for our centres and therefore the rather moderate impact on their services is the geopolitical situation in the future, including macroeconomic figures, such as inflation rate or energy stability in Europe.

In terms of Ukrainians as a source of new employees there were a rather smaller amount of suitable prospects, those that fit the needs of companies were mainly in the field of AI, digitalization or IT. In other fields were missing language skills either in English or in other foreign languages.



**LOW**

Impact  
on centres  
operations



**LOW**

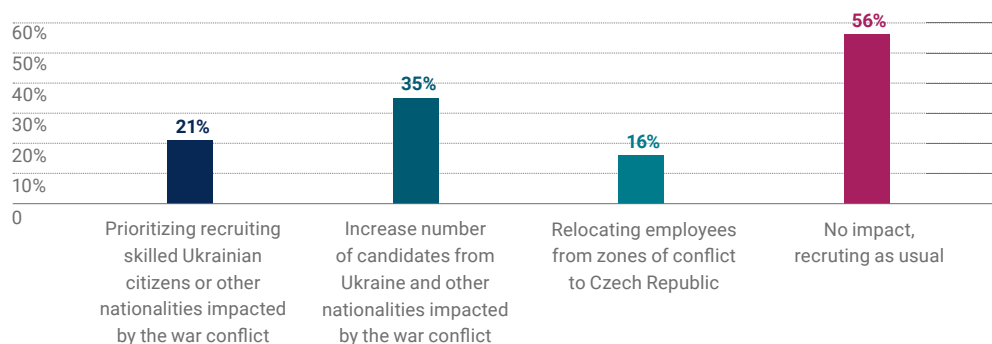
to Moderate Impact  
is expected on  
centres operations  
in the long-term



**29%**

Candidates  
were found suitable  
for positions

## How has the war in Ukraine impacted your recruiting activities?



Source: ABSL Survey 2022



# 88%

of Czech Centres  
With operation in Ukraine provided  
direct support to their Ukrainian  
colleagues



# 96%

of centres provided support to their  
Ukrainian colleagues



Relocate colleagues from  
zones of conflicts

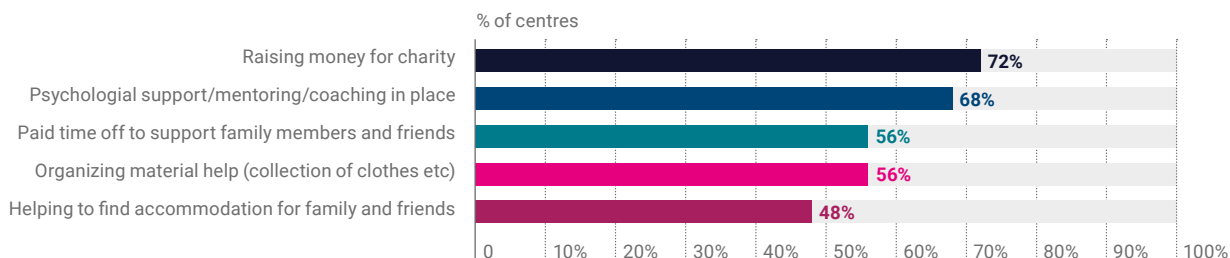


Find accommodation for local  
colleagues family and friends



Find work for their  
family and friends

Source: ABSL Cross-check survey, March 2022



Source: ABSL Cross-check survey, March 2022

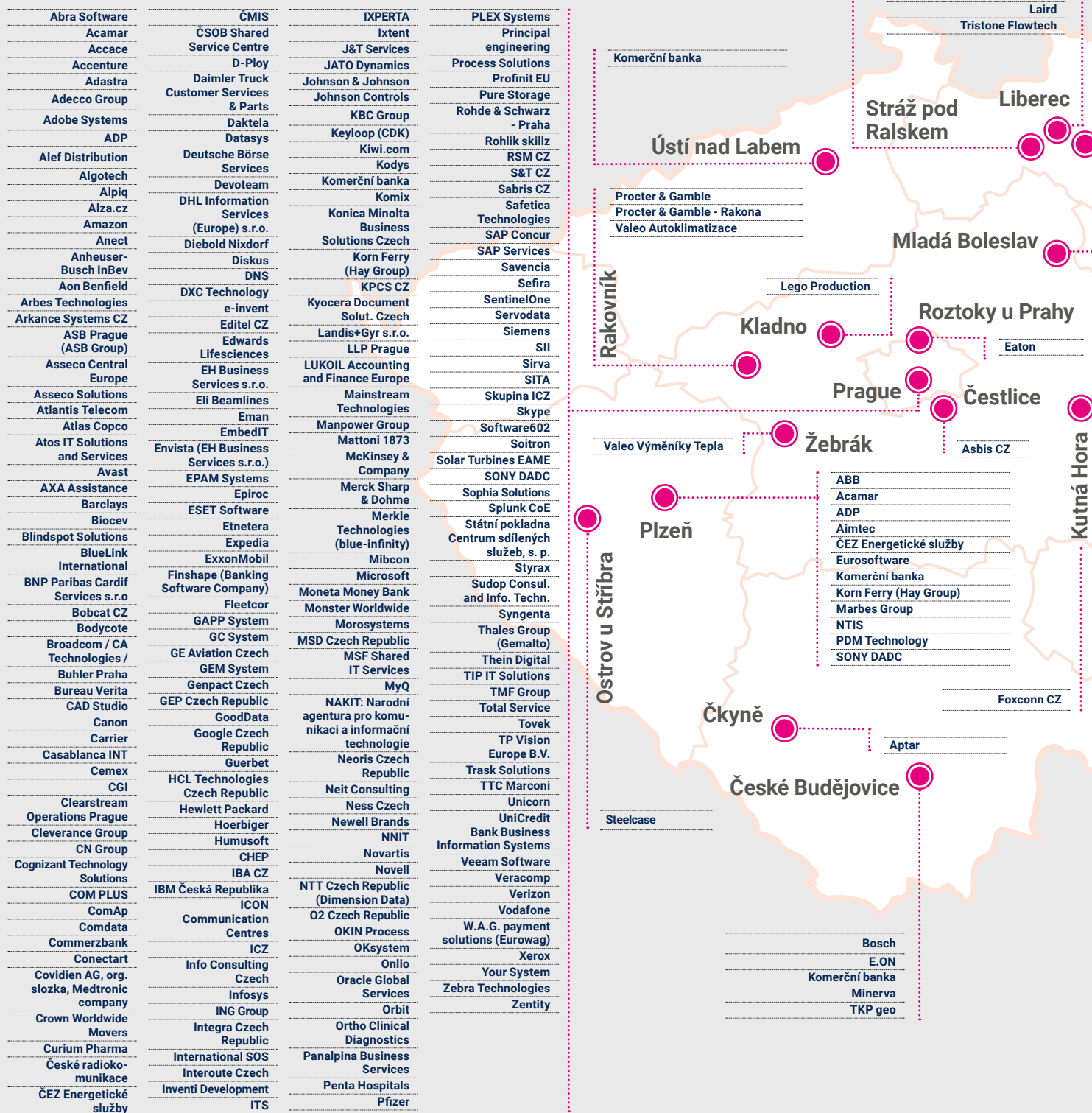
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Chapter Content Provider: ABSL

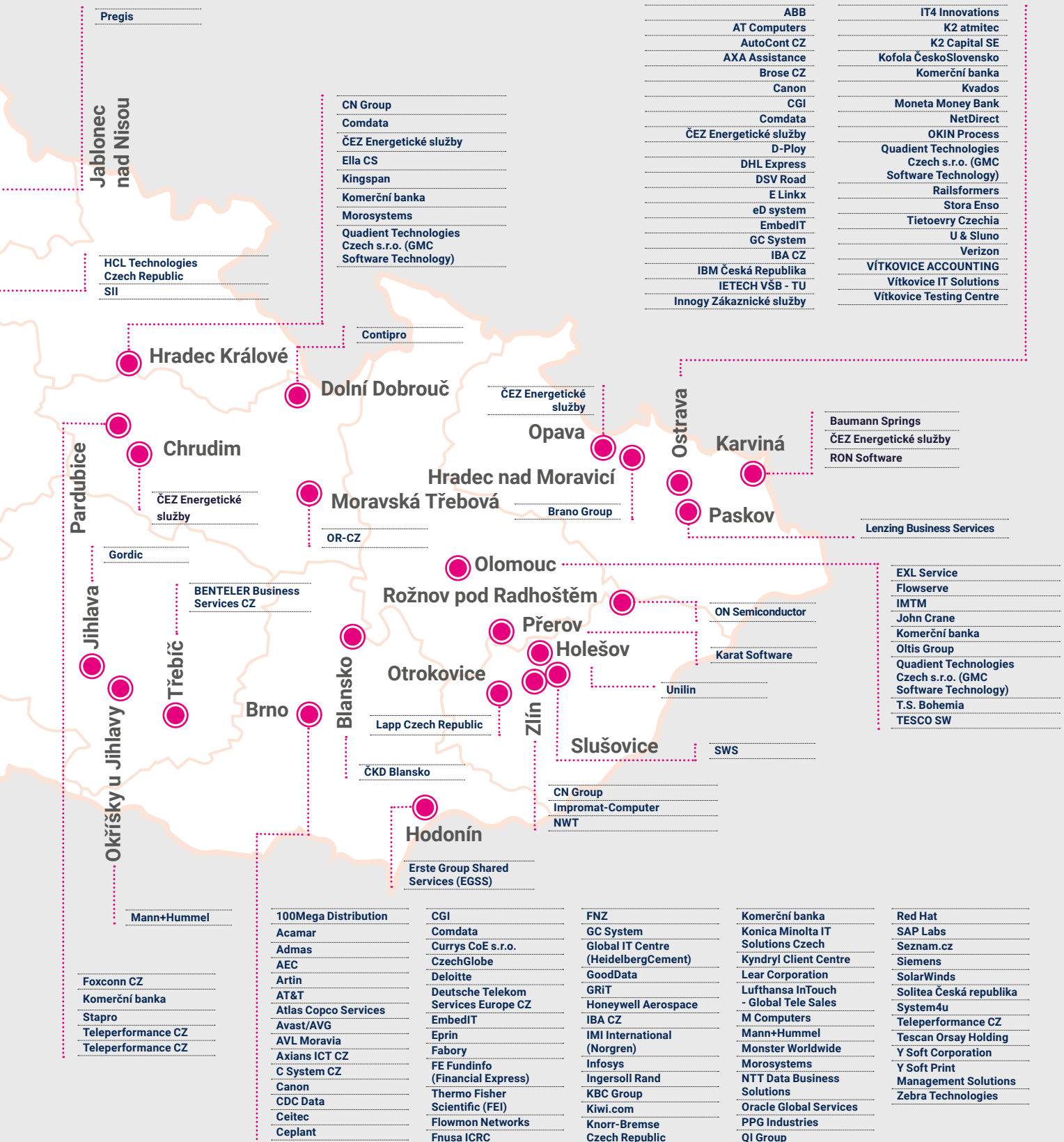
## SNAPSHOT OF BUSINESS SERVICES IN THE CZECH REPUBLIC



## Overview of business services centres in the Czech Republic



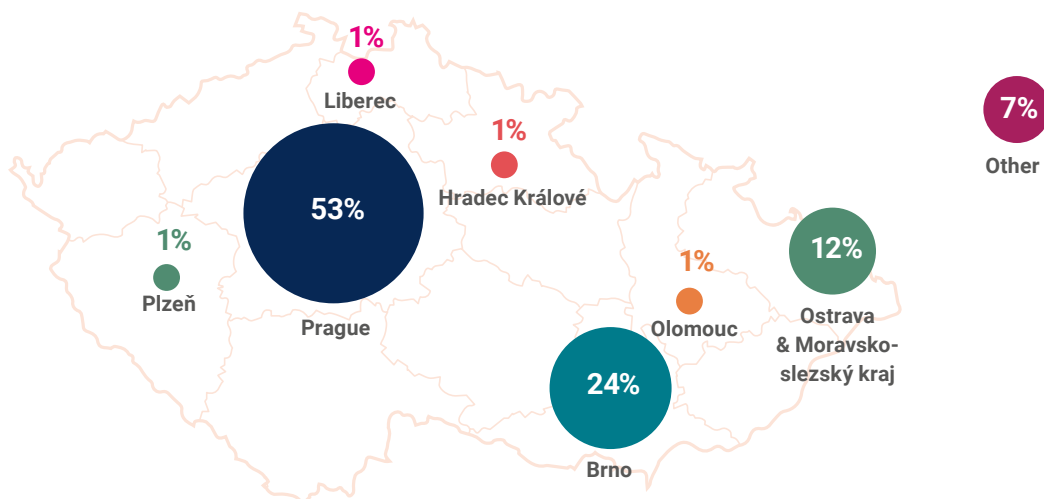






The most popular locations of business services centres in the Czech Republic continue to be the capital city of Prague and regional cities of Brno and Ostrava. There are few emerging locations within the Czech Republic apart from Plzeň and Olomouc, also Liberec and Hradec Králové.

### Proportion of employees in business service centres according to location



Source: ABSL's own study

### Top 3 most represented parent company industries



1. Business and Professional Services (incl. BPO)

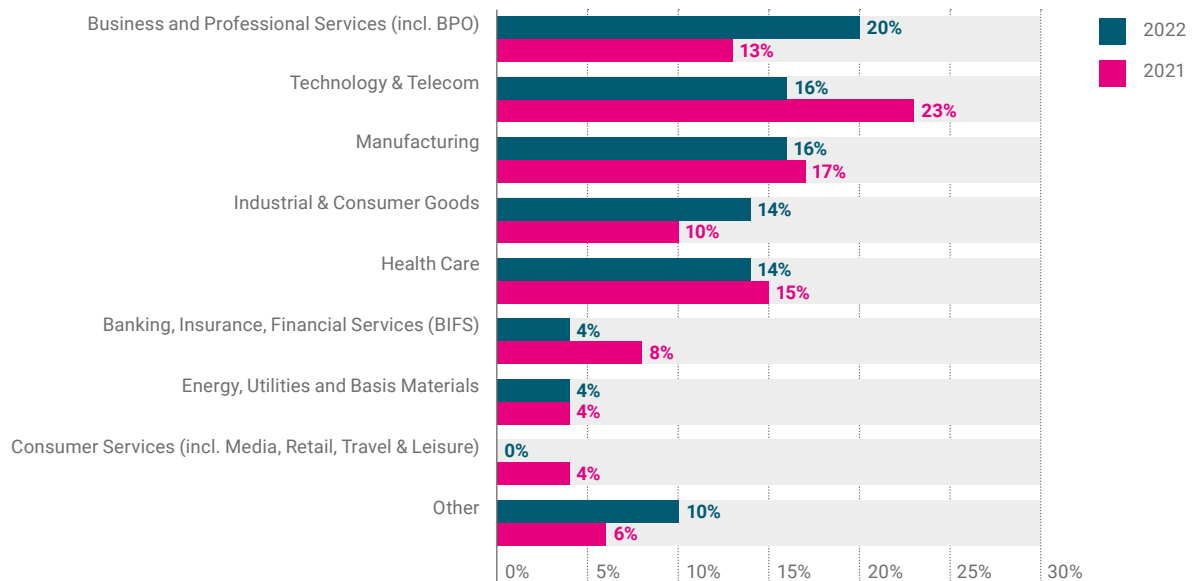


2. Technology & Telecom and Manufacturing



3. Industrial & Consumer Goods and Health Care

## Sector represented by the parent company

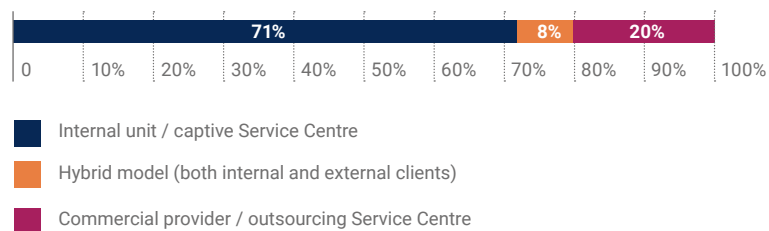


\*Other: HR Services Industry, Digital Technology Centre, Conglomerate, Logistics, Mining and Civil Engineering

Source: ABSL Survey 2022

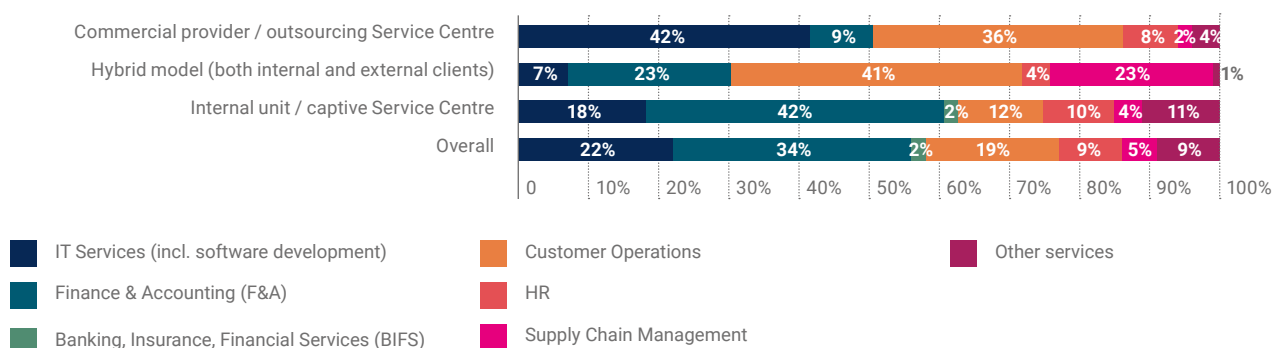
## Types of business service centres

Majority of the centres in the Czech Republic operate as internal units and captive service centres - Shared Service Centres.



Source: ABSL Survey 2022

## Structure of employment in business service centres by categories of supported business processes



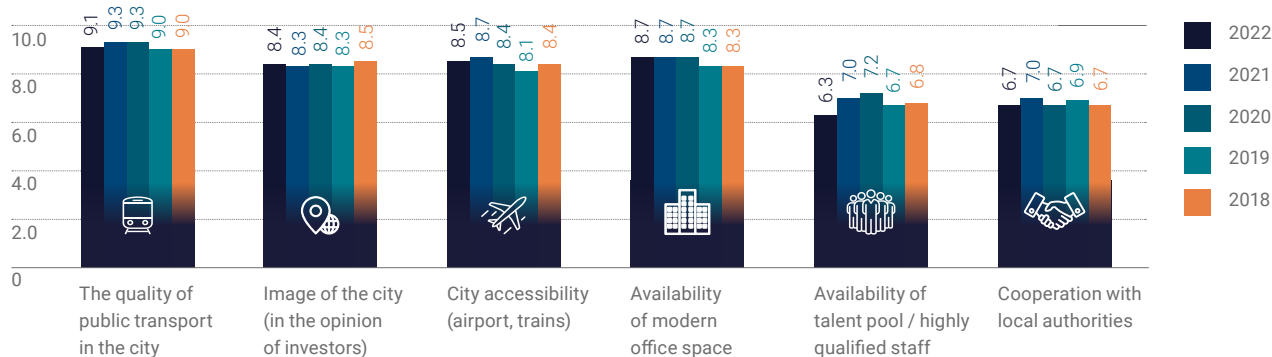
Source: ABSL Survey 2022

## LOCATION ATTRACTIVENESS & COMPETITION ASSESSMENT

The Czech Republic is valued highly by the centres located there in terms of all the major factors necessary for the centre's success. Safety, quality of life and telecommunications & infrastructure are among the top factors emphasised by the Czech centres. Together with a good cultural proximity to markets, substantial talent pool and access to required language skills, the Czech environment proves as a recipe for success for business services.

Slightly lower scores are given to the availability of talent pool and cooperation with local authorities out of which talent pool and highly qualified staff to be the most challenging for centres and is proving a very competitive market in this area. and exciting directions.

### Assessment of local markets as place to do business



Source: ABSL Survey 2022



“The Czech Republic has been one of the best countries for business services and IT centres globally and it has kept its position for more than a decade. Companies and employees in the sector score the country highly on safety & stability, quality of life, infrastructure, and quality of the local labour market. The Czech republic is also an active member of the European Union with a clear pro-European orientation – a fact that is of fundamental importance for 93% of the companies in the sector.

ABSL works pro-actively on ensuring that the Czech business environment remains conducive for business service and the Czech Republic remains competitive despite the ever-changing global economic and political scenarios. Through active connections with the Czech government, ministries, municipalities as well as cooperation with the Czech Chamber of Commerce, ABSL promotes and ensures that priorities of the state are aligned with the priorities of the companies in the sector. The focus has been quality of the Czech labour market, global talent attraction, and visa policies, flexible labour code, and inclusion of business services sector representatives in strategic advisory bodies formed by the government.”

**Jan Skoták**

Associate Vice President - Regional Center Head, Infosys &  
Vice-President Governmental & Public Affairs, ABSL

## Competition on the local market

The respondents of the ABSL Survey 2022 were asked to score the competition on the local market from 1 being the lowest to 10 as the highest. On average, the responding centres reported a competition of 7,9 out of 10. This shows that the competition is at the same level as last year and very stable for the last couple of years, except for the decrease in the year 2020. There is no sign of significant changes in overall competition.



# 7,9/10

average rate of competition among  
business services centres in local  
markets in 2022

# BRNO

Growing potential  
for Business Services



**92%**

of centres plan to expand in next two years



**64%**

of employees in Brno business services are women



**9%**

employee growth in Brno business service centres in 2021



**31,000**

employees in business services in Brno



**24%**

of all centres in Brno is larger than 500 employees (compared to the national average of 15%)

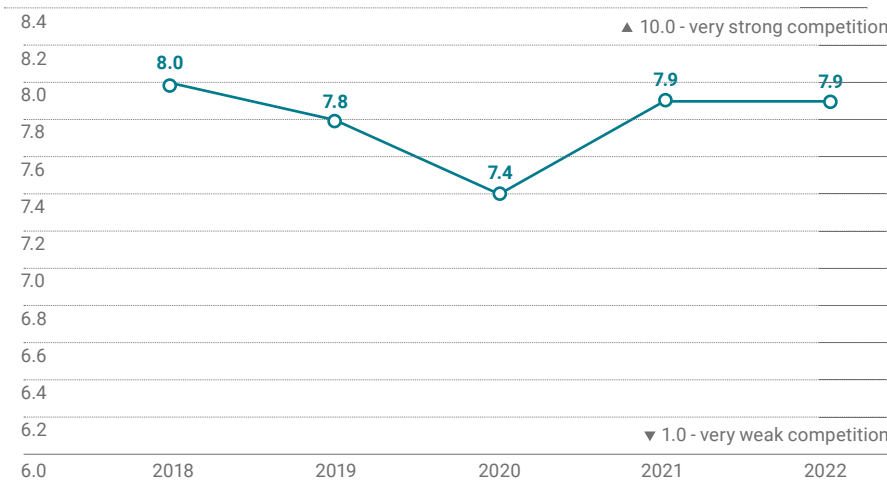
## READ MORE ABOUT THE:

- » #Brno2050 Strategy
- » Success recipe from the largest BSCs leaders
- » Student & Foreigners profile
- » Real Estate market prices and conditions
- » Data & Insights from Brno Business Services Market Leaders





Perceived competition on the local market

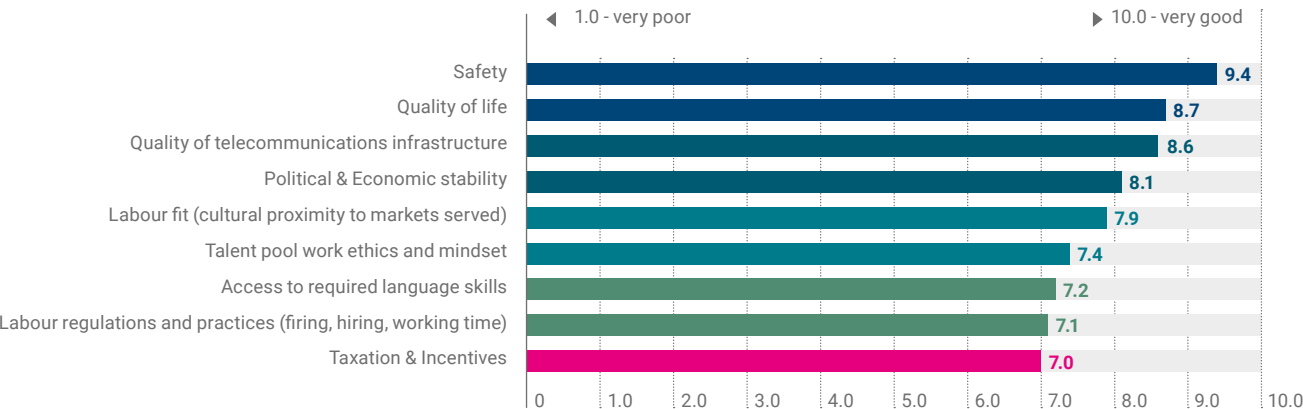


Source: ABSL Survey 2018 - 2022

Regional assessment of the Czech Republic

Responders were asked about their view on regional assessment of the country. The highest score was given to safety. Followed by the quality of life and quality of telecommunication infrastructure. The improvements are mainly seen in taxation and incentives and also in labour regulation and practices as well as in terms of ease the system for hiring, working time and for voluntary/involuntary leaving of companies.

Regional assessment of the Czech Republic

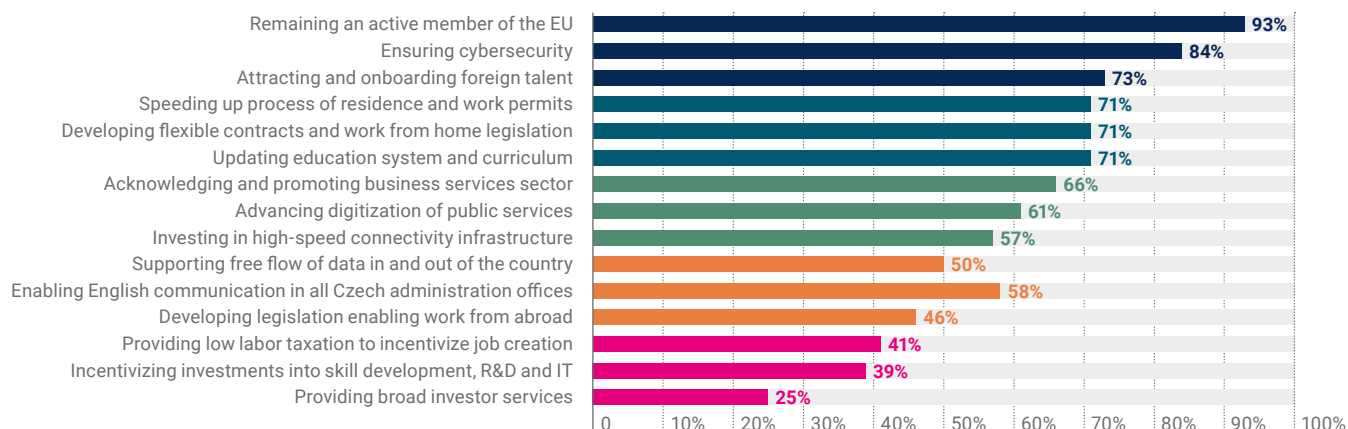


Source: ABSL Survey 2022

## Government Activities

Remaining an active member of the EU is considered as the most critical factor for the centres' success in the Czech Republic. 93% of the centres rank it as high or critical to their business continuity. While the ABSL Survey was run (June-September 2022), the Ukraine-Russian war conflict increased the importance of cybersecurity, which scored as the second most important activity by the Czech government that the centres need. Furthermore, other key activities revolve around attracting, processing and enabling foreign talent to work in the Czech Republic or from abroad.

### High or critical government activities for business continuity and success in the Czech Republic



Source: ABSL Survey 2022

## Strengthening government relations through personal meetings



### Marian Jurečka

Minister, Ministry of Labour and Social Affairs

- » Work from home policies
- » Part-time jobs and opportunities
- » Foreign workforce
- » Importance of education and languages



### Ondřej Profant

Deputy Minister, Ministry of Regional Development

- » Digitalisation of processes
- » Recruiting foreign talent
- » Sharing of best practices with other ministries



### Petr Očko

Deputy Minister, Ministry of Industry and Trade, CEO of CzechInvest

- » Digitalisation of processes
- » Strengthening cooperation with CzechInvest
- » Investment incentives and work opportunities

Creating awareness and visibility:



Continuous growth of business services



Recruiting qualified workforce from abroad



Visa and immigration policies and legislation



Digitalization of processes and administration



Creating a competitive business environment



The Future of Czech Business Services Centres

The top priority of the Czech centres for both the year 2023 and by the end of the year 2025 is to recruit and retain staff in key positions and with critical skills. 86% of centres consider this to have high or critical priority for 2023. Promoting customer-centricity and managing costs follow as the next highest priorities with 3 out of 4 centres considering these as high or critical priority for the next year.



88%

of centres are already executing or planning a strategy to secure access to critical talent

Top 5 priorities



**Recruiting and retaining staff** in key positions and with critical skills

1.



Promoting **customer-centricity**

2.



**Managing costs,** creating new value (value creating strategies)

3.



**Leadership:** Developing executives who can lead effectively

4.



Maintaining of **well-being and resilience** of employees

5.

## Top initiatives on the top of 2023 agenda

The activities on the top of the 2023 agenda of the Czech centres evenly revolve around digital transformation, strengthening foundations and increasing the value of the services provided. More specifically, the centres most often plan to focus on customer-centricity, planning a talent upgrade and expanding automation.



# 82%

Centres planning to accelerate digital transformation in 2023



# 77%

Centres planning to cultivate customer-centric, Innovation culture

### Pillars of the LEADER'S VISION FOR BUSINESS SERVICES



EXPANDING SCOPE & VALUE

- » Customer centricity
- » Agility of service delivery model
- » End-to-end process ownership



DIGITALIZATION & INNOVATION

- » Accelerating digital transformation
- » Cost reduction through automation
- » Expand innovation effort



LEADING IN TALENT MANAGEMENT

- » Talent upgrade plan & execution
- » Enhance performance management



SHAPING BUSINESS ENVIRONMENT

- » Sustainability, ESG, DEI
- » Optimize virtual working practices

### Top Initiatives of Czech centres for 2023

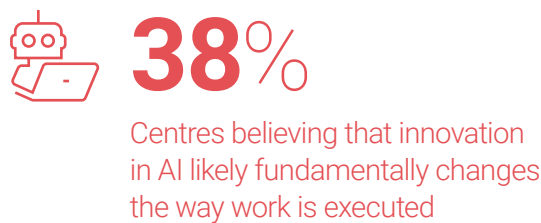
Source: ABSL Survey 2022



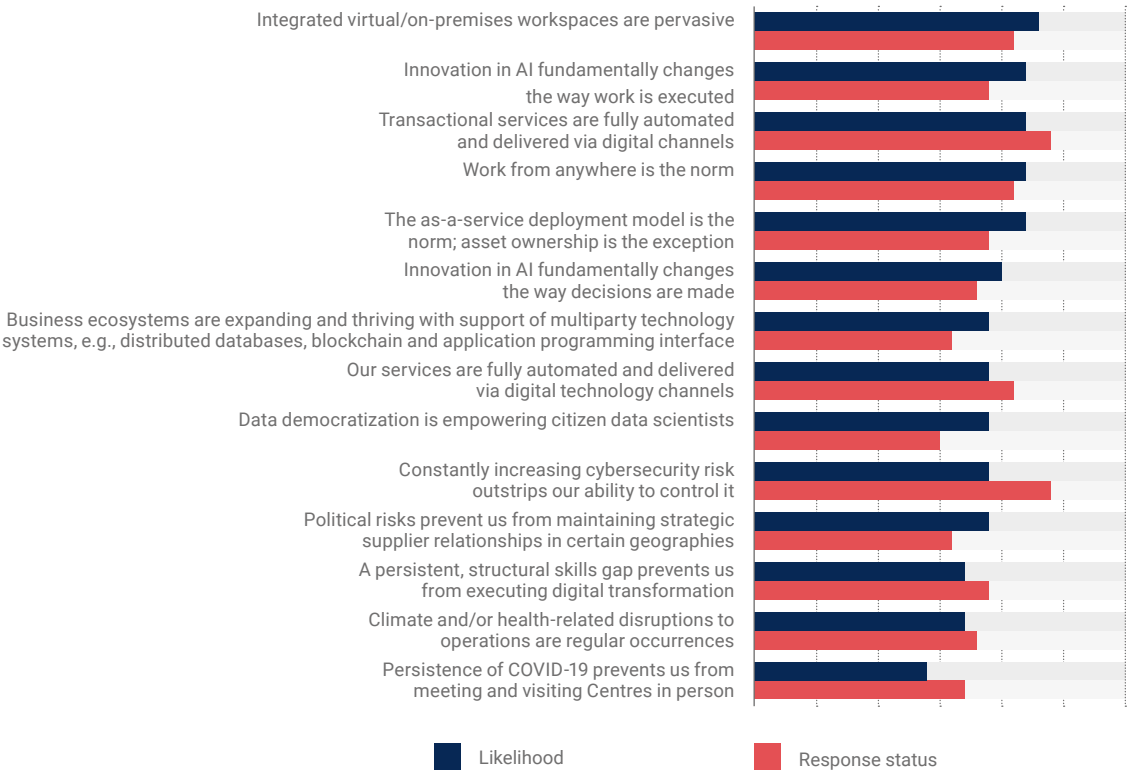
## Disruptive Scenarios

The top scenarios that the Czech centres see materialising by the end of 2025 include integrated pervasive hybrid workspaces, AI changing work and decision-making, fully automating transactional services or as-a-service deployment model. More than three quarters of the centres see these scenarios as likely or somewhat likely.

The largest share of the centres (more than a third) already have a plan in place to deal with pervasive hybrid workspaces. On the other hand, they seem the least prepared for the expansion of AI, for which less than one fifth of the centres has a plan in place.



### Expected Disruptive Scenarios by the end of 2025

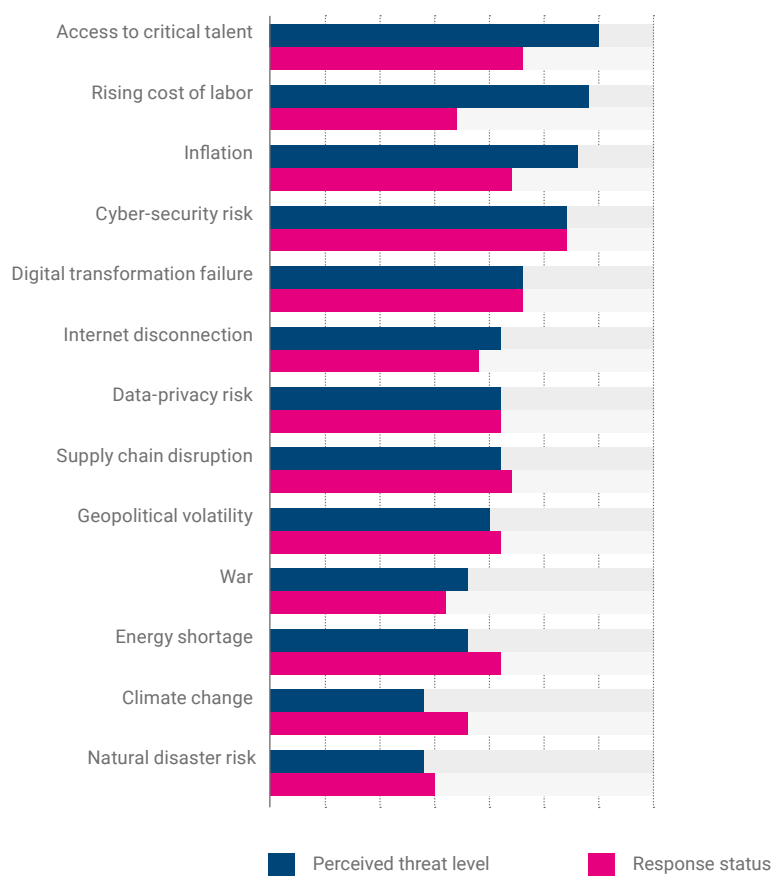


Source: ABSL Survey 2022

## Risks for business continuity and perceived competitiveness

Czech business centres are the most concerned with risks regarding talents and the access to those critical resources as well as rising costs of labour together with rising inflation. Along with the geopolitical situation the companies see risks in cybersecurity and therefore failure with digital transformation. As a response to those they seem to be ready and have plans for the rising costs of labour and cybersecurity risks.

### Risks for business continuity and competitiveness



Source: ABSL Survey 2022

## CONTINUOUS EMPLOYMENT GROWTH

In 2022 the sector grew by 12% and is expected to reach 160,000 jobs in 2023. Apart from a slowdown in 2020 due to the pandemic, over the last 5 years the sector shows a steady growth rate and is well on the way to employing 200,000 people by 2025.



# 12%

employment growth in business services centres in 2022



# 160,000

expected number of jobs in business services in the Czech Republic in 2023



# 11%

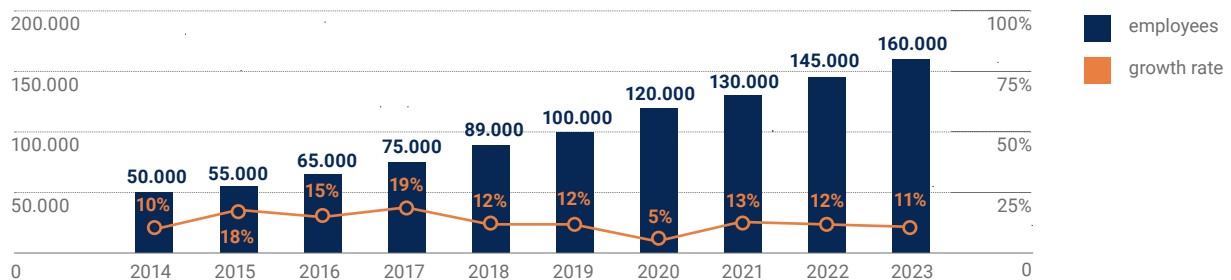
expected employment growth in business services centres in 2023



# ~200,000

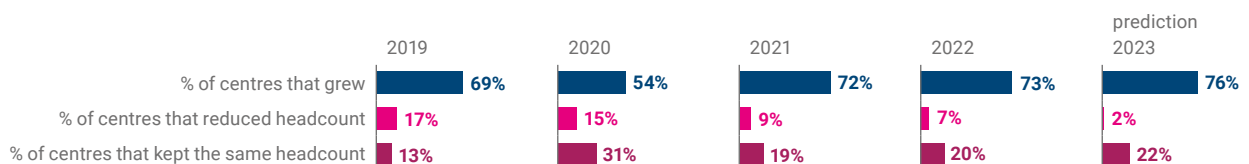
expected number of jobs in 2025

### Growth rate of business services in the CZ



Source: ABSL Survey 2014-2022

### Growth & reduction of employee numbers in Czech centres in 2022



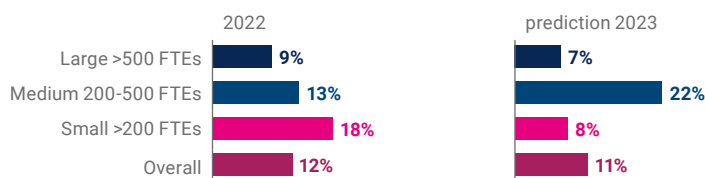
Source: ABSL Survey 2022



## Employment growth by centre size

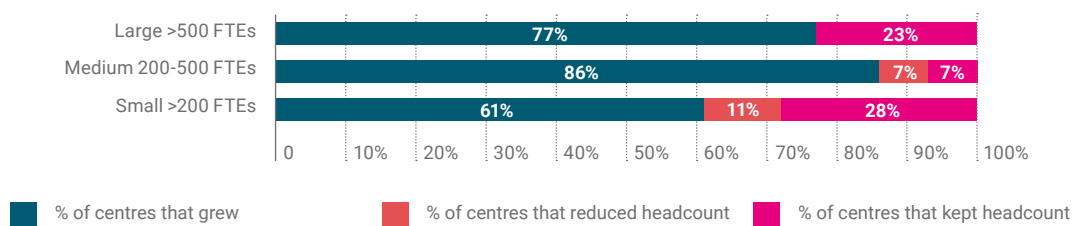
In the year 2022, small centres with less than 200 employees grew the most, in terms of headcount numbers. For the year 2023 the highest growth rate was predicted by the medium sized companies and large companies. Small centres also predict the reduction of headcount but on a very small scale.

### Growth in employee numbers by centre size



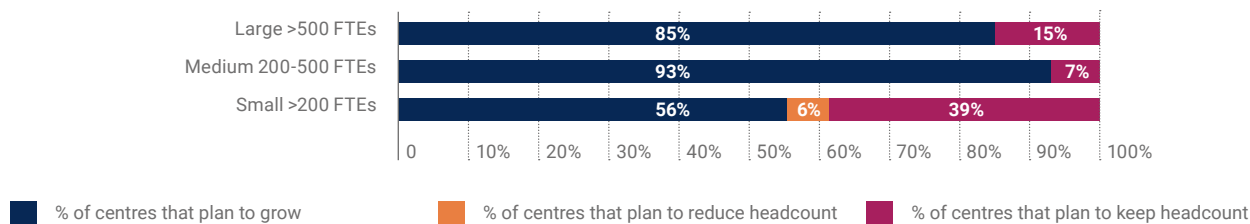
Source: ABSL Survey 2022

### Growth in 2022 by centre size



Source: ABSL Survey 2022

### Prediction for growth in 2023 by centre size



Source: ABSL Survey 2022

# THE FUTURE ACTIVITIES OF CZECH BUSINESS SERVICES

The majority of Czech centres (66%) plan to expand their activities in the next 2 years. This will be fuelled by performing new activities and gaining new customers.

In 2021, one could see a growing optimism, which seems to partially erode in 2022 with a larger share of centres planning to focus on stabilisation and optimization of current activities.

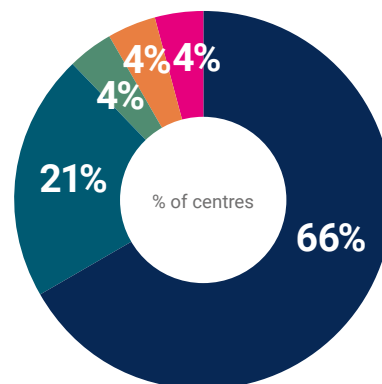


## 66%

of centres plan to expand their activities in the next 2 years

### Centre's plans for the next 2 years

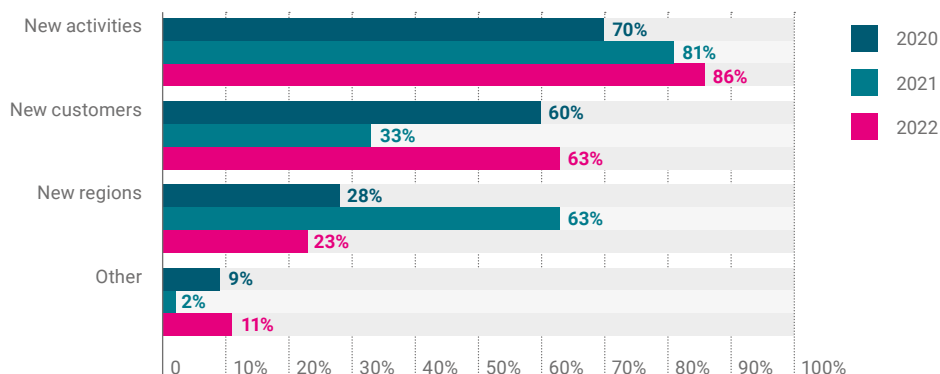
- Expansion of activities
- Stabilization and optimization of current activities
- Reduction of activities
- No plans to change current activities
- Other plans



Source: ABSL Survey 2022

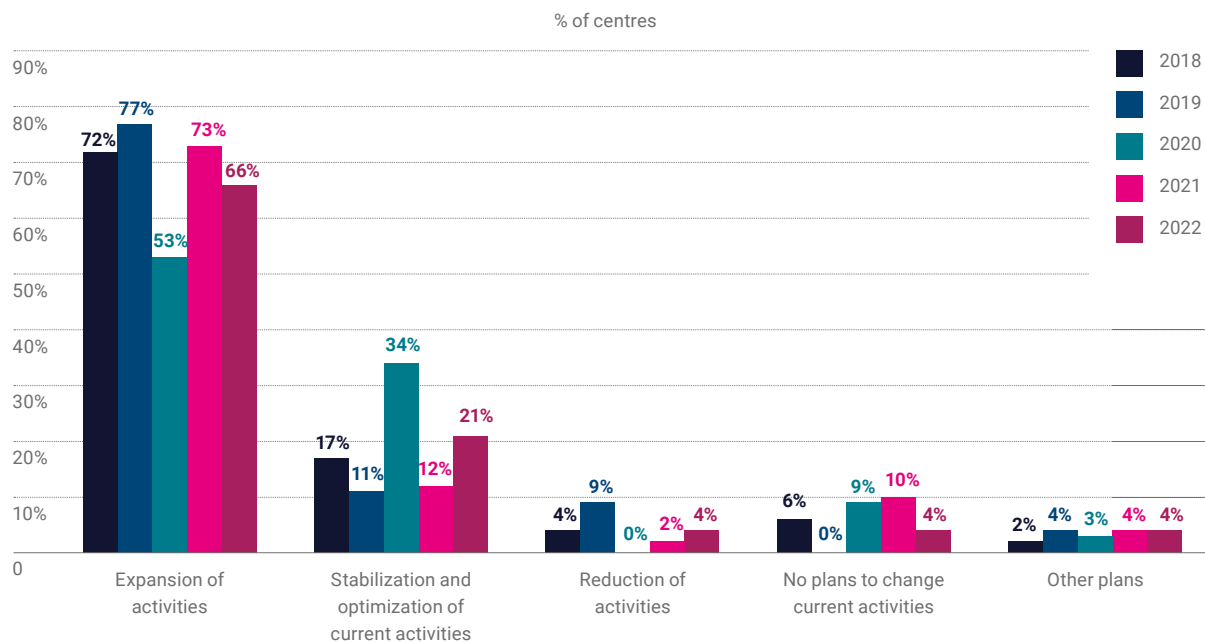
Out of 66% of companies that plan to expand their activities, the majority 86% plan this expansion through new activities. The most significant increase, apart from the previous year, is the expansion by gaining new customers 63%. In the near future companies' view is still the expansion of new activities 66%, however, they also foresee more of the stabilisation and optimization of current activities 21%.

## Areas that will be driving expansion of business services centres



Source: ABSL Survey 2020-2022

## Plans for expansion/reduction of operations in the upcoming 2 years



Source: ABSL Survey 2018-2022

## SCOPE & MATURITY OF SERVICES DELIVERED

---



“The Business Service sector in the Czech Republic has been growing, organically and successfully, for more than 10-15 years. The Czech centres provide traditionally their services the most to the Western Europe, CEE and the Czech Republic. Over the last 5 years, there has also been a substantial increase of Czech centres providing services overseas (20% more in North America and almost 80% more support for South America...) thus expanding the global footprint.

Business Services have matured and progressed from simple to more complex and a higher value-added scope of services. We expand the scope of our services far beyond transactional and support functions into digital, IT, data analytics, transformation, and core business such as sales.

And with the scope expansion we also play an ever stronger role as thought partners for our clients (over 76% of all services provided by the Czech centres are at the advanced or partner level) providing them with true added value. “

**Roman Pavloušek**

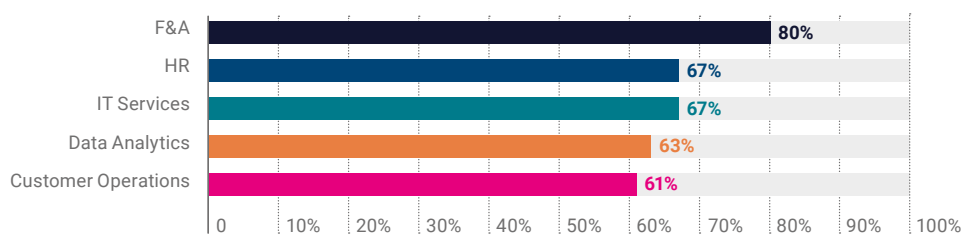
General Manager, Finance Service Centre, Atlas Copco  
& Vice-President Scope and Value, ABSL

### Fostering innovation through maturity and complexity of services provided

The Czech centres continue to mature and expand their portfolio, which is shown by 76% of all services provided by the Czech centres at the advanced or partner level. This is a slightly lower number than in the previous year, but at the same time the average number of processes serviced by each centre increased from 15 in 2021 to 17 in 2022.

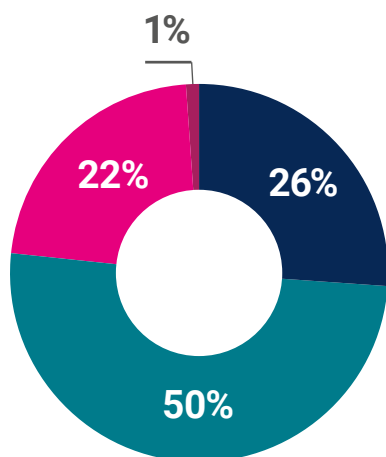


## Top service areas provided from the CZ



Source: ABSL Survey 2022

## Share of services provided at various maturity levels by Czech business services



### LEGEND:

Rookie	Design and initial implementation in place
Developing	Some processes transferred; majority of processes not standardized
Advanced	Centralization completed as planned, processes standardized, continuous improvement in place
Partner	Optimization and Automation across organization, Business Outcomes focus & Partnership with clients

Partner Advanced Developing Rookie

Source: ABSL Survey 2022

## Knowledge-based activities continue to grow

Centres keep steadily growing on their knowledge-based activities. Services provided on partner level mostly are those in Finance and Accounting and IT services as well as Research and Development IT and Other, on partner level is also a large proportion of Customer Operations. On the other side at the developing stage is Data Analytics and Document Management.



# 76%

of processes are now being delivered in the advanced or partner level



# 50%

of centres provide some services on advanced level



# 53%

of activities performed are knowledge-based



# 16

average number of services provided in one centre

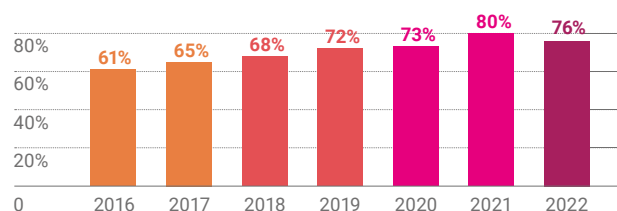
## Infosys

### ABSL DIAMOND WINNER 2022 IN CATEGORY CUSTOMER INITIATIVE

In the Customer Initiative category, the prize was awarded to **Infosys Ltd.**, which implemented a self-service portal for its client to increase the efficiency of customer contact. The portal uses 3 chatbots, interactive forms and intuitive tutorials to significantly reduce the time taken to resolve technical issues raised by users, who are also able to resolve some issues independently. Approximately 6,000 technical issues are resolved monthly through the portal, with the average time to resolve a request reduced from 15 to 5 minutes. The ability to resolve their requests in this way has also contributed to a reduction in customer calls by a full 30%. This allowed the client to gain additional time to focus on more strategic tasks, which also meant direct financial benefits of millions of dollars.



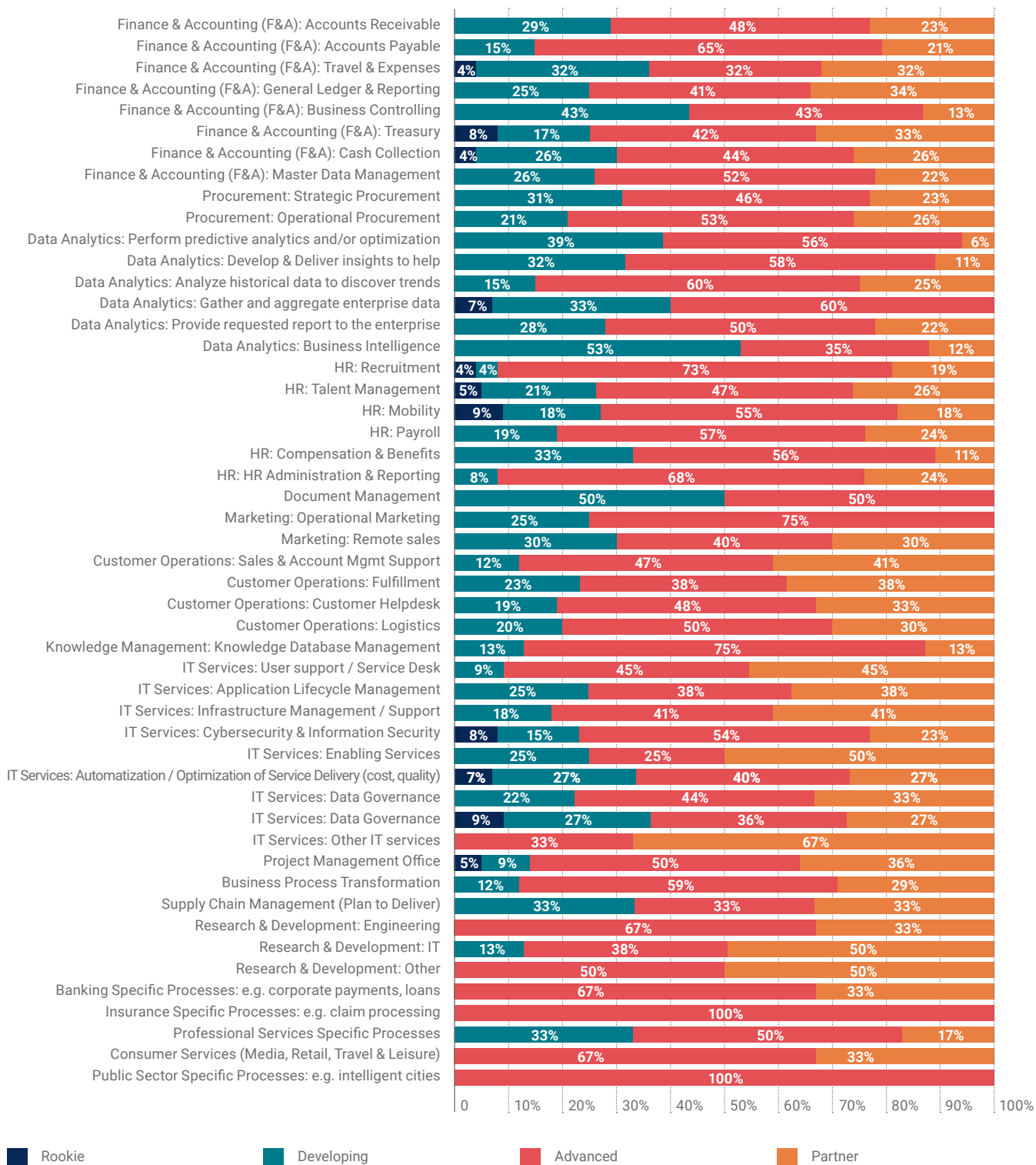
### Percentage of processes within Czech business services centres delivered in the advanced or partner stage



Source: ABSL Survey 2022

## Snapshot of Business Services in the Czech Republic

## List of selected processes at business service centres - maturity level



Source: ABSL Survey 2022






## Top services on the rise and on the go over the last 5 years

The Czech business service centres are developing into GBS organisations and we see services that are starting to be determinant to their success, such as Data Analytics, IT services or Project Management as the centres are more customer focused - customer operations are also on the rise. Services that are less and less provided by czech centres are those of document management and in Finance & accounting area it is treasury or travel & expenses.

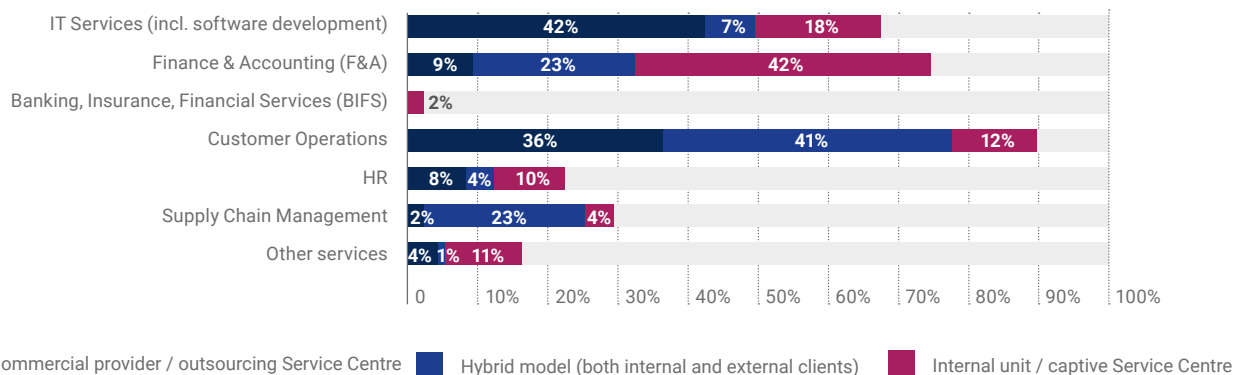
### Top 5 on the rise

1.  Data Analytics: Perform predictive analytics and/or optimization
2.  IT services: Infrastructure Management/Support
3.  Marketing: Remote sales
4.  Project Management Office
5.  Customer Operations: Customer Helpdesk

### Top 5 on the go

1.  Document Management
2.  Finance & Accounting: Treasury
3.  Finance & Accounting: Travel & Expenses
4.  Insurance Specific Processes: e.g. claim processing, underwriting, policy administration, regulatory reporting
5.  Consumer Services (Media, Retail, Travel & Leisure) Specific Processes: e.g. loyalty management, campaign management, social media monitoring, fare filing

## Structure of employment in business service centres by categories of supported business processes



Source: ABSL Survey 2022



SKANSKA

# Shaping sustainable workplaces

26 years in the Czech Republic



Scan to explore our award-winning offices



Port7 project, Prague

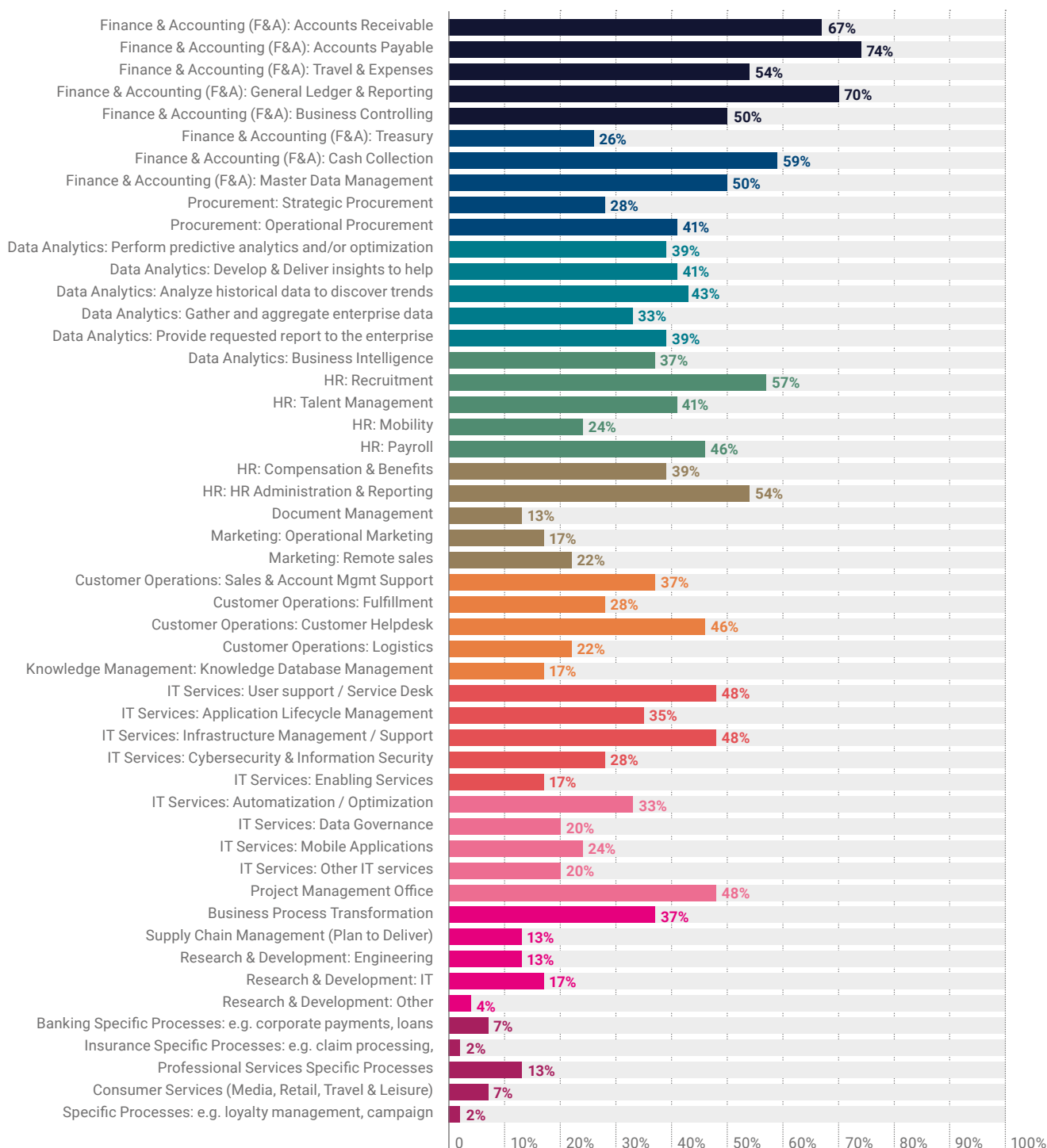


## ABSL DIAMOND WINNER 2022 IN CATEGORY VALUE CREATION

The winner in the **Value Creation** category was **Deutsche Telekom Services Europe Czech Republic** for a project aimed at eliminating data silos and unifying data on the Salesforce Cloud platform to further streamline customer relationship management. The project included an app that summarises all customer interactions and a transparent database with all IT apps operated by the company. The Key Account Manager is now able to save up to 3 hours per week that he used to spend searching for documents. The project has eliminated file sharing through different channels and replaced inefficient email communication with a single integrated platform. The newly implemented fully digital offer process is automatically managed by the system, including the e-signature process, allowing for more efficient acquisition of new customers.



## Scope of services provided by Business Service Centres in the Czech Republic



Source: ABSL Survey 2022

## Transforming into Global Business Services: Reach of services provided by business services centres

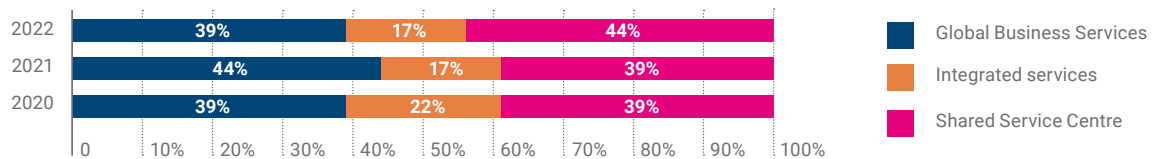
The business services in the Czech Republic continue their journey towards transformation into GBS centres.



# 39%


of services are provided as global business services


### Reach of services provided





Source: ABSL Survey 2022


#### Top 5 Services most often delivered as GBS

- 

Research & Development: Other  
Public Sector Specific Processes: e.g. intelligent cities, social insurance management, tax management  
Insurance Specific Processes: e.g. claim processing, underwriting, policy administration, regulatory reporting
- 


Research & Development: Engineering
- 


Research & Development: IT  
Knowledge Management: Knowledge Database Management
- 


Customer Operations: Fulfilment
- 


Data Analytics: Provide requested report to the enterprise


#### Top 5 Services most often delivered as SSC

- 

Banking Specific Processes: e.g. corporate payments, loans, mortgage, fraud-risk management, deposits management etc.
- 

Finance & Accounting (F&A): Travel & Expenses
- 

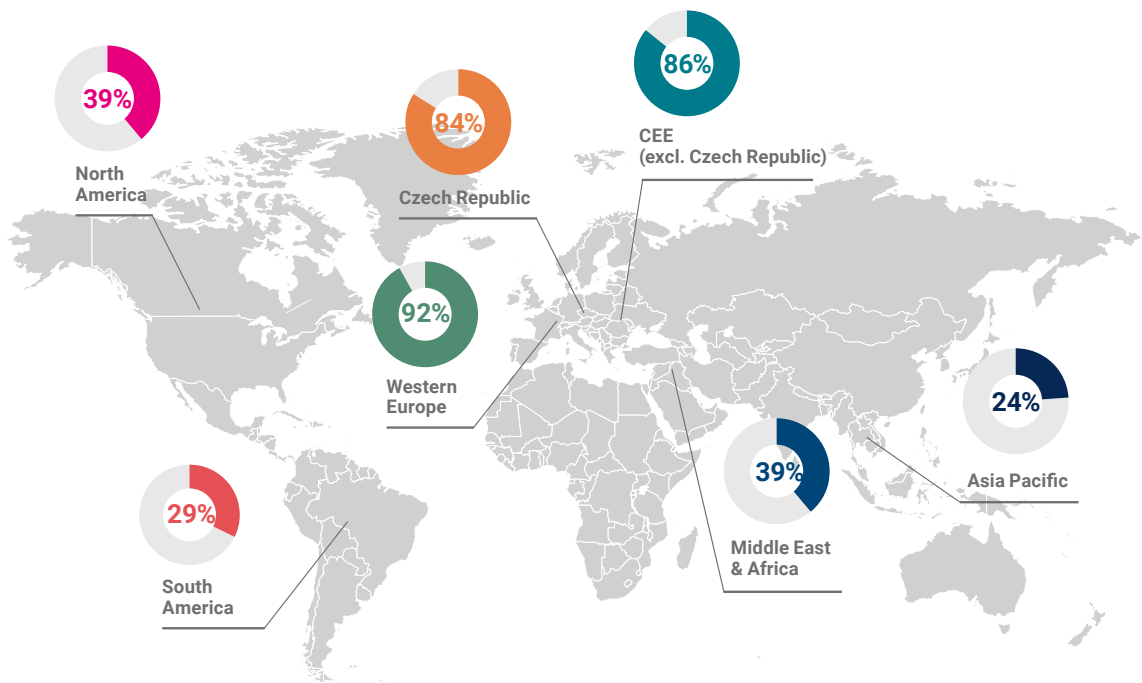
Finance & Accounting (F&A): Treasury
- 

HR: Recruitment
- 

Finance & Accounting (F&A): General Ledger & Reporting  
Finance & Accounting (F&A): Accounts Receivable

# Global regions supported by Czech business services

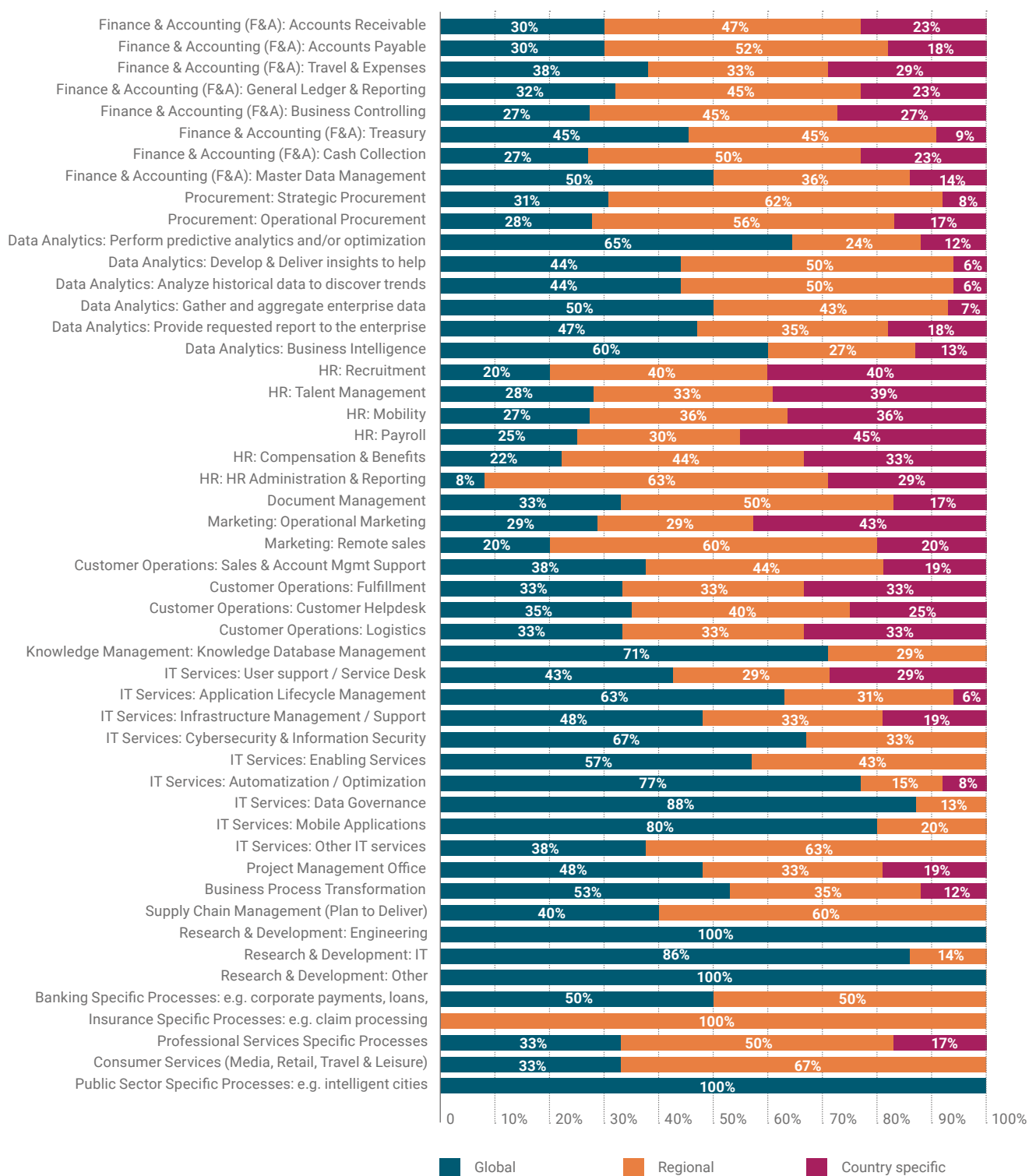
The Czech centres provide their services the most to the Western Europe, CEE and the Czech Republic.



Source: ABSL Survey 2022



## List of selected processes at business service centres - process owner



# 4

Chapter Content Provider: ABSL

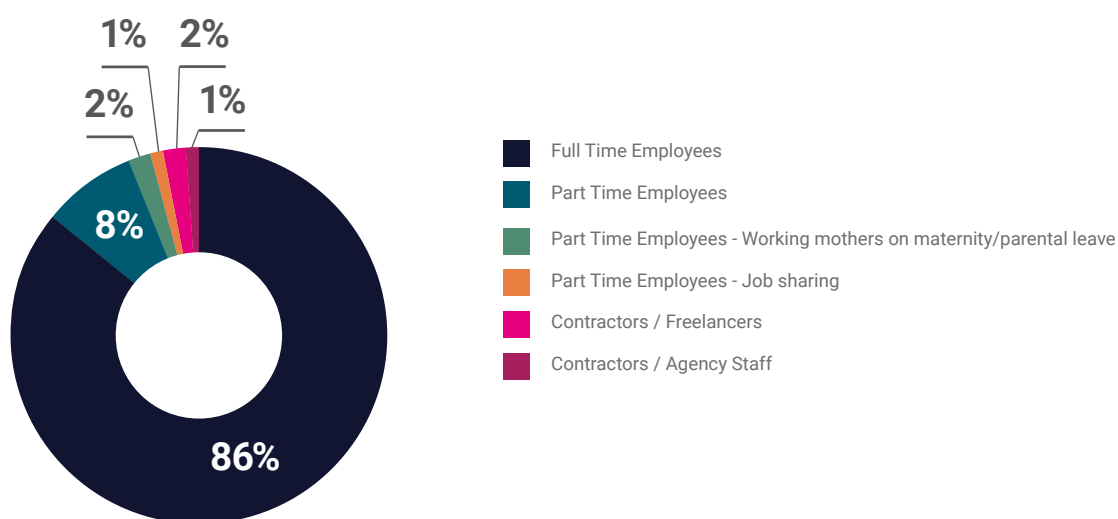
## PEOPLE AND TALENT MANAGEMENT



## FLEXIBLE HOURS

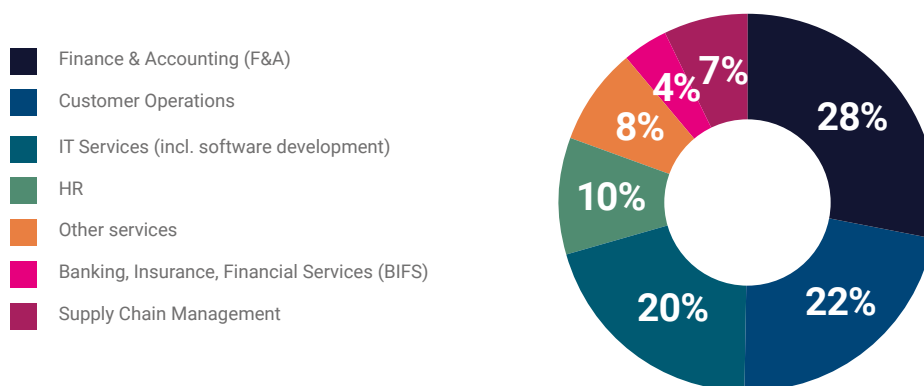
Flexible positions are on the same level of last year 14%, which may be opening the opportunities for centres who will use these to tap into a flexible workforce. The vast majority 86% of the employees in business services continue on a full-time basis. Only 8% are part time employees and despite implementation of policies towards employing parents on parental leave, there are only 2% of them.

### Structure of employment in the business services centres according to the employment status



Source: ABSL Survey 2022

### Structure of Employment according to categories of processes



Source: ABSL Survey 2022

## EMPLOYING FOREIGN WORKFORCE & LANGUAGE CAPABILITIES

Foreigners continue to make up almost half of the Czech business services workforce (43%). The vast majority are from other EU countries, although the share of foreigners from non-EU countries is steadily growing and now reaches 29% of the foreigners.



# 43%

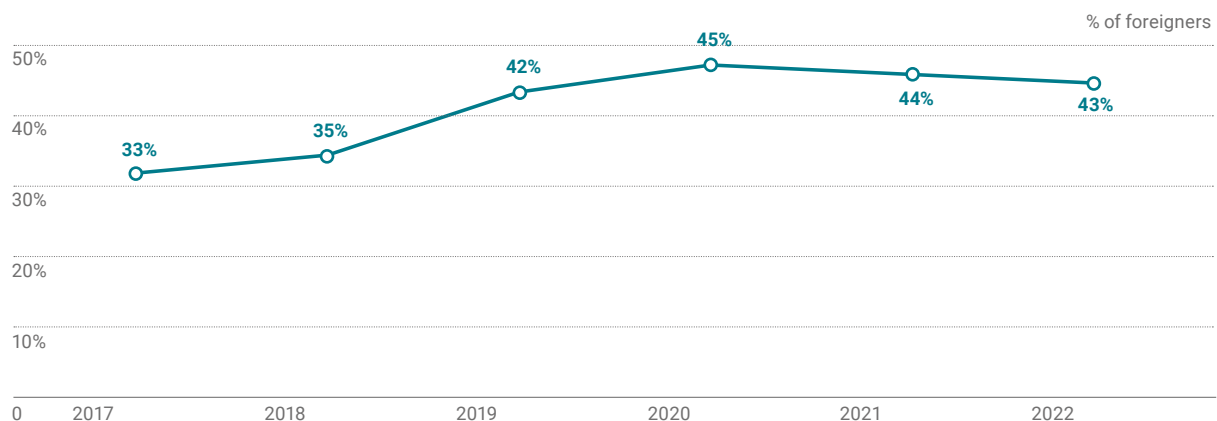
of employees of Czech business services are foreigners  
Out of which 71% of foreigners are from EU countries and 29% of foreigners are from non-EU countries



# 70,000

foreigners employed in Czech business services

### Share of foreigners employed in business services in the Czech Republic



Source: ABSL Survey 2017 - 2022



## Working from home abroad

Despite the current legislation in Europe that does not support remote work from abroad without further consequences, such as social security, taxation, work permits etc., companies are clearly supporting and offering work from anywhere in the world - even on a short term basis typically up to 1 month.

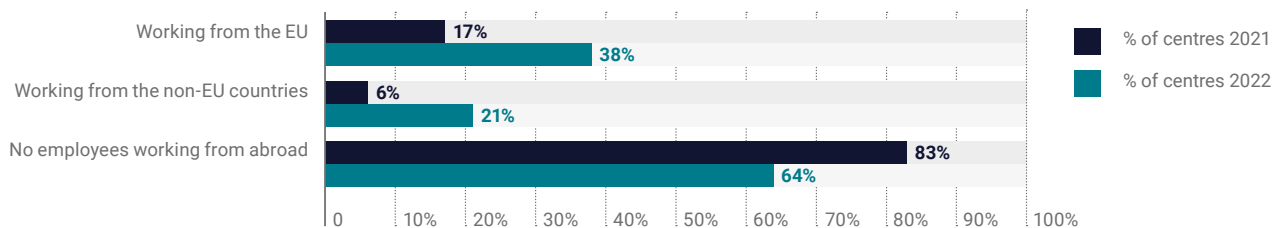
59% is a significant increase compared to previous year.



# 59%

of centres have employees working  
from home abroad  
+36% from the year 2021

## Share of Centres with employees working from home abroad



Source: ABSL Survey 2021 - 2022

## Policies for working from abroad



# 44%

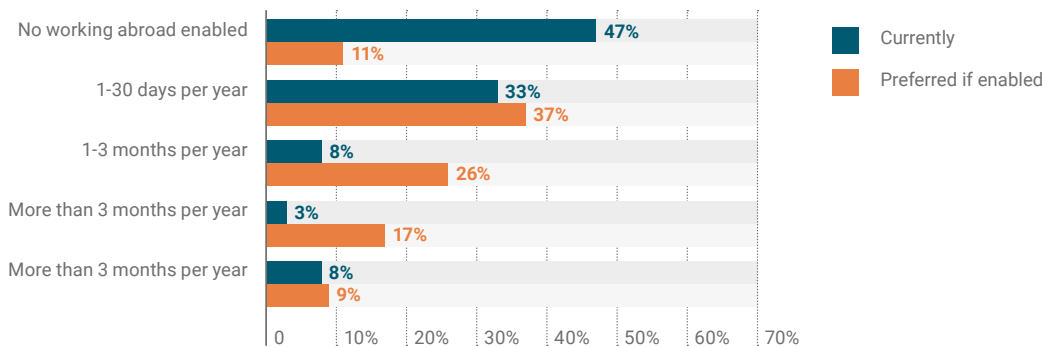
Centres allowing working from abroad



# 80%

Centres that would allow work from  
abroad if enabled by legislation

Current and preferred policies for work from abroad



Source: ABSL Survey 2022

# LANGUAGE CAPABILITY AND SERVICES DELIVERING

The Czech centres deliver services in 28 languages, out of which English, German and Czech are the top 3. Compared to the previous years, a higher share of centres deliver services in the majority of the top 10 most used languages. As it was seen in previous figures, companies are still covering the full language spectrum, however, it shows that less people are delivering in these languages. It has proven the increased use of technology and reduction of reliance on language skills in teams.



8

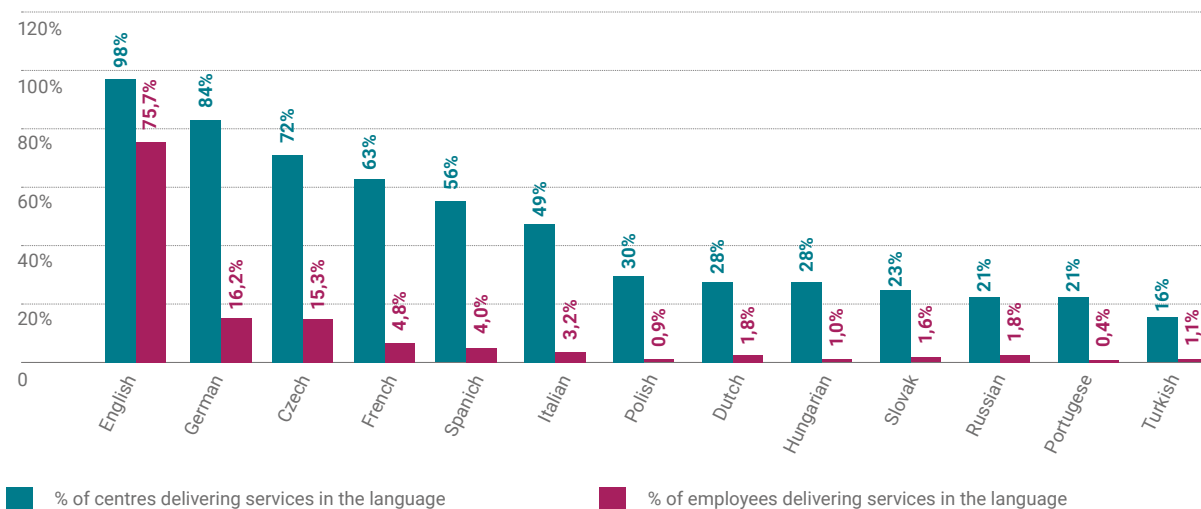
average number of languages used in a business services centre



28

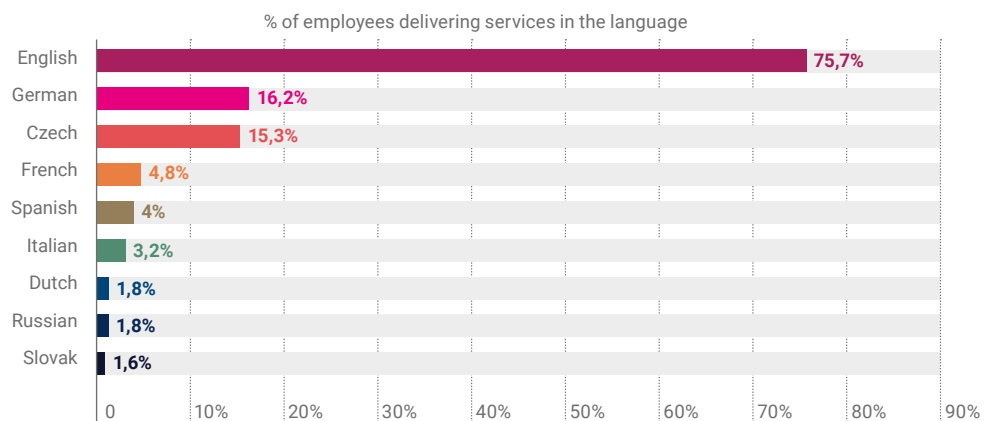
the highest number of languages used by one centre

## Most commonly used languages in business services in the Czech Republic



Source: ABSL Survey 2022

## Share of employees in business services using the most common languages to deliver services



Source: ABSL Survey 2022



# **THE RIGHT ANSWERS TO YOUR BUSINESS NEEDS**

Our flexible solutions will help you to find the right people for your company.

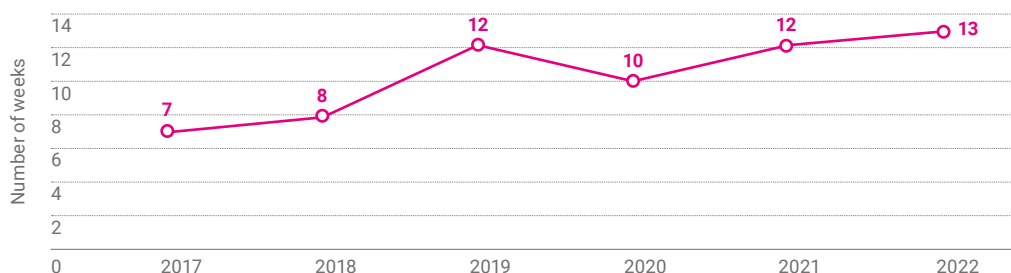
Through our services we want to contribute, as a key player and on a global basis, to the evolution of the labour market and to emphasise the personal and social value of work.

# RECRUITMENT

Overall recruitment lead time has almost doubled since the year 2017. It takes up to 13 weeks, which is almost 3 months to bring employees in. The lead time is pushed by recruitment from the Czech Republic as it takes 3 weeks longer than in previous year.

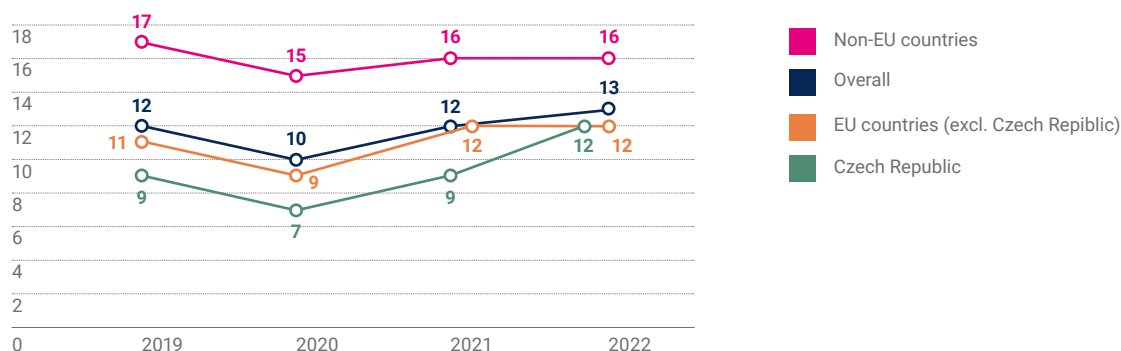
Based on the numbers most of the recruits are sourced and recruited internally via recommendation of employees 79%, advertisements or Czech job portals 79%. Social media 49% has taken the third place, predominantly LinkedIn is mentioned as the source of recruitment.

## Average recruitment lead time in Czech business services



Source: ABSL Survey 2017 - 2022

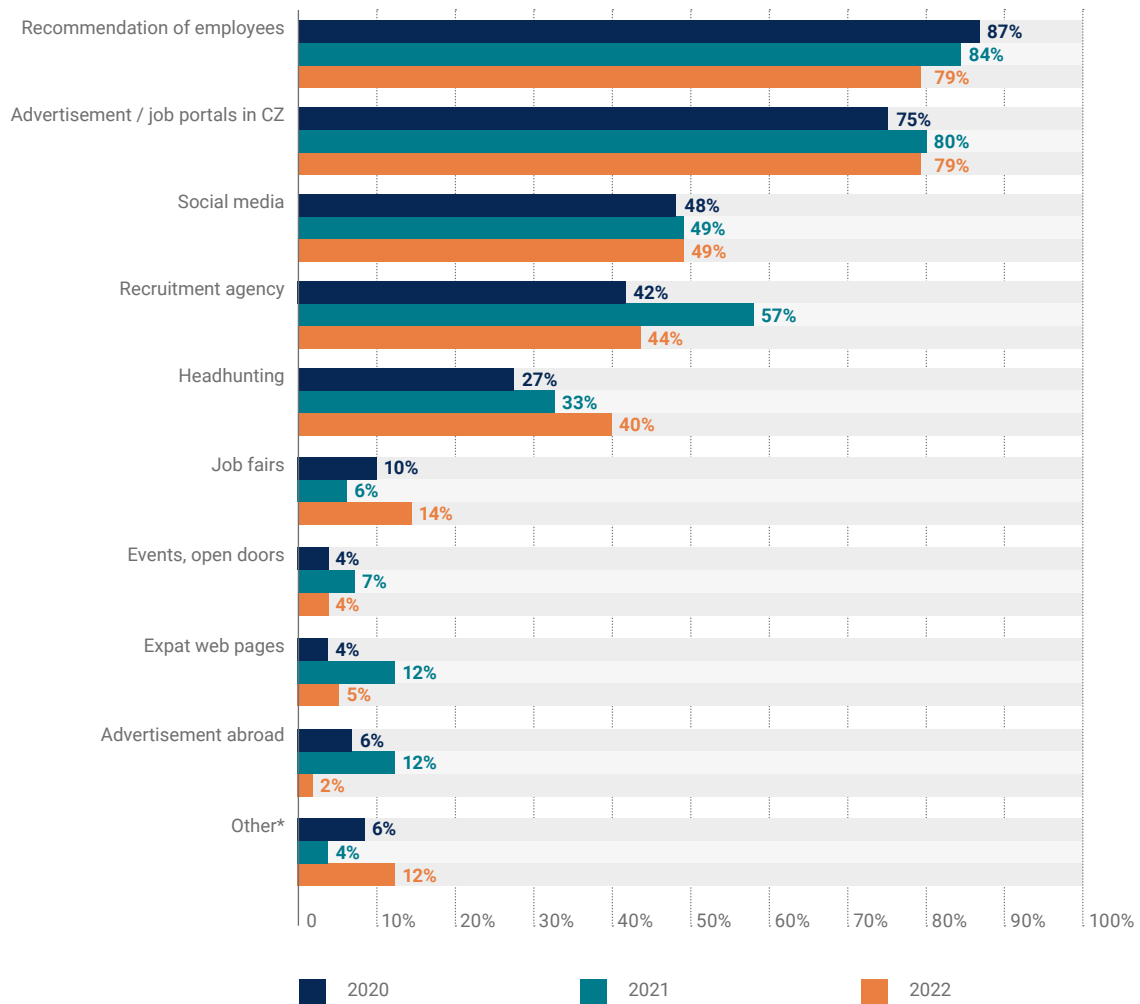
## Recruitment lead time according to the region from which candidates are being recruited



Source: ABSL Survey 2019 - 2022



### The most successful recruitment channels for business services centres



\*LinkedIn, referral program

Source: ABSL Survey 2020-2022

# ATTRITION, RETENTION, SALARIES & EMPLOYEE BENEFITS

In 2022, Czech business service centres managed to retain employees for an average of 3 years and 6 months - which is about 5 months longer than before. According to the ABSL Survey data the salary increase in 2022 was slightly higher than in previous years 6.6% compared to 4.5% in the year 2021 or 4.7% in the year 2020, prediction for the year 2023 is even higher.

Attrition rate is mainly driven by customer operations 33% in comparison to other supported business processes - all below 20%. Overall attrition rate is still below levels of the year 2019 (pre-Covid) but expectedly up about 5% on covid years. Also the lowest attrition rate shows those medium sized centres.



## 18,8%

Overall attrition in 2022



## 3,5 years

Average retention  
+5 months than in previous years



## 16%

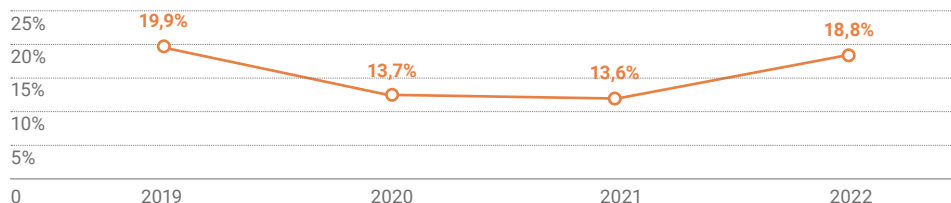
Attrition in centres with more  
than 50% foreigners  
Compared to 27% in centres with  
less than 25% foreigners



## 6.6%

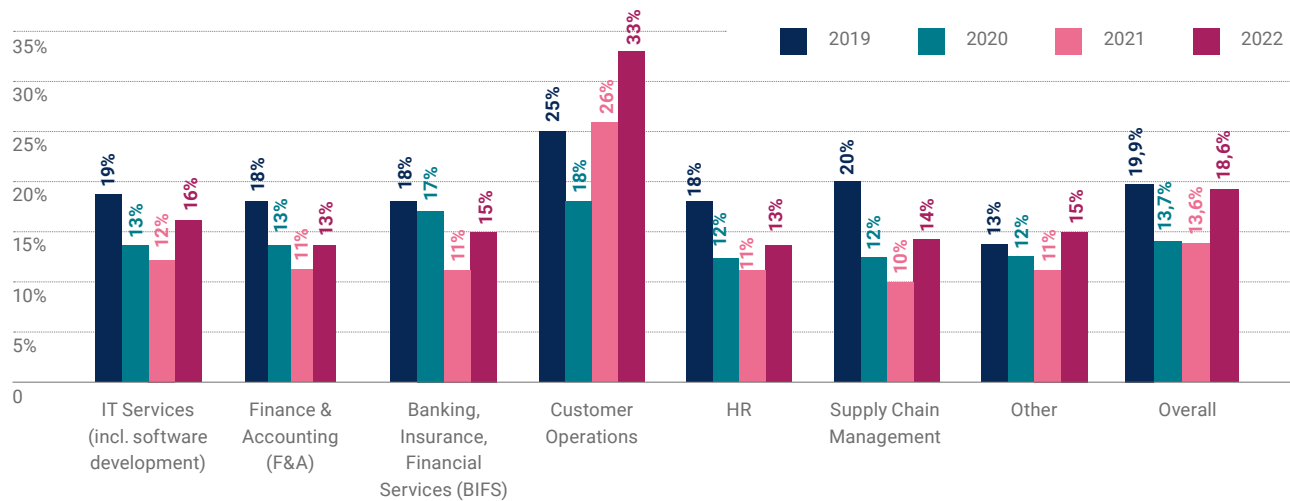
Average salary increase in 2022  
compared to 4,5% in 2021

### Overall attrition rate



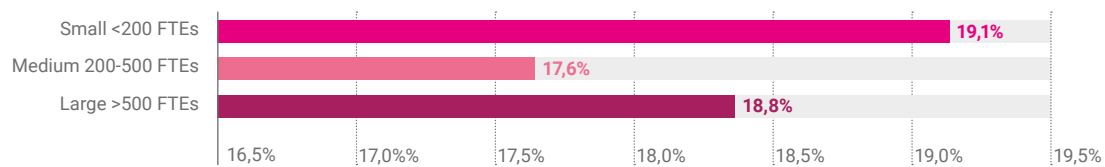
Source: ABSL Survey 2019-2022

## Attrition by categories of supported business processes



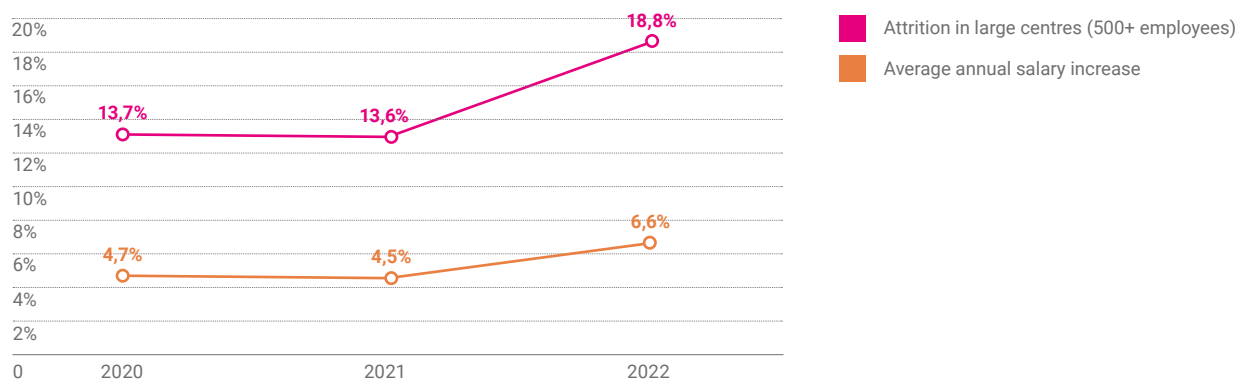
Source: ABSL Survey 2019 - 2022

## Attrition by centre size



Source: ABSL Survey 2022

## Salary



Source: ABSL Survey 2020 - 2022

# Deloitte.

## GBS

# Strategy Lab

- Engage and align your leadership team
- Unlock your potential
- Energise and commit to action

Spend one day in the leadership group to articulate your vision. Explore next-gen capability enhancements and prioritise the areas to focus on in order to achieve your business imperatives and vision. Create a roadmap for the next two years.

**Do you want to know more? Download the lab outcome example!**



## Retention Improvements & Company Benefits

Work from home and flexible working hours continue to be the predominant benefits offered by the majority of the centres. Benefits on the rise are subsidising language courses, as employees are returning to the offices from home, it seems that this benefit is back. More companies tend to also pay for additional health insurance and psychological support. The survey also shows an increase in benefits such as sabbatical leaves, early returning parents program, nursing rooms/creche facilities, which is related to change of organisation and their focus towards ESG.



### 60%

of centres  
+15% in the year  
2021  
provide mental  
health support



### 77%

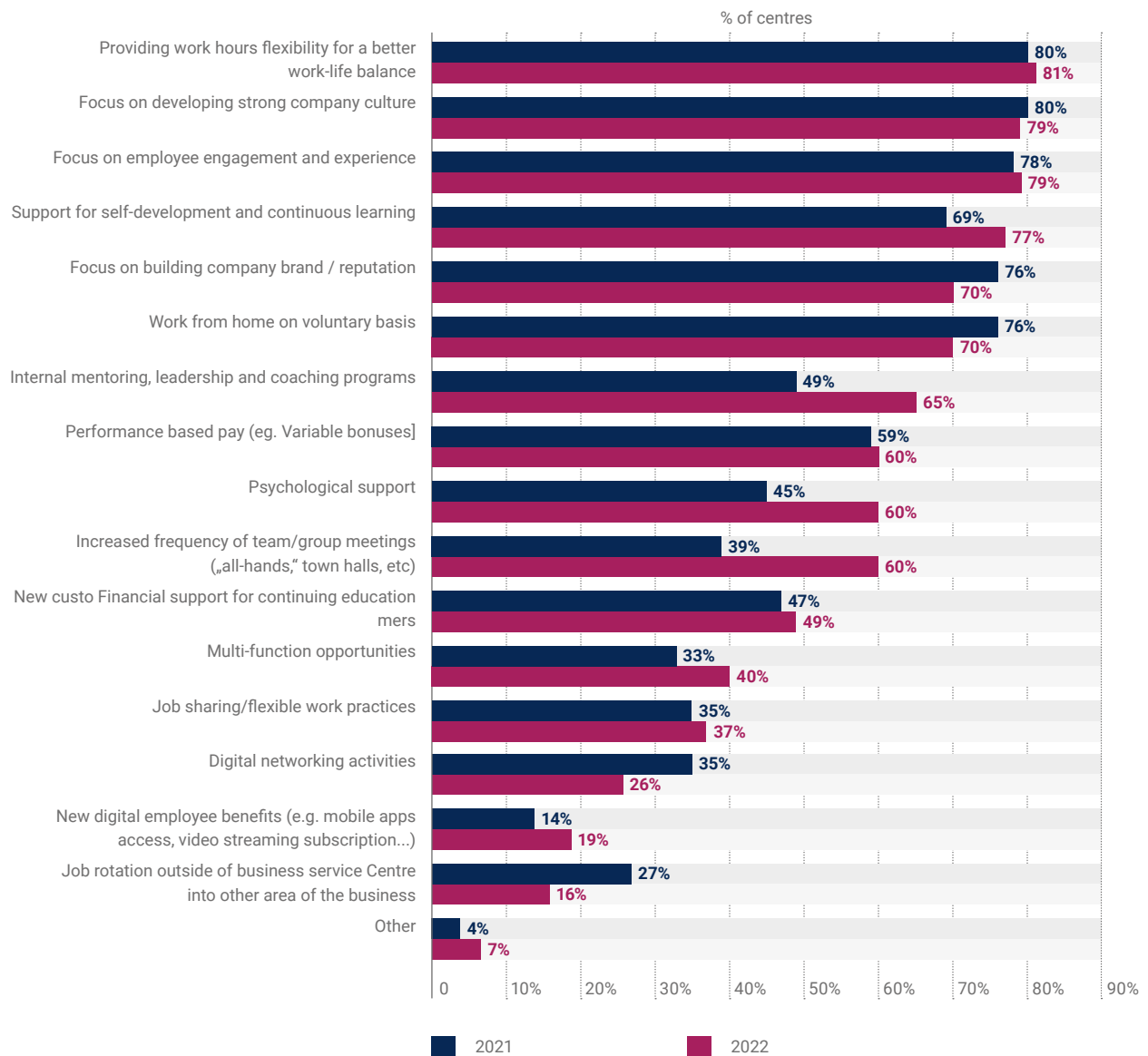
of centres  
+8% in the year  
2021  
Focus on self-  
development  
and continuous  
learning



### 65%

of centres  
+16% in the year  
2021  
Internal mentoring,  
leadership  
and coaching  
programs

## Measures introduced by business services to improve retention



Source: ABSL Survey 2021 - 2022



## Employee benefits offered by business services centres in the Czech Republic

	% centres providing the employee benefit			
	2019	2020	2021	2022
Possibility for HomeOffice	89%	98%	98%	100%
Flexible working hours	91%	94%	94%	86%
Vouchers for lunches / Lunch cards	91%	94%	92%	100%
Sports entertainment	85%	81%	82%	77%
Pension fund	76%	85%	80%	81%
Cafeteria system	65%	69%	73%	72%
Additional paid days off	81%	77%	67%	77%
Free fruits in the office	67%	73%	65%	60%
Additional sick days	n/a	69%	63%	65%
Subsidizing language courses	78%	75%	59%	70%
Life insurance	50%	54%	57%	49%
Service Centre-provided mobile phone for personal use	70%	62%	39%	63%
Subsidizing (postgrad.) studies or other professional courses	35%	33%	35%	23%
Leisure trips / activities	54%	44%	31%	44%
Free access to mobile apps (meditation, fit apps, yoga, ...)	n/a	n/a	27%	28%
Preferential share purchase options	24%	21%	24%	33%
Travel cost cover / commute to work	30%	25%	18%	21%
Medical pack	31%	19%	18%	23%
Child care / infant care subsidies; Service Centre kindergarten	13%	13%	18%	16%
Additional health insurance (other than a medical pack)	13%	8%	8%	28%
Other*	20%	10%	8%	19%

Source: ABSL Survey 2019-2022



### ABSL DIAMOND WINNER 2022 IN CATEGORY EMPLOYER BRANDING AND PEOPLE ENGAGEMENT

In the Employer Branding & People Engagement category, **Accenture** was the most successful company with its Stronger Every Day mobile app, which aimed to help connect employees during the pandemic. For 5 weeks, people could participate in various sports, cultural or gourmet challenges and enjoy special rewards after completing them. In addition to connecting 266 colleagues and the 17,000 kilometres walked together, the company donated CZK 230,000 to four non-governmental charities as part of this programme.



# 5

Chapter Content Provider: ABSL in cooperation with Deloitte

## ESG TOWARDS RESILIENCE



## Gender Diversity

Women continue to represent an increasing majority of the workforce in Czech business services. However, there continues to be a gap in representation of women in senior management. Over the last 5 years, the share of women in senior management continues to stay at around 40%.

In terms of implementation of further policies in order to promote inclusion of different groups, not just women, within the companies. Companies mostly have in place some policies and do further activities to promote them actively either among the leadership or employees themselves. Companies do prefer action, not just policies to have in place. This includes women in leadership, parents on parental leave, people with physical or mental disabilities or people aged 55+.



**58%**

of employees are women



**40%**

of senior management are women



**67%**

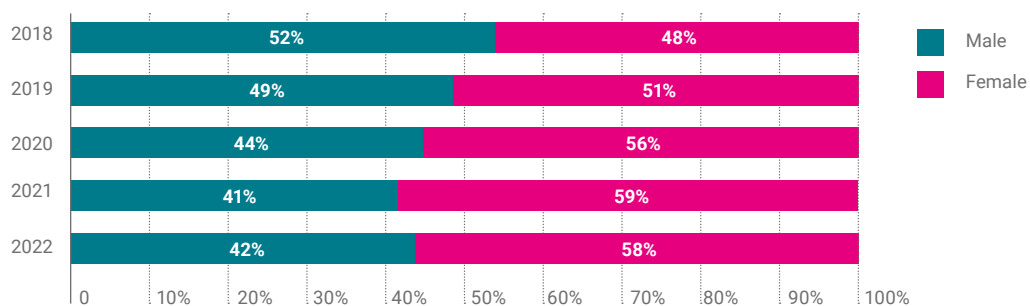
of centres  
Implemented policies to promote  
women in leadership



**72%**

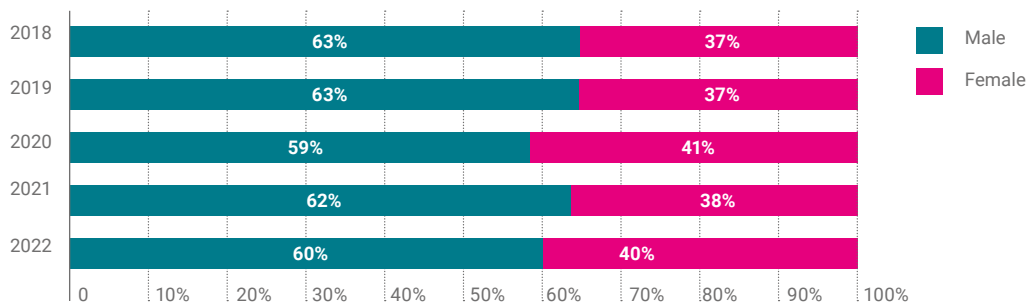
of centres  
Support Diversity (LGBT, human  
rights, etc.) as a CSR  
+27% compared to 2021

### Overall gender split in business services centres in CZ



Source: ABSL Survey 2018-2022

Gender split in senior management in business services centres in CZ

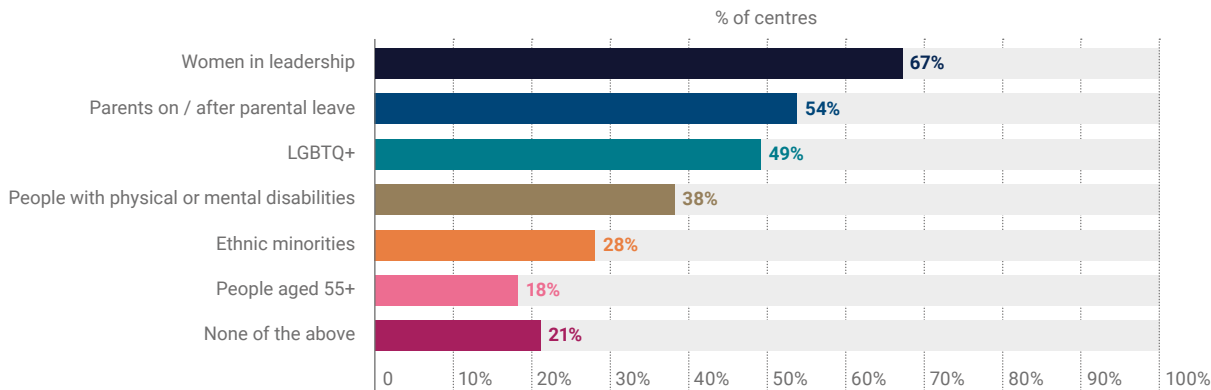


Source: ABSL Survey 2018-2022

Inclusion Policies

In terms of numbers when talking about implementation of policies to further promote inclusion at work, most of the companies are taking action towards women in leadership roles 67% and inclusion of parents either on or after parental leave 54%. As in the Czech Republic, on parental leave are mostly women and the business service sector has about 58% of women as their employees. This is part of the sustainability of the companies to retain and work with current employees.

Implementation of policies to promote inclusion in the workplace



Source: ABSL Survey 2022

## Environmental, Social and Corporate Governance

### Top 3 ESG areas on the rise supported by Czech Business Services



**72%**

Diversity (LGBT, human rights, etc.)  
+27% from the year 2021



**67%**

Healthcare  
+15% from the year 2021

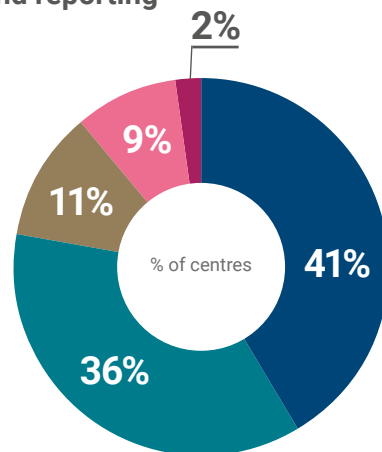


**67%**

Environment & Ecology  
+6% from the year 2021

### Incorporation ESG factors into business performance and reporting

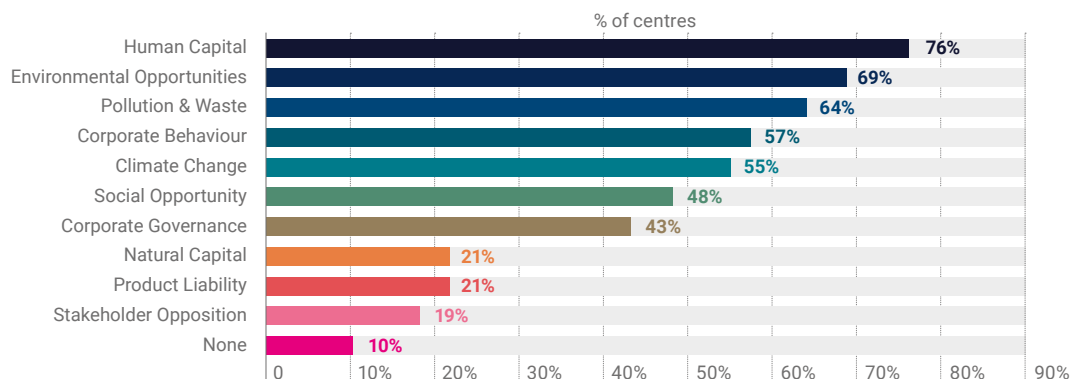
- ESG factors are fully incorporated into our business performance and reporting
- We are in the process of incorporating ESG factors
- We are developing plans to incorporate ESG factors
- ESG factors is currently not on our agenda
- Other\*



\*other: ESG at corporate level but not yet planned into Business Service Centre strategy

Source: ABSL Survey 2022

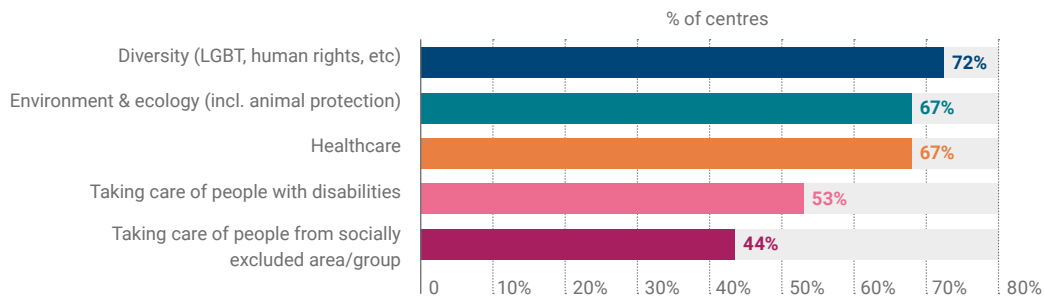
### ESG themes among top priorities in 2023



Source: ABSL Survey 2022



### CSR areas supported by Czech business services



Source: ABSL Survey 2022



### ABSL DIAMOND WINNER 2022 IN CATEGORY ESG TOWARDS RESILIENCE

In the ESG Towards Resilience category, the award was given to **Conectart**, which implemented a wide range of projects, the most remarkable of which was an educational campaign for the elderly, on which Conectart collaborated with the Police of the Czech Republic. As part of the campaign, Conectart developed and launched a fully automated voicebot at its own expense, providing seniors with advice on spotting a scam call and a guide on how to behave during and after it. Within one month, the voicebot called and informed over 200,000 seniors, 93% of whom listened to the call to the end. Fraudulent calls targeting seniors cause tens of millions of crowns of financial damage each year.



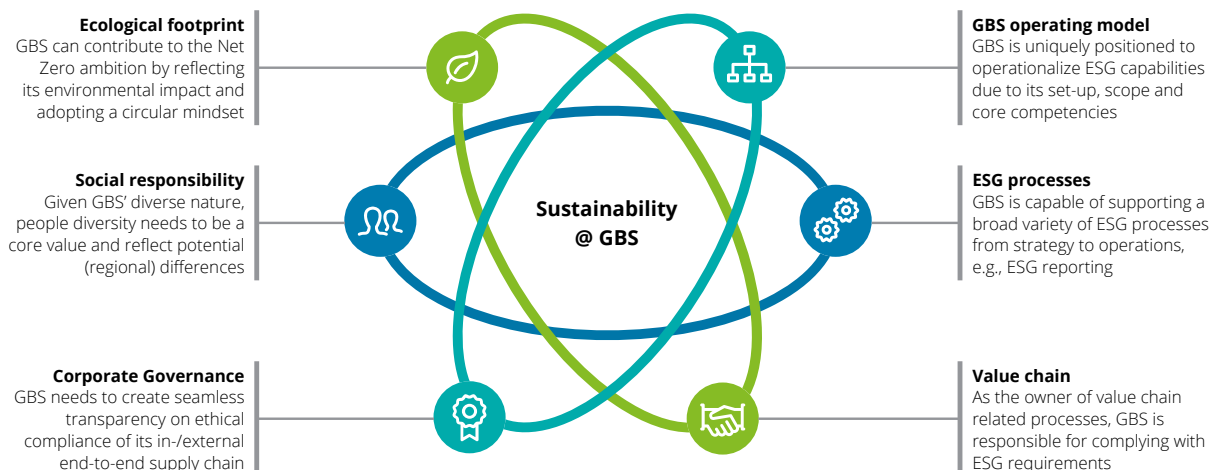
## Sustainability As-a-Service

Sustainability is a business opportunity for GBS organisations that will not repeat again. Sustainability is one of the largest and most widely debated areas in terms of future investments in the corporate and public sectors. For the existing shared service centres in the Czech Republic, and for our economy as a whole, we consider the topic of sustainability to be a unique opportunity to create new jobs and increase staff skills and expertise. It is also a chance for the Czech Republic to remain relevant in the European context. Companies in Europe have been reporting their green activities in annual reports for several years now, larger corporations are requiring their suppliers to move toward carbon neutrality, and everyone is preparing for mandatory non-financial environmental reporting.

The future role of companies in the Czech Republic in the ESG agenda is already developing – they are acting either passively, responding to the requirements set by the regulator or the parent group, or actively, building specialised know-how, setting up processes for data collection and reporting, and efficiently creating tender documentation.

The Czech Business Service Centres can be a model for others, leading the development of strategy, transformation of processes and systems and other changes required to achieve the sustainability vision not only for the entities in our country, but centrally for the whole European region. It is up to you whether you choose to be a leader or a follower.

CFOs are well aware of the sustainability challenge for finance organisations, but they are lacking guidance and are not equipped for the already ongoing transformation toward a sustainable enterprise. According to Deloitte's study from 2021, 77 % of the surveyed financial representatives have a defined Sustainable strategy, but 5 % state that the strategy is integrated and optimally orchestrated across the whole group. Defined key sustainability KPIs are regularly reported to 36 % of respondents, but only 9 % respondents have access to regular integrated reporting on financial and non-financial KPIs. This is the right moment and opportunity for existing centres to build a new function and provide sustainability as-a-service to their clients.



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# 6

Chapter Content Provider: ABSL in cooperation with Scott.Weber Workspace

## HYBRID AND REMOTE WORK PRACTICES



## Employees working from abroad



# 38%

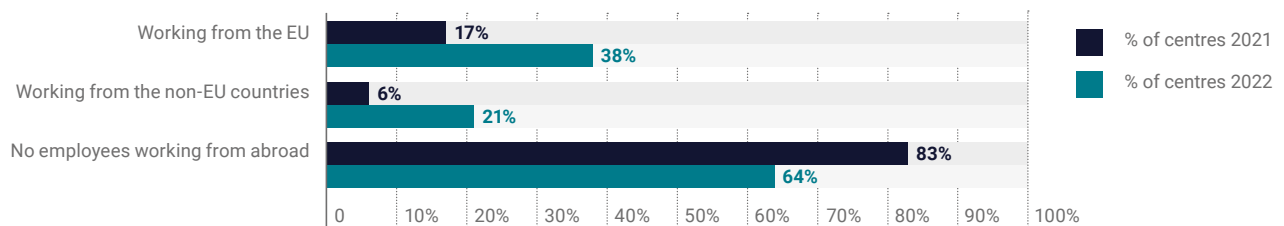
centres with employees in other EU countries  
+21% compared to year 2021



# 21%

Centres with employees in non-EU countries  
+15% compared to year 2021

## Share of Centres with employees working from home abroad



Source: ABSL Survey 2022

## Policies for working from abroad



# 44%

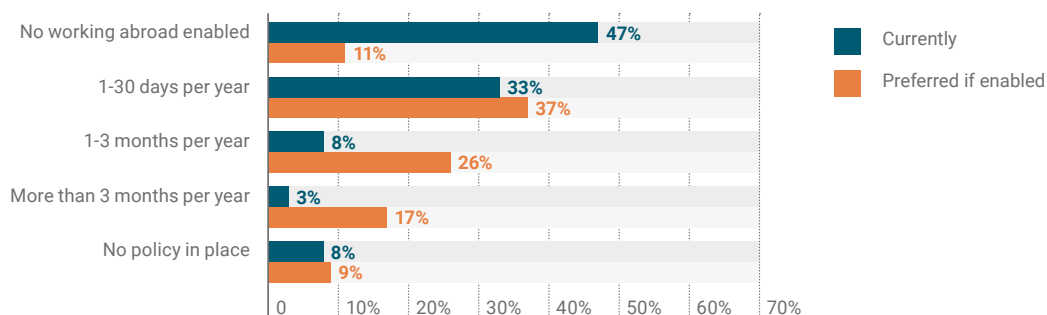
Centres allowing working from abroad



# 80%

Centres that would allow work from abroad if enabled by legislation

## Current and preferred policies for work from abroad

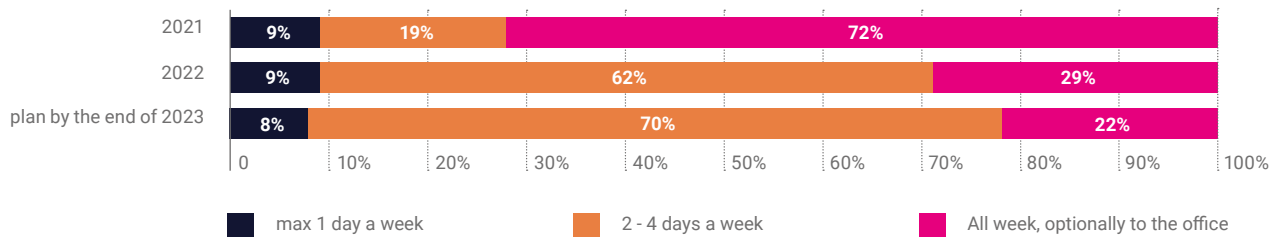


Source: ABSL Survey 2022

In 2021, the majority of the employees worked from home and only optionally came to the office. Now they are returning back to their offices for a part of their workweek. 71% of the employees now work at least 1 day a week from the office with majority of them spending 1-3 days a week in the office.

By the end of the year 2023 this is expected to increase to 70% of the employees working 2-4 days a week from home, however, 22% of the employees are expected to stay working from home completely.

### Share of employees working from home



Source: ABSL Survey 2021 - 2022

**ctp**

### ABSL DIAMOND WINNER 2022 IN CATEGORY INNOVATIVE WORKPLACE AND REMOTE WORKING STRATEGIES

In the Innovative Workplace & Remote Working Strategies category, **CTP** was awarded for its Brno-based co-working centre **Clubco**. The idea to build a modern high-tech co-working space as an alternative to traditional corporate offices was conceived in response to growing demand and as a complement to the portfolio alongside industrial and office parks. The result is Clubco in the centre of Brno, which on 4,000 m<sup>2</sup> provides facilities for freelancers and entrepreneurs as well as small and medium-sized companies. These businesses are starting to offer co-working to their employees as part of new strategies in access to remote working, such as Flex & Core, which combines a smaller main office with membership in one or more co-working centres. The spaces were opened during the pandemic, which did not make their start any easier, but thanks to the wide range of membership options, they quickly became very popular in Brno.

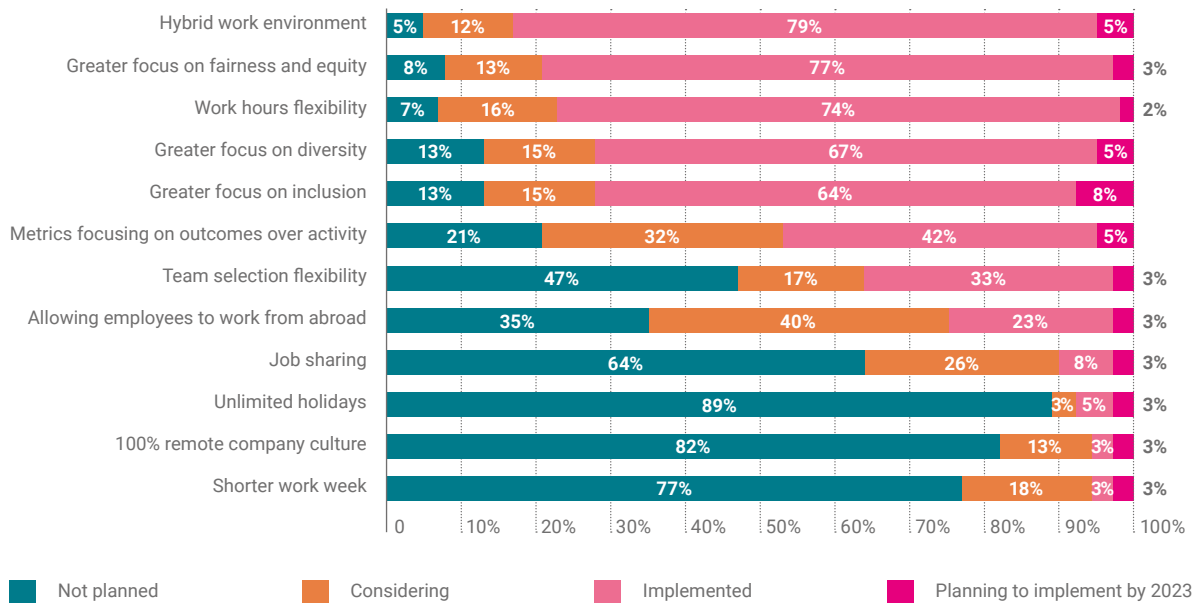




## Innovative Workplace

Czech business service centres greatly support hybrid work environment and work hours flexibility. On the other side what is not currently planned and not even very much in the future is the shorter work week or unlimited holiday. Czech centres also do not want to have a 100% remote company culture.

### Implementation of new ways of working



Source: ABSL Survey 2022

## Impacts on workplace solutions

As the employees increasingly return to spend part of their workweek in the office, this is being reflected in the centres' strategies when it comes to office planning. An increasing share of the centres now plans to expand their total office space area. While only 6% of the centres wanted to expand in 2021, now it is 19%. 33% of the centres, however, plan to reduce their total office area which is by 10% less than in the year 2021.



# 19%

of centres  
Plan to increase their total office  
space area  
+13% compared to 2021



# 33%

of centres  
Plan to reduce their total office  
space area  
-10% compared to 2021

## Workplace changes introduced or planned by business services centres in the Czech Republic

	% centres providing the employee benefit					
	2021			2022		
	Increase	Remain the same	Reduce	Increase	Remain the same	Reduce
Total office space area	6%	51%	43%	19%	49%	33%
Use of workstations sharing to optimize the leased office area	61%	35%	4%	56%	37%	0%
Number of office locations in the Czech Republic	2%	84%	14%	9%	79%	5%
Investment into innovative digital tools for an improved employees' efficiency	59%	39%	2%	60%	38%	0%

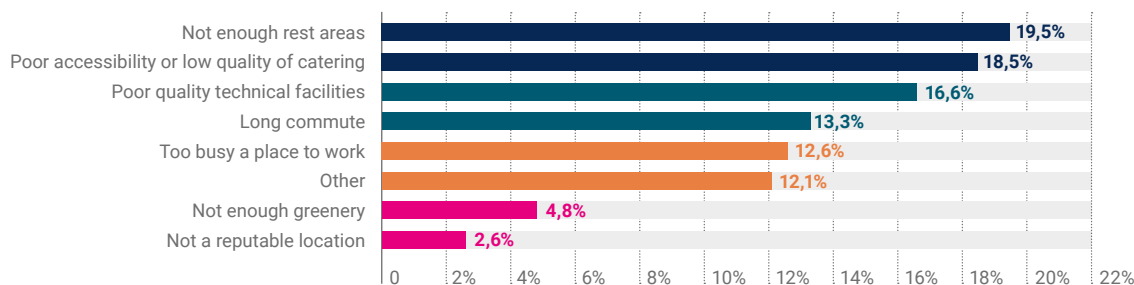
**scott.weber** WORK SPACE

## Hybrid model of work set to dominate the labour market. Flexible offices could be the way forward

The coronavirus pandemic has speeded up changes in the way we work and what our office space looks like. Experience from abroad and Scott.Weber Workspace's own internal surveys indicate that the vast majority of employees prefer a hybrid work model, i.e. spending a few days working at home and a few days in the office. What's more, offices are gradually morphing from spaces for work into places for meeting, collaborating and the creative process. The same Scott.Weber survey also reveals that some 50% of employees feel their employer does not offer a proper setting where they can relax.

The flexible office concept can respond quickly to changes in the working environment and save companies up to 40% in costs.<sup>1</sup> But many people are still confused about what is meant by a flexible office. They often get it mixed up with coworking. Coworking is an arrangement in which individuals or smaller businesses all share a space where they can work and make use of other facilities on offer, such as meeting rooms. However, the people working here don't have their own dedicated offices that no one else has access to. In flexible offices, by contrast, companies enjoy privacy and their own facilities. They are called flexible because they do not require an upfront investment in equipment, they do not tie firms to contracts that cannot be cancelled for many years, and the number of workstations in them can be changed as needed.

## What staff consider to be the biggest drawback in their workplace



Source: Scott.Weber Workspace, Instant Research Ipsos, 2022

<sup>1</sup> <https://www.officernd.com/blog/hybrid-work-cost-savings/>



"We are sensing changes in the expectations and needs of the workforce, especially millennials and Generation Z. We can also see that company management is often blind to these changes or fails to react to them. But a lot is at stake; these generations will soon make up a major part of the labour force, so businesses that refuse to understand them are on an ugly collision course with reality. That is why we try to act as consultants to potential clients and advise them what a modern office should look like and how it should work."

**Adam Zvada**

Founder and CEO of Scott.Weber Workspace

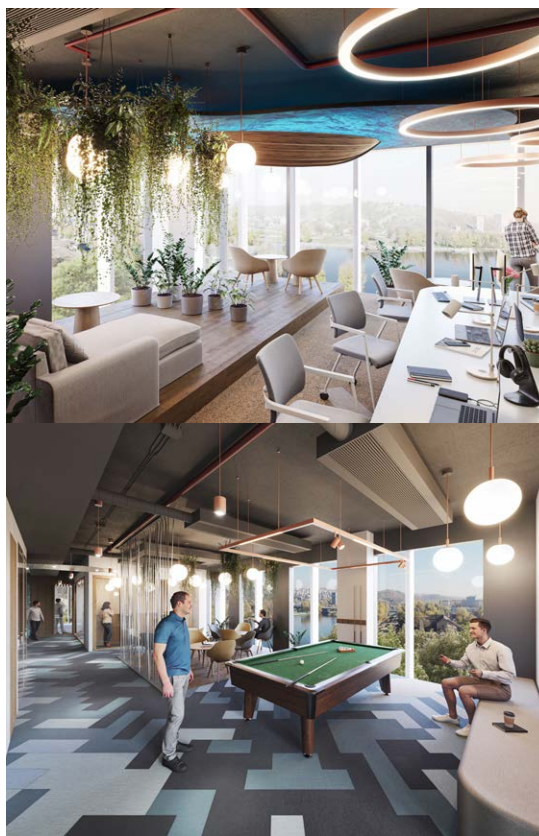
## New sites in 2023: Port7 and the Park

Scott.Weber Workspace is gearing up to open Port7 in Holešovice and The Park in Chodov in the first half of 2023. Both centres offer a working environment that is surrounded by greenery and comes with excellent amenities including restaurants, a nursery and a wellness centre, plus the interiors are second to none. Port7's environmental friendliness and commitment to workers' health and comfort meet stringent WELL and LEED certification criteria.

## About Scott.Weber Workspace

Scott.Weber Workspace was established in 2009 with the vision of providing premium, comprehensive workspace solutions for companies of all sizes. We are now the largest innovative Czech supplier of complete workspace solutions for offices, coworking and events. It goes without saying that we embrace premium workspace design, digital technology and genuine hospitality. We are constantly seeking to improve today's modern work environment and exceed the expectations of members of the Scott.Weber Workspace professional community. Inspired by the finest hotels with wellness facilities, Scott.Weber infuses a sense of happiness and enthusiasm into the working environment. These features are drivers of success and self-fulfilment.

The company currently runs eleven premium office centres in Prague that boast innovative office layouts, modern design, advanced technologies and outstanding customer care. At present, it offers upwards of 4,300 work stations over a total area of more than 33,600 m<sup>2</sup>.



# 7

Chapter Content Provider: ABSL in cooperation with The Hackett Institute

## TRAINING AND EDUCATION





The business service centres in the Czech Republic require increasingly complex skills, which they largely develop in-house. This is reflected by the average number of training hours provided to each employee, which has risen to 50 hours per year. This means a 32% increase over the last 4 years illustrating the investment into the professional development that the centres make in order to support their growth with a qualified workforce.



"People and their skill sets are key enablers of individual companies as well as overall GBS sector success."

"The digitization of Business Services is changing the traditional GBS model. We see increased demand for a higher-skilled workforce, with an essential emphasis on employee development.

GBS leaders that pay attention to the talent management topic will be better placed to deliver superior performance across a wide array of metrics. The ability to motivate and educate people will be among the key levers of success. The importance, impact, and significance of learning and development departments across an organisation will grow exponentially over the coming years and only organisations with the right talent will succeed. Learning and people development in organisations will be shaped by multiple trends, such as technology advancement, a good combination of soft and technical skills, personal resilience, or a higher need for flexibility."

**Ota Kulhánek**

Vice-President Learning & Education  
ABSL



**47** hours

average number of training hours per year provided by business services centres to their employees

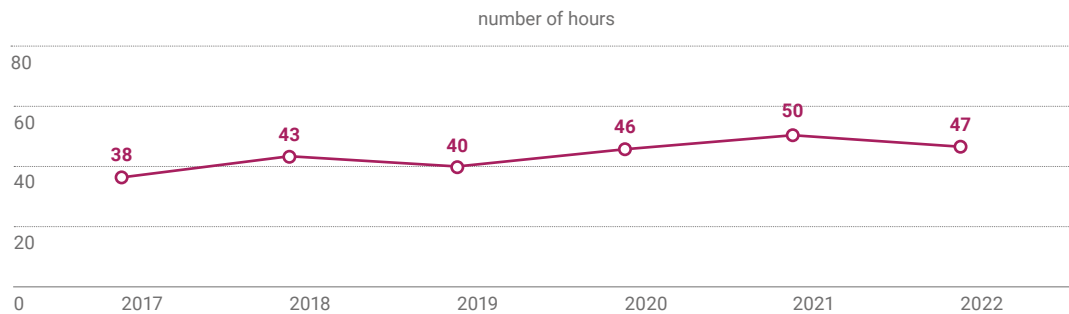


**18,000** CZK

Training budget per employee/year

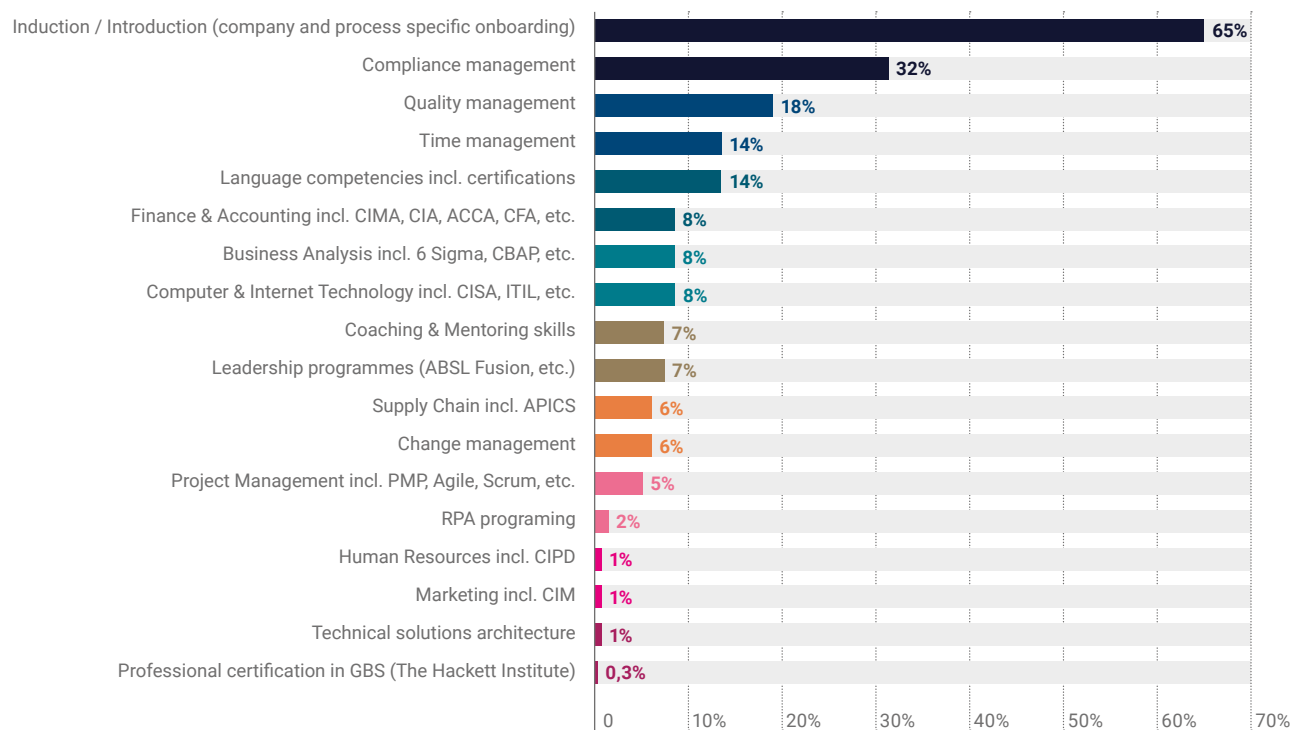


## Average number of training hours provided to an employee per year



Source: ABSL Survey 2017-2022

## % of employees that currently study or have already finished training in the following areas



Source: ABSL Survey 2022

## SKILLS DEFICIT

Skills deficit improved over the last year across a number of areas, most notably Data analytics and customer centricity, where it spiked in 2021. These skills are largely developed internally, which can illustrate the investments that the centres have been making in developing capabilities.

### Technology & Leadership

**76%**

Centres experiencing skills deficit

**<10%**

workforce receiving training

### GBS Skills

**26%**

Centres experiencing skills deficit

**<1%**

workforce receiving training

### Top 3 skills in deficit by Czech business services



Technology/Automation

1.



Language competencies

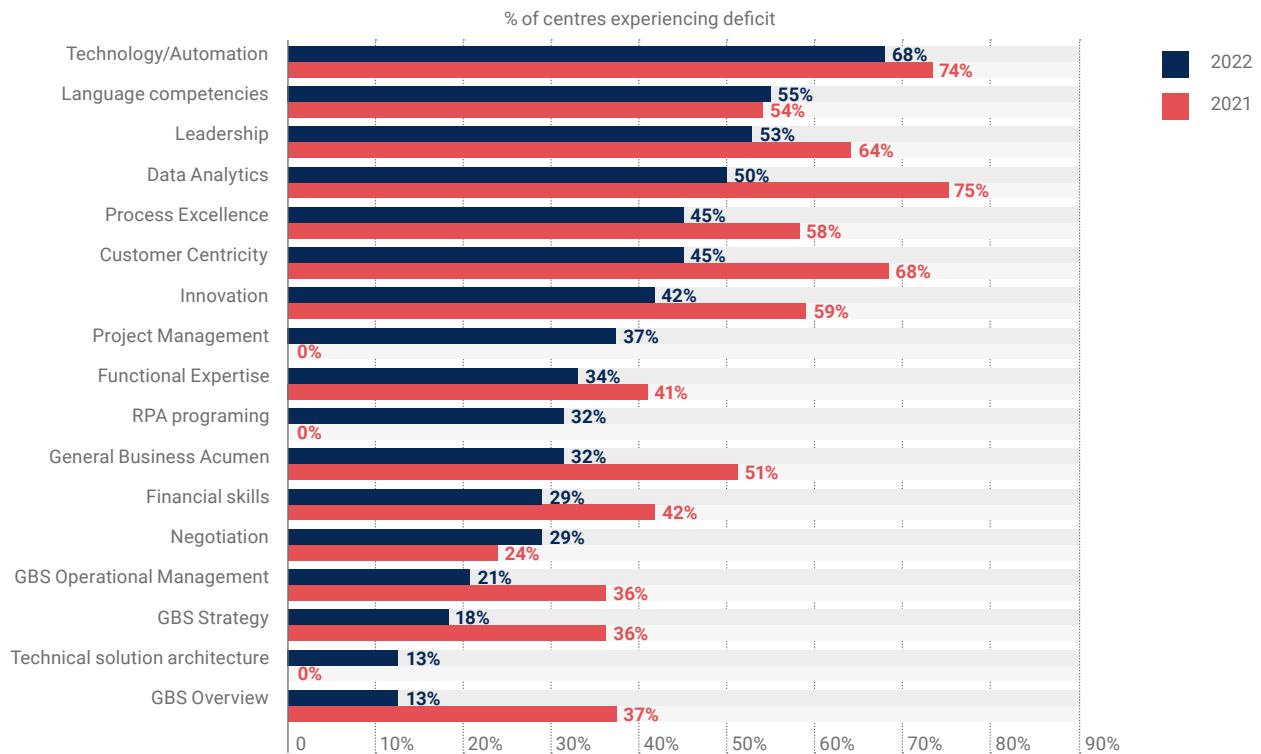
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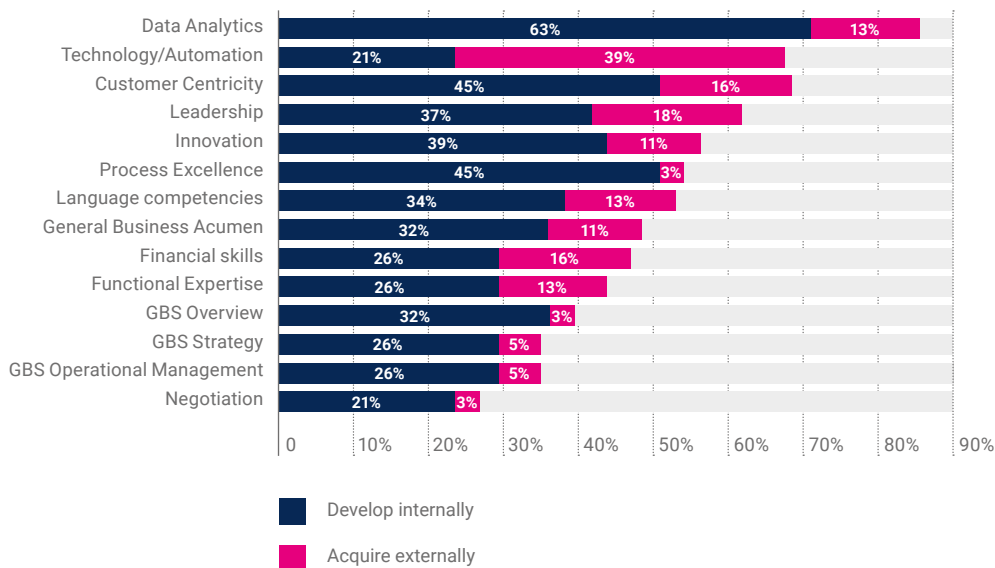
Leadership

3.

## Skills deficit



## Methods by which centres plan to acquire missing skills

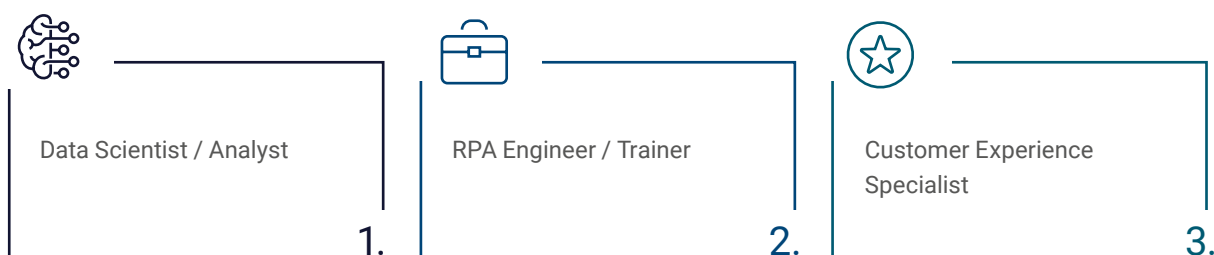


Source: ABSL Survey 2022

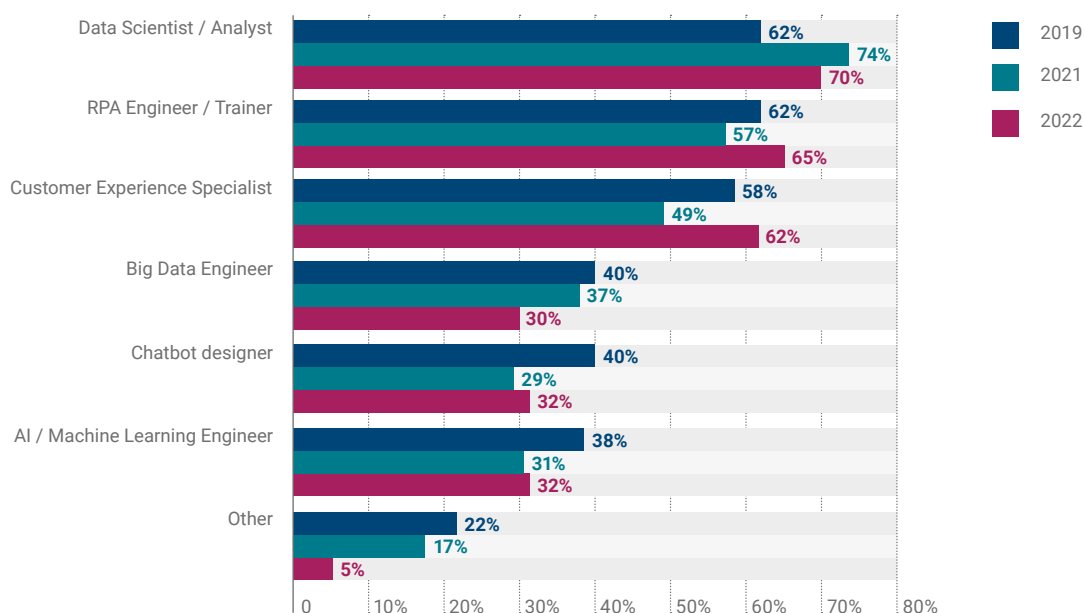
## NEW ROLES PLANNED IN NEAR FUTURE

Data scientists and RPA engineers continue to be among the new roles most often planned to be introduced by the Czech centres in the near future. However, the growing focus on customer centricity is visible since 62% of centres plan to introduce customer experience specialists in the next 2-3 years, 14% more than the previous year.

### Top 3 new roles planned to be introduced by business services centres



### Share of centres planning to introduce new roles in near future

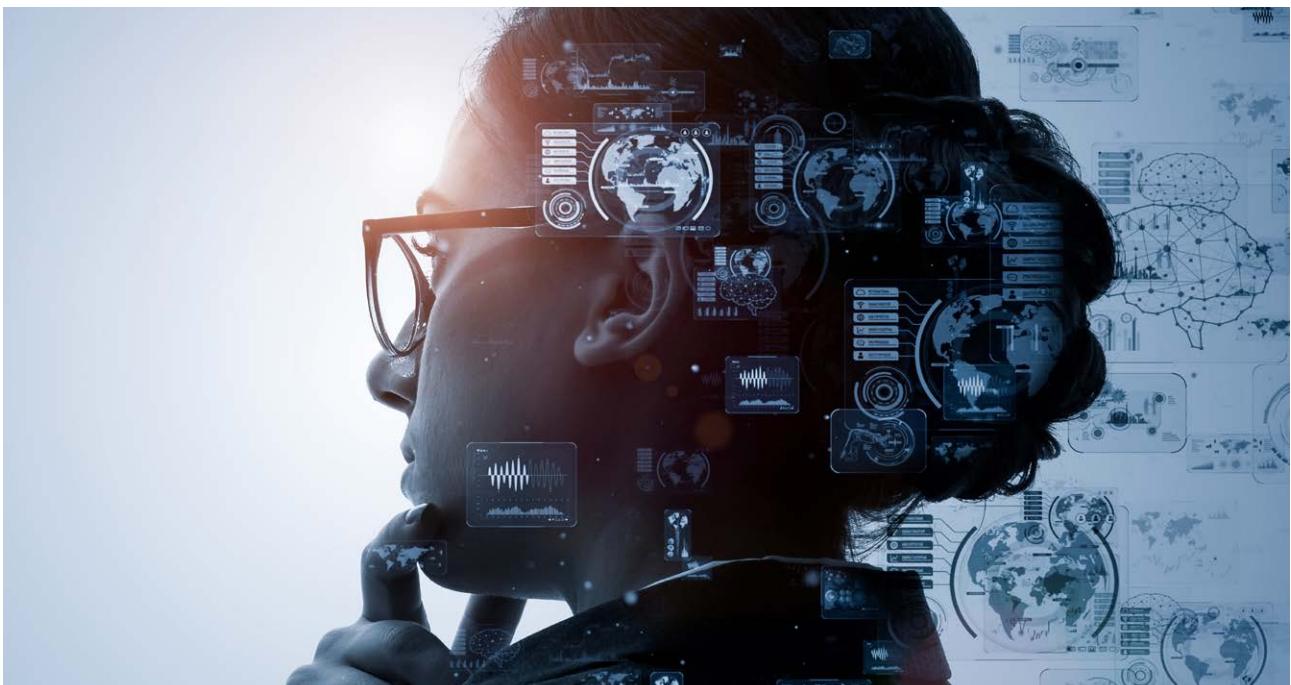


Source: ABSL Survey 2019 - 2022



## ABSL DIAMOND WINNER 2022 IN CATEGORY EDUCATION

In the **Education** category, the award winner was **BlueLink International CZ**, which designed and deployed the S.T.E.P. (Strive Towards Excellence Program), a digital training program designed to develop employees professionally. It is a hybrid program that combines a traditional Learning Management System with digital coaching and consists of a wide range of tools and resources that enable managers to support and train internal talent by creating personalised learning programs. S.T.E.P. is fully integrated into the company's digital environment based on Microsoft technologies and is currently used by over 500 employees with over 700 hours of training available in various formats, whether as e-learning, virtual workshop, webinar or podcast. Some of the content is created internally, and some in collaboration with external partners, including Google grow, International Study Program, The Global Exec, School 42, Udemy, Edx, Coursera and the Czech Association for Financial Management (CAFIN), among others. S.T.E.P. does not only bring professional development to employees but also increases client satisfaction (by 9 percentage points) and efficiency (by 8 percentage points). At the same time, employee satisfaction increased, and turnover decreased by 5.6%. The roll-out of the program to the entire BlueLink Group, which includes a total of 2,000 employees, is currently being prepared.





# ABSL FUSION: PROFESSIONAL QUALIFICATIONS FOR BUSINESS SERVICES

ABSL Fusion is a unique set of qualifications exclusively tailored to business services professionals. It arises from the vast expertise and network of ABSL in partnership with The Hackett Institute. It is the only one of its kind in the business services sector within CEE region and it is exclusively open for ABSL members only.

## Fusion in numbers



# 3

programmes for various seniority levels



# 5

years on the market



# 100+

graduates



# 15

unique sector case studies



# 35

alumni companies

## ABSL Fusion Qualifications



## MBA in GBS

The only one MBA programme in the Czech Republic for Global Business Services. The programme was created in partnership with global education experts, developed from the excellent International MBA programs by the University of New York in Prague together with the leading global Advanced GBS Diploma qualification by the Hackett Institute.

### PROGRAMME CONTENT:

#### MBA Modules UNYP

- › Managing People in Organizations
- › Developing Leadership Skills
- › Coaching and Mentoring
- › Financial and Management Accounting
- › Financial Management
- › Managerial Economics
- › Sustainability Leadership
- › Operations Management in the Digital Age
- › Marketing Management
- › Strategic Management
- › Strategic Consultancy Practicum
- › Entrepreneurial Management

Core modules and Electives  
28 weekends Fri-Sun  
Dissertation and GBS projects

#### GBS Advanced Diploma The Hackett Institute

- › Strategic Alignment
- › Analytics & Information Management
- › Service Design
- › Technology
- › Organization
- › Governance
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- › Human Capital
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- › Transformation Management

10 Online modules  
60 hours flexible study and tests  
THI advice and support

### PROGRAMME BENEFIT:

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- › GBS global trends and drivers
- › GBS Expanding Scope and Value Added Services
- › Becoming Digital and Innovations in GBS
- › Talent Management and Leadership in GBS
- › Shaping the GBS environment

Live Fusion sessions  
ABSL workshops and Annual Conference  
Fusion GBS resources and benchmarking



Learn more about MBA in GBS at  
<https://www.absl.cz/mba-in-global-business-services/>



## Fusion Community

**Kamil Borovička**

Process Specialist  
Knorr-Bremse

ABSL Fusion Leader Graduate 2022

"Fusion Leader program gives you the opportunity to cooperate and create something new, fresh and amazing for the sector with other leaders. In our case it was a podcast, which you can find on Spotify under the name The Box of Chocolate."

**Zuzana Andrlová,**

Finance Manager  
Atlas Copco

ABSL Fusion Leader Graduate 2022

"The Fusion program was a great experience allowing me to meet new people and get a better overview on what is happening in the sector. It, of course, requires some extra time, but is definitely worth it! All the effort with ABSL invests in networking is adorable, all sessions and initiatives, follow-ups and interactive ideas made the program interesting and absolutely an experience to remember and recommend. Thank you ABSL."

In cooperation with:



Learn more at:  
<https://www.absl.cz/fusion/>







# Digital World Class™ performance is powered by world-class talent



The quality of workforce talent and skills is widely recognized as a critical part of the formula for business success. Aligned to this, a reduction in task-oriented work allows organizations to elevate their services and deliver more value to the business, enabling organizations that have advanced talent management capabilities to demonstrably excel at producing outstanding talent and business outcomes.

The Hackett Institute's unique programs enable your organisation to address the growing need for specialised talent through our flagship programmes:

- **Certified GBS Professionals – recently updated** – improve service quality and boost productivity up to 40%
- **Robotic Process Automation Master Classes** – accelerate the benefits of smart automation
- **Working Capital Excellence Master Class** – create a cash-aware culture

Our curriculums enhance the knowledge and capabilities of business services professionals and, by extension, their organizations – helping them to apply Hackett-Certified™ best practices that correlate with Digital World Class™ performance. These programs operationalize professional development and enable both upward and lateral career mobility.

Rooted in both action and academics, courses are grounded in real-world implementation experiences and informed by unmatched intellectual property derived from our benchmarking data, proprietary research and Best Practices Intelligence Center™.

More than 500 companies and 12,500 students globally have participated in The Hackett Institute's training and certification programs. Have you?

## Begin your journey to Digital World Class.

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Or visit us at: [www.thehackettgroup.com/institute](http://www.thehackettgroup.com/institute)

**All ABSL Czech Republic members receive incentivised pricing.**

 **The Hackett Institute**  
PROFESSIONAL DEVELOPMENT FROM THE HACKETT GROUP

 **ABSL**  
STRATEGIC PARTNER



## MAINTAIN YOUR MOMENTUM TOWARD DIGITAL WORLD CLASS™

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### How will you get to the next level?

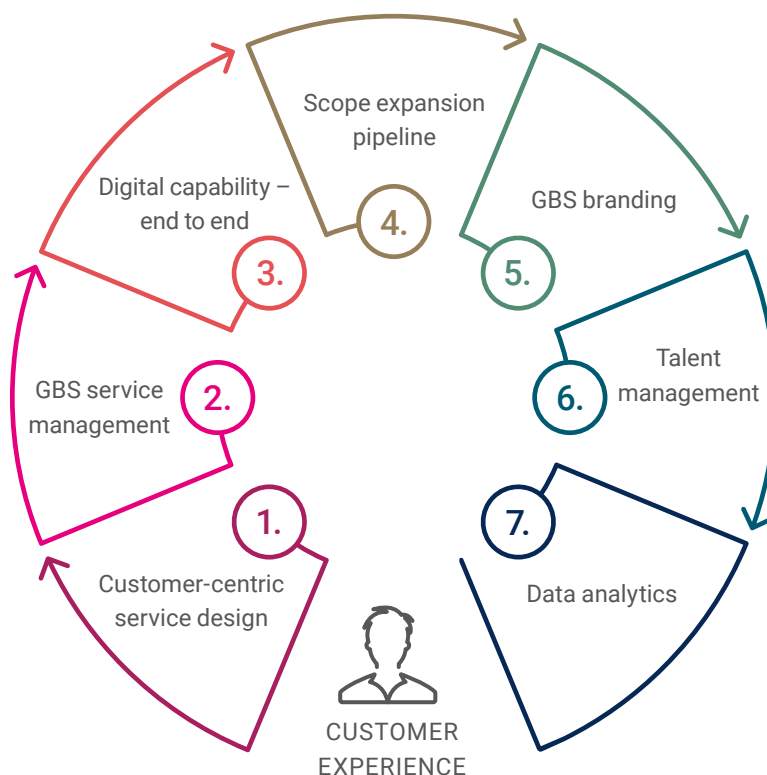
Most global business services (GBS) organizations establish performance improvement programs, closely monitor key metrics, and engage in some form of governance with customers and stakeholders as they progress through four stages of maturity on the journey toward

Digital World Class™. A GBS organizations performance progress is often limited by the organization's ability to engage with its customers.

### Seven dimensions of GBS maturity

To continue elevating performance, GBS leaders must address seven key dimensions that influence GBS maturity, each of which has a strong connection to customer experience. We outline each of these dimensions below.

#### Focus on customer experience to advance GBS maturity





### 1. Customer-centric service design

Map user experience and redesign service from a customer perspective.

Top-performing GBS organizations have more mature practices for managing customer experience, stemming from their laser focus on customer interaction and aptitude in customer-centric service design. These organizations typically have an easy-to-access, one-stop shop for GBS services – a self-service portal, contact centre and digital technologies that enable access through multiple channels.

### 2. GBS service management

Embed redesigned services in service catalogs, performance measurement, governance and customer relationship management.

GBS service management enables the organization to create value for the business and deliver operational excellence – critical aspects of the GBS value proposition. A strong approach to service management drives more work to GBS by migrating new processes into the centre, managing current operations and ensuring continuous improvement – collectively contributing to greater annual return on investment.

### 3. Digital capability – end to end

Invest in redesigned processes and technologies to enhance experience and eliminate manual processes.

Up to this point, introduction of digital GBS capabilities has focused mostly on increasing the efficiency of structured work. Digital World Class™ GBS operations are now expanding their digital capabilities to include interaction work and knowledge work aiming to be a proactive enterprise hub that produces insights that enable customers to make effective business decisions.

### 4. Scope expansion pipeline

Define customer experience as a priority relative to other strategic priorities to meet stakeholder demands.

Scope expansion is essential to achieving annual savings targets and delivering the expected return on investment. This includes driving more value-added work to the GBS organization by migrating new processes into the centre and/or expanding existing service offerings. GBS leaders should maintain an inbound pipeline of potential targets and make sure their centres are prepared to ingest higher-skilled expansion opportunities.

## 5. GBS branding

Improve the GBS brand by communicating the GBS value and ability to meet or exceed customer demands.

Branding reflects the organization's perceptions about the GBS organization, including the business value that it provides to the enterprise, its alignment and responsiveness to customer requirements, and its capacity to provide career growth for associates. As a GBS organization matures, having a marketing plan to proactively brand the organization's image in a positive manner and articulating how the GBS adds value is critical.

## 6. Talent management

Embed customer centricity through recruitment, training and education, and incentivizing customer focused behaviors.

One of the most pivotal factors in GBS maturity is growing the capabilities of associates whose work has a direct influence on customer experience. As organizations look to resolve increasing attrition levels and spiralling labor costs, more and more are looking to leverage education and training offerings to address these challenges. With a particular focus on people development, GBS organizations can provide both rewarding and interesting career paths. In turn, these new-found skills and competencies mean that these same associates can take on more challenging knowledge centric activities and roles, providing increased productivity and expertise and enabling the GBS organization to continue to expand and deliver even great value to the customer. With the right approaches it is possible to positively impact the ability to retain as well as attract the best talent.

## 7. Data analytics

Implement Digital World Class™ processes, data and analytics, and organization structures.

New and rapidly developing technologies provide a springboard for achieving the Digital World Class™ processes, data and analytics, and organization structures to which companies have aspired for decades. In fact, data analytics growth over the past two to three years has shifted to produce insights for a broader group of GBS customers – from marketing and sales to finance to supply chain operations.

## About The Hackett Institute

The Hackett Institute is the professional development arm of The Hackett Group®. We offer professional education in traditional and emerging business areas. Our professional education courses include our flagship offering, the Certified GBS Professionals® program, plus our stand-alone master classes designed for specialized professional development in other business services functions.



<https://www.thehackettgroup.com/the-hackett-institute/>

For more information on professional education programs by The Hackett Institute contact directly ABSL at [absl@absl.cz](mailto:absl@absl.cz) or **Ben Hartfield**, Senior Director at The Hackett Institute, [bhartfield@thehackettgroup.com](mailto:bhartfield@thehackettgroup.com)



# 8

Chapter Content Provider: ABSL

## TECHNOLOGY AND INNOVATION



The workload performed by automation reached 13,000 FTEs in 2021. This is more than triple the amount of 2018. The growing automation workforce requires the management of an increasing number of experts, of which the sector currently employs 4,200 and it is planned to increase this number to 6,800 within the next 3 years. The majority of this robotics and automation capability is being built in-house, which means that many centres have become training hubs for advanced technologies.



"A few years ago, when we shaped our sector vision towards 2025 we were visioneering that to be successful and stay competitive we needed to speed up and scale the adoption of RPA, IA and innovative approaches to deliver services and solutions to our clients. The recent data demonstrates that the investment in technology and upskilling our people we have done was worthwhile and is now paying off. At that time we stated: "Automate, or die" visioning that Automations would become the new name of the game and technology is the vehicle. Employees have adopted new capabilities, created automations subsidising 15.000 FTEs. That has increased sector productivity and reduced the pressure to attract and bring talents from other sectors and geographies. The report also shows that automation capabilities are spread among all centres, and we (ABSL) will continue to connect professionals and build platforms for experience exchange, best practice sharing and capabilities development.

The technology itself progresses over the time, RPA and OCR are well embedded and used in majority centres. The new ones are taking off, such as Chatbots, Artificial Intelligence or Machine Learning after a few years of experimenting with technology in the centres. They now become a part of our service delivery chain and adoption is growing exponentially. It is not only about the adoption but primarily on value delivered to customers and, drive innovation and productivity.

Cyber security is the threat of the digital era and requires special attention and capabilities. The report shows the strong focus of our centres and readiness to deal with.

Visioning the future, I see citizen-led automation as the driver to keep our sector and centres competitive by building these capabilities to grow, keep and attract employees for the sector. Technology has evolved to be used not only by IT specialists but also by skilled non-IT professionals. In combination with functional knowledge and automation mindset it will grow the services and centres to the next level. This will happen by leveraging employees upskilling and development, technology evolution and adoption, open mindset for innovation and leadership focus.

Myself and my colleagues on the ABSL Board are committed to evolve the automation platform and community of practice for ABSL members' benefit and to ensure our sector competitiveness."

**František Havel,**

NGSC Prague Strategy & Operations at Novartis,  
Vice-President Digitalisation & Innovation at ABSL

# ROBOT & AUTOMATION WORKFORCE

Robot and automation provide work equivalent to:

9,5%

of workforce  
RPA & other automation

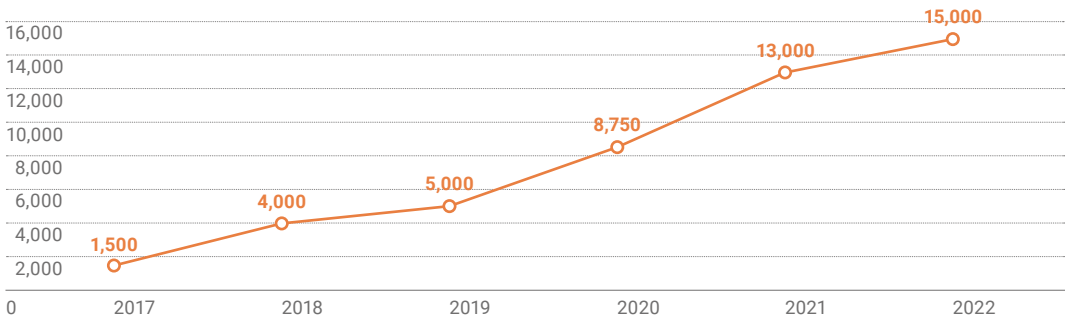
50 FTEs

Average number of robot/automation  
FTEs per centre in CZ

15,000 FTEs

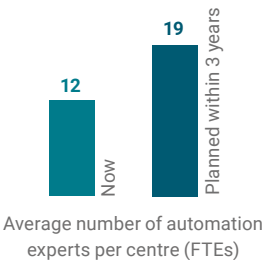
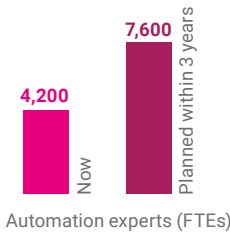
equivalent robot/automation  
workforce in the sector

Equivalent number of robot & automations FTEs



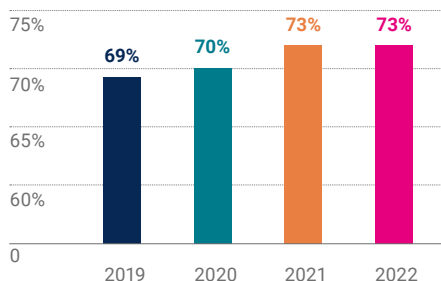
Source: ABSL Survey 2017 - 2022

# AUTOMATION EXPERTS WITHIN THE SECTOR





### % of centres building RPA capability in-house



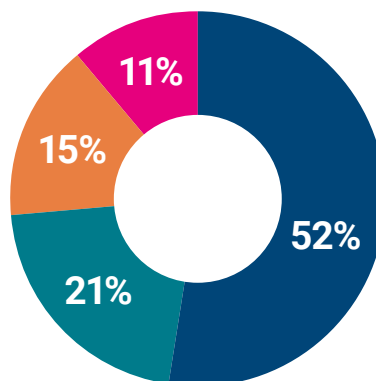
Source: ABSL Survey 2019 - 2022

# 73%

of the centres build their robotics and automation capabilities in-house

### Methods used by centres to build robotics and automation capability

- Building in-house team and capability through training and experience
- Allocating robotics projects to existing roles in the organisation
- Employing external consultants and services
- Sourcing experienced talent from the marketplace



Source: ABSL Survey 2022



## ABSL DIAMOND WINNER 2022 IN CATEGORY BUSINESS INNOVATION

In the Business Innovation category, **Knorr-Bremse Services Europe** was awarded for its project transforming the indirect purchasing operating model from nationally oriented to process-oriented, increasing the maturity of the department to the industry benchmark and preparing the department's transformation to Purchase to Pay – merging with the accounts department. Knorr-Bremse, which provides indirect purchasing services for all Knorr-Bremse's European locations, achieved a 23% increase in productivity by streamlining processes. The change in purchasing tactics resulted in a new negotiating team that achieved 88% more savings in 2021 than in 2020. Knorr-Bremse was supported in the project by **Accenture**.



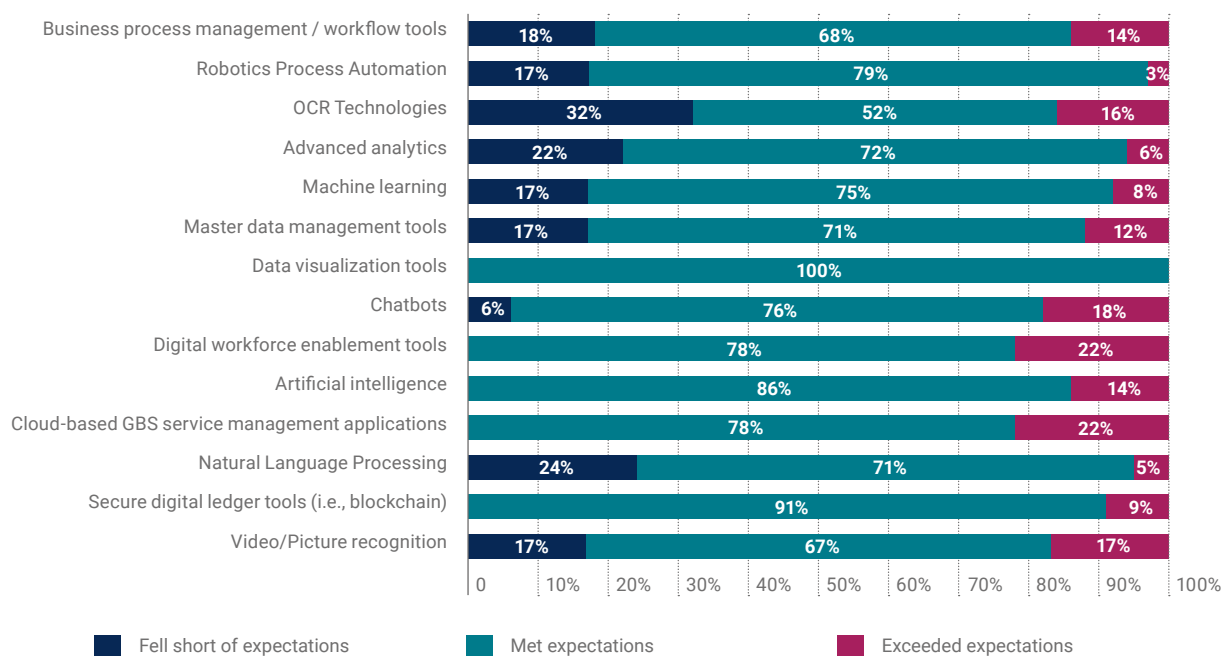
NEOOPS  A trustworthy partner on  
your intelligent automation  
journey.

## AUTOMATION METHODS IMPLEMENTED IN THE CZECH CENTRES

The top 3 technologies deployed by the Czech centres are Business process management, RPA and OCR with close to 3/4 of the centres having these implemented, more than a third of the centres have them implemented on a large scale. For a majority of the centres these technologies have met or exceeded their expectations leading to objectives realisation. However, OCR technologies seem to underperform the most with 32% of the centres reporting that they fell short of expectations in terms of realising business objectives.

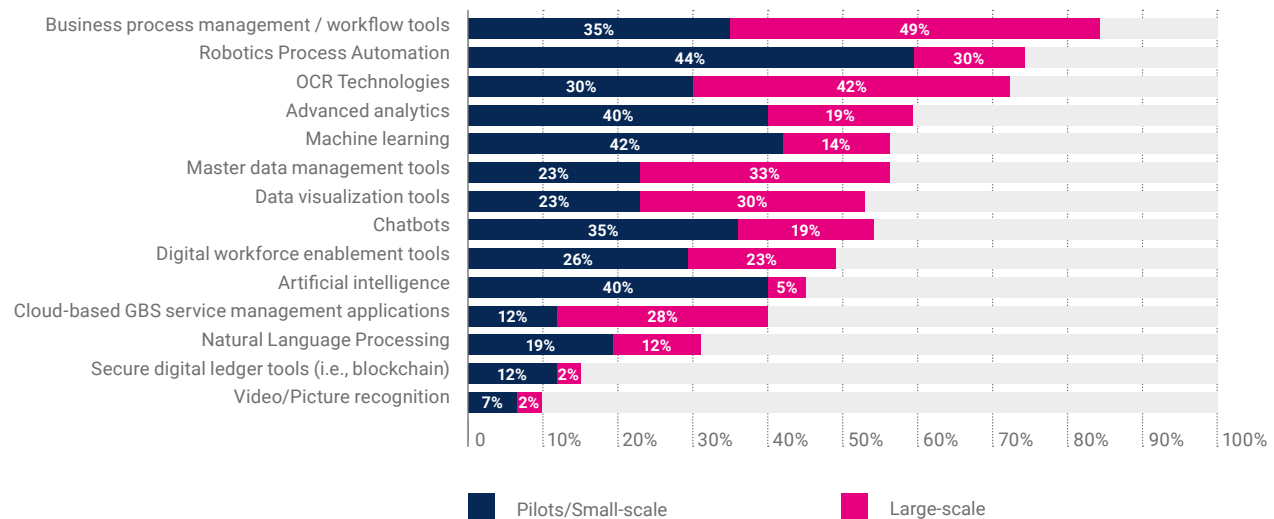
Digital workforce enablement tools and Cloud-based GBS service management are the most often cited as exceeding expectation in terms of realising business objectives in the centres where these have been deployed.

### How have the selected technologies met expectations in terms of fulfilling business objectives



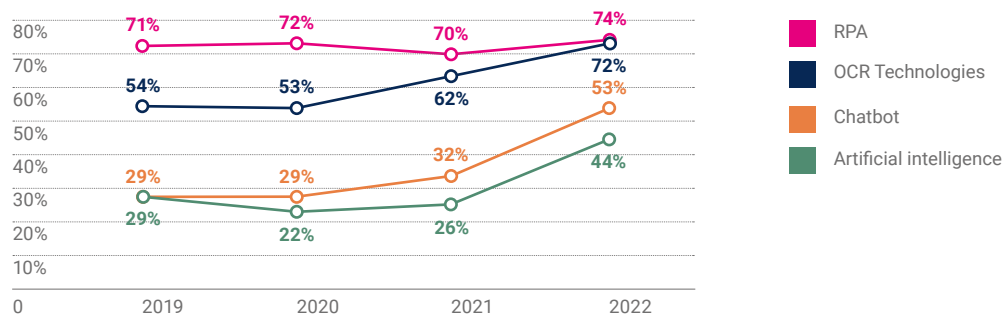
Source: ABSL Survey 2022

## % of centres with selected technologies deployed



Source: ABSL Survey 2022

## Trends of deploying 4 major technologies

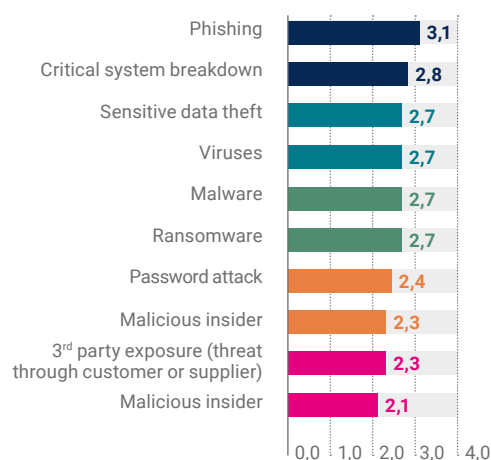


Source: ABSL Survey 2019 - 2022

## Cybersecurity

Cybersecurity was a current concern during the time of the ABSL Survey data collection. However, the data shows that the vast majority of the centres are prepared for dealing with all of the common cybersecurity threats.

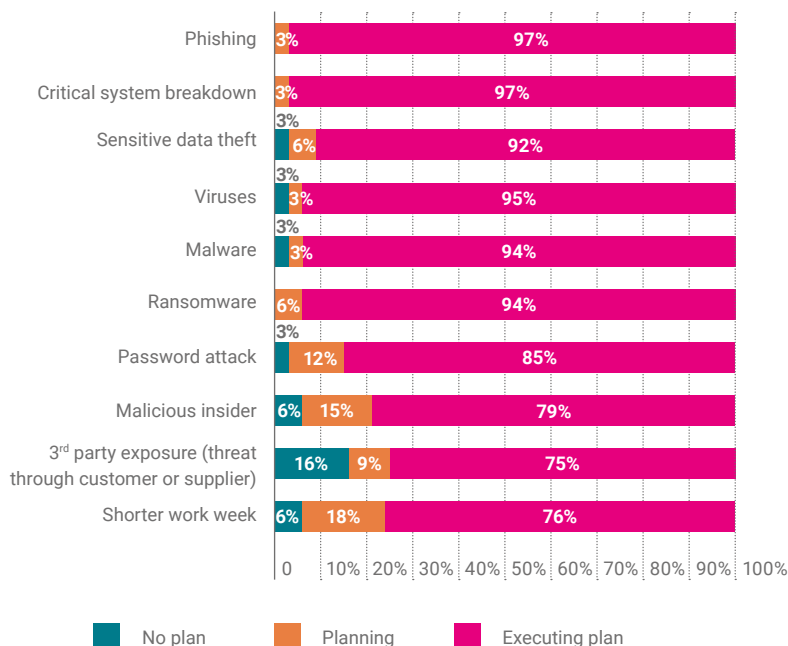
## Perceived threat level



Legend	
Low	1
Moderate	2
High	3
Critical	4

Source: ABSL Survey 2022

## Mitigation plan status



Source: ABSL Survey 2022

## Medtronic

## ABSL DIAMOND WINNER 2021 IN CATEGORY BUSINESS INNOVATION

**Medtronic** earned the second diamond in the **Business Innovation** category for its virtual assistant PABLO (Payroll Automation By Logical Optimization), which took over the manual agenda in monthly payroll processing across the EMEA region (Europe, Middle East, and Africa). The initiative was driven by the company's Dutch payroll department, which worked with teams from Credit Services, IT and HR to create the solution. PABLO saved the five-person team 25 hours of work per month and significantly increased internal customer satisfaction. The pilot project was run in 10 company entities, and the solution is currently implemented in 25 entities and is expected to cover all 65 Medtronic entities in the future.





# 9

Chapter Content Provider: Grafton Recruitment and GI Group

## LABOUR MARKET AND SALARIES IN BUSINESS SERVICES



# GRAFTON RECRUITMENT SALARY GUIDE FOR BUSINESS SERVICES

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High inflation, energy crisis and rising prices have made employee wages a hotly debated topic. Grafton Recruitment has issued a dedicated Salary Guide for Business Services in the Czech Republic, which offers a clear comparison of current salaries in the business services sector on the Czech market and might help to set optimal salary conditions and benefits in a wide range of companies.

The survey was carried out during the 3<sup>rd</sup> quarter of 2022 in 3 main hubs of Business Services Centres in the Czech Republic and includes almost 110 job roles. The sums included are mainly based on the starting salaries of the applicants for whom we arranged employment, and on demand from companies to find employees. The sums in the overview are shown as the usual monthly gross salary in Czech crowns, including variable components.



"The development of salaries has been significantly influenced by the level of inflation, which is the highest since 1993. If we take into account the rate of inflation, the current and expected development of commodity prices, the energy crisis, the disrupted supply chains, the development of the exchange rate of the Czech crown against the Euro, the absence of a qualified workforce, and add the incalculable uncertainty of the future, it is obvious that many employers, even though they would like to, are not able to increase the salaries of employees in such a way that this increase covers the level of inflation and satisfies the expectations."

**Martin Malo**  
Managing Director  
Grafton Recruitment and Gi Group

## PRAGUE

BUSINESS SERVICES CZECH REPUBLIC		
CUSTOMER OPERATIONS	Min	Max
Customer Service Manager, Service Ops Manager	70,000 CZK	90,000 CZK
Customer Service Team Leader	55,000 CZK	65,000 CZK
Customer Service Representative, Customer Account Manager (more than 6 months of experience)	42,000 CZK	55,000 CZK
FINANCE & ACCOUNTING	Min	Max
Finance Manager/Finance Lead	130,000 CZK	200,000 CZK
RTR	Min	Max
GL Manager	85,000 CZK	100,000 CZK
GL Team Leader	75,000 CZK	85,000 CZK
Senior GL Accountant	68,000 CZK	75,000 CZK
GL Accountant (1-2 years of experience)	55,000 CZK	65,000 CZK
Intercompany Accountant	50,000 CZK	55,000 CZK
Tax Accountant/Consultant	55,000 CZK	70,000 CZK
VAT Analyst	60,000 CZK	70,000 CZK
P2P	Min	Max
AP/P2P Manager	75,000 CZK	90,000 CZK
AP/P2P Team Leader	55,000 CZK	70,000 CZK
AP Accountant/Specialist (more than 2 years of experience)	45,000 CZK	55,000 CZK
Travel & Expense Specialist	42,000 CZK	50,000 CZK
O2C	Min	Max
AR/OTC Manager	80,000 CZK	100,000 CZK
AR/OTC Team Leader	60,000 CZK	75,000 CZK
AR Accountant/OTC Specialist (more than 6 months of experience)	45,000 CZK	50,000 CZK
Credit Controller	50,000 CZK	65,000 CZK
Credit Analyst	50,000 CZK	65,000 CZK
TREASURY	Min	Max
Treasury Manager	85,000 CZK	130,000 CZK
Treasury Specialist / Treasury Analyst (more than 1 year of experience)	45,000 CZK	60,000 CZK
COMPLIANCE	Min	Max
Compliance Lead	80,000 CZK	95,000 CZK
REPORTING, CONTROLLING AND ANALYSIS	Min	Max
Controlling Lead	75,000 CZK	120,000 CZK
Financial Controller	60,000 CZK	90,000 CZK
Financial Analyst (more than 2 years of experience)	55,000 CZK	70,000 CZK
Business Analyst (more than 2 years of experience)	55,000 CZK	70,000 CZK
Data Analyst	45,000 CZK	75,000 CZK
Reporting Specialist	40,000 CZK	60,000 CZK

OTHER	Min	Max
Portfolio Manager	80,000 CZK	130,000 CZK
Payroll Manager/Team Leader	80,000 CZK	100,000 CZK
Payroll Specialist (more than 1 year of experience)	50,000 CZK	80,000 CZK
Process manager	80,000 CZK	100,000 CZK
Master Data Specialist	45,000 CZK	60,000 CZK
Transition Manager	100,000 CZK	130,000 CZK
Process Improvement Specialist	60,000 CZK	80,000 CZK
HUMAN RESOURCES	Min	Max
HR Manager	70,000 CZK	120,000 CZK
HR Business Partner	60,000 CZK	80,000 CZK
Recruitment Specialist	45,000 CZK	60,000 CZK
HR Team Leader	50,000 CZK	70,000 CZK
HR Administrator (more than 1 year of experience)	40,000 CZK	50,000 CZK
HR Data Management Specialist	38,000 CZK	45,000 CZK
SUPPLY CHAIN MANAGEMENT	Min	Max
Procurement Manager	80,000 CZK	110,000 CZK
Procurement Team Leader	45,000 CZK	70,000 CZK
Procurement Specialist	40,000 CZK	45,000 CZK
Contract Specialist	40,000 CZK	50,000 CZK
Buyer (more than 1 year of experience)	45,000 CZK	50,000 CZK
Logistics Planner	40,000 CZK	50,000 CZK
IT SERVICES	Min	Max
IT Manager	100,000 CZK	150,000 CZK
IT Project Manager	90,000 CZK	120,000 CZK
Business Intelligence Analyst	55,000 CZK	100,000 CZK
SAP Consultant	75,000 CZK	120,000 CZK
Automation Expert	75,000 CZK	90,000 CZK
IT Architect	80,000 CZK	150,000 CZK
Security and Privacy Specialist	90,000 CZK	120,000 CZK
Technical Support Team Leader	60,000 CZK	100,000 CZK
Helpdesk/IT Support 1 <sup>st</sup> line (more than 1 year of experience)	45,000 CZK	60,000 CZK
SALES	Min	Max
Key Account Manager	55,000 CZK	80,000 CZK
Lead Generation	45,000 CZK	55,000 CZK
Sales Analyst/Data Analyst	45,000 CZK	60,000 CZK
Supervisor/Sales Coach	60,000 CZK	70,000 CZK
Sales Support Specialist/Administrative Sales Support/Sales Order Administrator	35,000 CZK	40,000 CZK
Inside Sales Specialist	40,000 CZK	45,000 CZK

Pracovní pozice vyžadující znalost německého, holandského, francouzského a nordických jazyků zpravidla nabízejí jazykový bonus, který se pohybuje kolem 5 000 Kč za měsíc.

IT SECURITY	Min	Max
Security Officer / Manager	120,000 CZK	180,000 CZK
Cyber-Security Engineer	80,000 CZK	150,000 CZK
Security Consultant	60,000 CZK	120,000 CZK
DEVELOPMENT	Min	Max
C/C++ Developer inc. Embedded	60,000 CZK	120,000 CZK
Java Developer	70,000 CZK	160,000 CZK
Android/iOS Developer	60,000 CZK	110,000 CZK
Database Developer (SQL, Teradata, Oracle)	60,000 CZK	130,000 CZK
ANALYSIS - DATA, BUSINESS	Min	Max
Data Scientist	60,000 CZK	130,000 CZK
Big Data Architect	110,000 CZK	160,000 CZK

## BRNO REGION

BUSINESS SERVICES CZECH REPUBLIC		
CUSTOMER OPERATIONS	Min	Max
Customer Service Manager, Service Ops Manager	70,000 CZK	90,000 CZK
Customer Service Team Leader	50,000 CZK	65,000 CZK
Customer Service Representative, Customer Account Manager (more than 6 months of experience)	32,000 CZK	40,000 CZK
FINANCE & ACCOUNTING	Min	Max
Finance Manager/Finance Lead	120,000 CZK	180,000 CZK
RTR	Min	Max
GL Manager	80,000 CZK	95,000 CZK
GL Team Leader	65,000 CZK	80,000 CZK
Senior GL Accountant	50,000 CZK	65,000 CZK
GL Accountant (1-2 years of experience)	45,000 CZK	55,000 CZK
Intercompany Accountant	38,000 CZK	45,000 CZK
Tax Accountant/Consultant	45,000 CZK	55,000 CZK
VAT Analyst	45,000 CZK	55,000 CZK
P2P	Min	Max
AP/P2P Manager	75,000 CZK	90,000 CZK
AP/P2P Team Leader	50,000 CZK	70,000 CZK
AP Accountant/Specialist (more than 2 years of experience)	43,000 CZK	50,000 CZK
Travel & Expense Specialist	35,000 CZK	40,000 CZK



O2C	Min	Max
AR/OTC Manager	70,000 CZK	85,000 CZK
AR/OTC Team Leader	50,000 CZK	70,000 CZK
AR Accountant/OTC Specialist (more than 6 months of experience)	35,000 CZK	40,000 CZK
Credit Controller	45,000 CZK	60,000 CZK
Credit Analyst	40,000 CZK	50,000 CZK
TREASURY	Min	Max
Treasury Manager	85,000 CZK	110,000 CZK
Treasury Specialist / Treasury Analyst (more than 1 year of experience)	45,000 CZK	60,000 CZK
COMPLIANCE	Min	Max
Compliance Lead	60,000 CZK	80,000 CZK
REPORTING, CONTROLLING AND ANALYSIS	Min	Max
Controlling Lead	65,000 CZK	95,000 CZK
Financial Controller	55,000 CZK	85,000 CZK
Financial Analyst (more than 2 years of experience)	50,000 CZK	65,000 CZK
Business Analyst (more than 2 years of experience)	50,000 CZK	65,000 CZK
Data Analyst	45,000 CZK	60,000 CZK
Reporting Specialist	38,000 CZK	50,000 CZK
OTHER	Min	Max
Portfolio Manager	60,000 CZK	80,000 CZK
Payroll Manager/Team Leader	65,000 CZK	80,000 CZK
Payroll Specialist (more than 1 year of experience)	38,000 CZK	45,000 CZK
Process manager	65,000 CZK	80,000 CZK
Master Data Specialist	45,000 CZK	50,000 CZK
Transition Manager	80,000 CZK	110,000 CZK
Process Improvement Specialist	50,000 CZK	70,000 CZK
HUMAN RESOURCES	Min	Max
HR Manager	70,000 CZK	120,000 CZK
HR Business Partner	55,000 CZK	80,000 CZK
Recruitment Specialist	40,000 CZK	55,000 CZK
HR Team Leader	50,000 CZK	65,000 CZK
HR Administrator (more than 1 year of experience)	33,000 CZK	43,000 CZK
HR Data Management Specialist	35,000 CZK	42,000 CZK
SUPPLY CHAIN MANAGEMENT	Min	Max
Procurement Manager	80,000 CZK	100,000 CZK
Procurement Team Leader	55,000 CZK	80,000 CZK
Procurement Specialist	45,000 CZK	55,000 CZK
Contract Specialist	40,000 CZK	50,000 CZK
Buyer (more than 1 year of experience)	40,000 CZK	50,000 CZK

Logistics Planner	40,000 CZK	50,000 CZK
<b>IT SERVICES</b>	Min	Max
IT Manager	90,000 CZK	130,000 CZK
IT Project Manager	80,000 CZK	100,000 CZK
Business Intelligence Analyst	50,000 CZK	85,000 CZK
SAP Consultant	75,000 CZK	110,000 CZK
Automation Expert	55,000 CZK	85,000 CZK
IT Architect	60,000 CZK	110,000 CZK
Security and Privacy Specialist	55,000 CZK	95,000 CZK
Technical Support Team Leader	65,000 CZK	90,000 CZK
Helpdesk/IT Support 1 <sup>st</sup> line (more than 1 year of experience)	40,000 CZK	50,000 CZK
<b>SALES</b>	Min	Max
Key Account Manager	55,000 CZK	70,000 CZK
Lead Generation	50,000 CZK	55,000 CZK
Sales Analyst/Data Analyst	45,000 CZK	60,000 CZK
Supervisor/Sales Coach	60,000 CZK	70,000 CZK
Sales Support Specialist/Administrative Sales Support/Sales Order Administrator	35,000 CZK	40,000 CZK
Inside Sales Specialist	40,000 CZK	45,000 CZK
Pracovní pozice vyžadující znalost německého, holandského, francouzského a nordických jazyků zpravidla nabízejí jazykový bonus, který se pohybuje kolem 5 000 Kč za měsíc.		
<b>IT Security</b>	Min	Max
Security Officer / Manager	100,000 CZK	150,000 CZK
Cyber-Security Engineer	65,000 CZK	100,000 CZK
Security Consultant	50,000 CZK	75,000 CZK
<b>Development</b>	Min	Max
C/C++ Developer inc. Embedded	50,000 CZK	90,000 CZK
Java Developer	60,000 CZK	120,000 CZK
Android/iOS Developer	50,000 CZK	95,000 CZK
Database Developer (SQL, Teradata, Oracle)	55,000 CZK	110,000 CZK
<b>Analysis - Data, Business</b>	Min	Max
Data Scientist	50,000 CZK	100,000 CZK
Big Data Architect	65,000 CZK	120,000 CZK

## OSTRAVA REGION

BUSINESS SERVICES CZECH REPUBLIC		
CUSTOMER OPERATIONS	Min	Max
Customer Service Manager, Service Ops Manager	70,000 CZK	90,000 CZK
Customer Service Team Leader	50,000 CZK	65,000 CZK
Customer Service Representative, Customer Account Manager (more than 6 months of experience)	30,000 CZK	40,000 CZK
FINANCE & ACCOUNTING	Min	Max
Finance Manager/Finance Lead	120,000 CZK	175,000 CZK
RTR	Min	Max
GL Manager	75,000 CZK	90,000 CZK
GL Team Leader	50,000 CZK	65,000 CZK
Senior GL Accountant	45,000 CZK	60,000 CZK
GL Accountant (1-2 years of experience)	40,000 CZK	50,000 CZK
Intercompany Accountant	35,000 CZK	45,000 CZK
Tax Accountant/Consultant	40,000 CZK	50,000 CZK
VAT Analyst	40,000 CZK	50,000 CZK
P2P	Min	Max
AP/P2P Manager	75,000 CZK	85,000 CZK
AP/P2P Team Leader	50,000 CZK	65,000 CZK
AP Accountant/Specialist (more than 2 years of experience)	40,000 CZK	50,000 CZK
Travel & Expense Specialist	33,000 CZK	40,000 CZK
O2C	Min	Max
AR/OTC Manager	70,000 CZK	85,000 CZK
AR/OTC Team Leader	50,000 CZK	65,000 CZK
AR Accountant/OTC Specialist (more than 6 months of experience)	35,000 CZK	40,000 CZK
Credit Controller	45,000 CZK	55,000 CZK
Credit Analyst	40,000 CZK	50,000 CZK
TREASURY	Min	Max
Treasury Manager	85,000 CZK	110,000 CZK
Treasury Specialist / Treasury Analyst (more than 1 year of experience)	45,000 CZK	55,000 CZK
COMPLIANCE	Min	Max
Compliance Lead	55,000 CZK	80,000 CZK
REPORTING, CONTROLLING AND ANALYSIS	Min	Max
Controlling Lead	65,000 CZK	95,000 CZK
Financial Controller	55,000 CZK	80,000 CZK
Financial Analyst (more than 2 years of experience)	50,000 CZK	60,000 CZK
Business Analyst (more than 2 years of experience)	55,000 CZK	65,000 CZK
Data Analyst	45,000 CZK	55,000 CZK
Reporting Specialist	37,000 CZK	47,000 CZK

OTHER	Min	Max
Portfolio Manager	60,000 CZK	80,000 CZK
Payroll Manager/Team Leader	65,000 CZK	80,000 CZK
Payroll Specialist (more than 1 year of experience)	37,000 CZK	47,000 CZK
Process manager	65,000 CZK	80,000 CZK
Master Data Specialist	45,000 CZK	50,000 CZK
Transition Manager	80,000 CZK	110,000 CZK
Process Improvement Specialist	50,000 CZK	65,000 CZK
HUMAN RESOURCES	Min	Max
HR Manager	65,000 CZK	100,000 CZK
HR Business Partner	55,000 CZK	80,000 CZK
Recruitment Specialist	40,000 CZK	50,000 CZK
HR Team Leader	50,000 CZK	60,000 CZK
HR Administrator (more than 1 year of experience)	35,000 CZK	40,000 CZK
HR Data Management Specialist	35,000 CZK	40,000 CZK
SUPPLY CHAIN MANAGEMENT	Min	Max
Procurement Manager	85,000 CZK	100,000 CZK
Procurement Team Leader	50,000 CZK	70,000 CZK
Procurement Specialist	40,000 CZK	50,000 CZK
Contract Specialist	40,000 CZK	45,000 CZK
Buyer (more than 1 year of experience)	40,000 CZK	50,000 CZK
Logistics Planner	35,000 CZK	45,000 CZK
IT SERVICES	Min	Max
IT Manager	90,000 CZK	120,000 CZK
IT Project Manager	75,000 CZK	100,000 CZK
Business Intelligence Analyst	50,000 CZK	85,000 CZK
SAP Consultant	75,000 CZK	105,000 CZK
Automation Expert	55,000 CZK	80,000 CZK
IT Architect	55,000 CZK	90,000 CZK
Security and Privacy Specialist	55,000 CZK	85,000 CZK
Technical Support Team Leader	65,000 CZK	80,000 CZK
Helpdesk/IT Support 1 <sup>st</sup> line (more than 1 year of experience)	40,000 CZK	50,000 CZK
SALES	Min	Max
Key Account Manager	55,000 CZK	65,000 CZK
Lead Generation	45,000 CZK	55,000 CZK
Sales Analyst/Data Analyst	45,000 CZK	55,000 CZK
Supervisor/Sales Coach	50,000 CZK	65,000 CZK
Sales Support Specialist/Administrative Sales Support/Sales Order Administrator	35,000 CZK	40,000 CZK
Inside Sales Specialist	38,000 CZK	43,000 CZK

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IT Security	Min	Max
Security Officer / Manager	75,000 CZK	100,000 CZK
Cyber-Security Engineer	65,000 CZK	80,000 CZK
Security Consultant	45,000 CZK	60,000 CZK
Development	Min	Max
C/C++ Developer inc. Embedded	55,000 CZK	85,000 CZK
Java Developer	65,000 CZK	100,000 CZK
Android/iOS Developer	50,000 CZK	70,000 CZK
Database Developer (SQL, Teradata, Oracle)	55,000 CZK	75,000 CZK
Analysis - Data, Business	Min	Max
Data Scientist	50,000 CZK	65,000 CZK
Big Data Architect	60,000 CZK	80,000 CZK

## MONEY IS NOT EVERYTHING: 4 MAIN TRENDS IN THE BENEFIT SPACE

Even though salary is the most important element considered when deciding whether to accept a job offer, both candidates and employees are also interested in other benefits the company can provide them with. Benefit survey carried out by Grafton Recruitment identified following 4 main trends:

### Differences Between Offer and Demand Persist

The differences between what benefits the employees want and what benefits they receive from their employers still persist. The biggest differences between offer and demand in the business services sector can be seen in the area of financial benefits. This year, the individual budget for personal growth, 13<sup>th</sup>/14<sup>th</sup> salary, or Christmas bonuses scored at the top of the chart.



## Benefits with the Greatest Difference Between Demand and Supply:



Individual budget for personal growth



Bonus for life events



13<sup>th</sup> or 14<sup>th</sup> salary



Contribution to personal or public transport



Christmas bonuses (other than performance based)



Annual salary increase linked to inflation



Reimbursement of costs for international exams / certifications



Hiring bonus



Unlimited paid time off



Language courses

These benefits can help the employers retain current employees and also attract new ones.

## Education Benefits are in Demand but the Offer is Insufficient

Employees in business services want to further extend their education. More than 80% of them are interested in various training, language courses, payment for international examinations, or individual budget for personal growth. However, only 41% of employers offer educational courses and training, and less than one-third of employers offer language courses. The demand for individual budgets for personal growth exceeds the offer as much as five times.

## Health Related Benefits are in Greater Demand than in any Other Sector

More than in any other sector, employees in business services are interested in health-related benefits. Grafton Benefit 82% of them would appreciate above-standard medical care, 71% a mental health support program and 70% immunity-boosting vitamins, however, only one-fourth of them actually get all of these.

## Over 90% of Employees Want Benefits Related to Time off

The interest of employees in the business services sector in benefits in the form of 5 weeks or more of leave, financial contribution to it, or sick leave exceeds 90%. Sick days represent the third most desired benefit; 71% of respondents actually get sick days. 59% of employees can have 5 and more weeks of vacation and 44% get financial contributions to their vacation. A relatively new benefit is an unlimited paid leave which almost three-quarters of employees wish for, however, only one-tenth of them actually get it.



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# 10

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## REAL ESTATE AND OFFICE MARKET

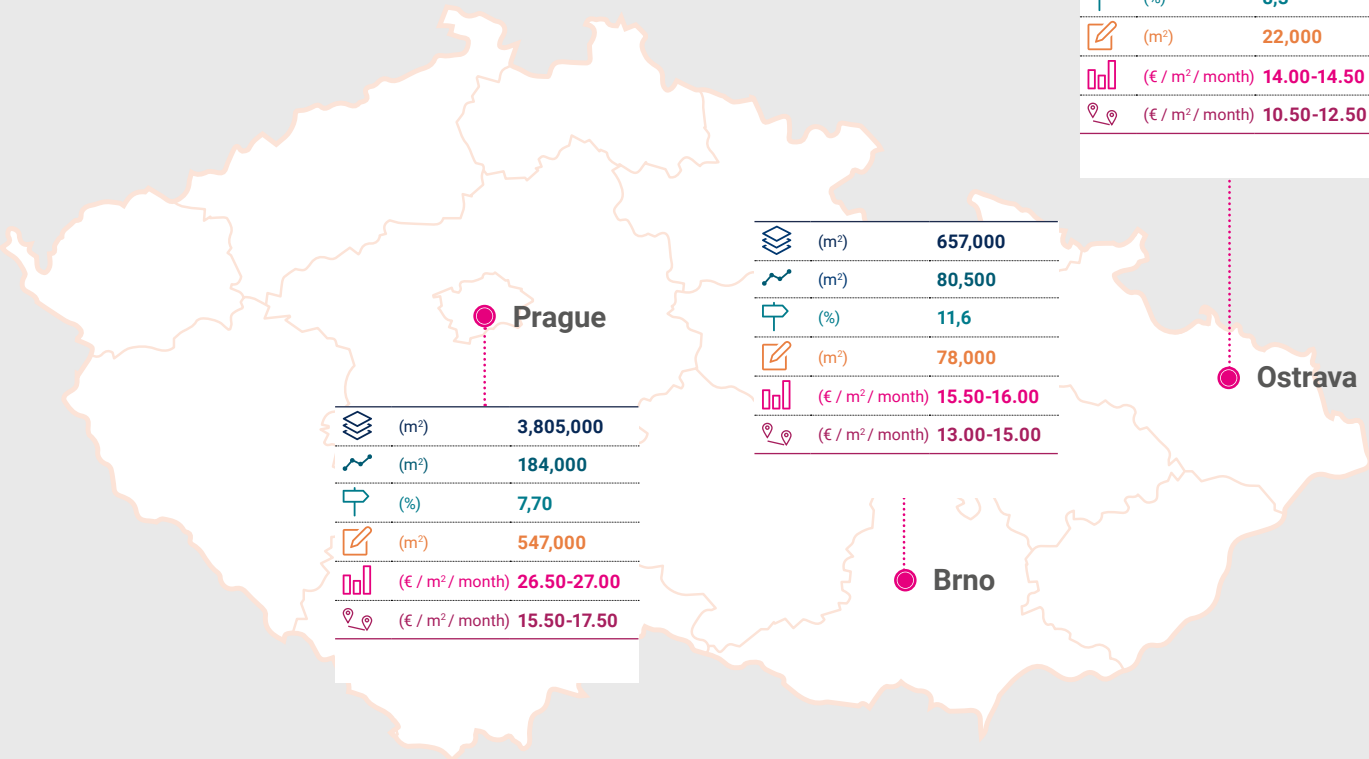


# OFFICE MARKET IN THE CZECH REPUBLIC

The Czech real estate market, in particular the office and industrial sectors, has survived the recent, challenging years and is in condition to withstand the upcoming recession. Thanks to the highly skilled and talented professionals across a broad range of sectors, plus the market’s strategic location within Europe, we expect to see continued growth towards a sustainable and modern business environment.

## Office Market in the Czech Republic

- Stock (m²)
- Under Construction (m²)
- Vacancy Rate (%)
- Gross Demand (last 12 months) (m²)
- Prime Rents (€ / m² / month)
- Average Rents (€ / m² / month)



Source: Colliers, PRF Q4 2022, RRF - Q3 2022



# PRAGUE

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Prague, as the economical centre of the country, naturally has the largest office market. Currently, there is slightly over 3.8 million m<sup>2</sup> of modern office space, divided into 10 districts. Most of the offices can be found in Prague 4 and Prague 5, followed by Prague 8 and Prague 1. Other districts of Prague also have micro-locations which are attractive from an occupier's point of view thanks to the proximity of the airport, highway connection or simply the genius loci of such locations. Important office hubs can usually be found within several minutes of walking distance from the metro, which is a crucial means of public transport for the city and office employees.

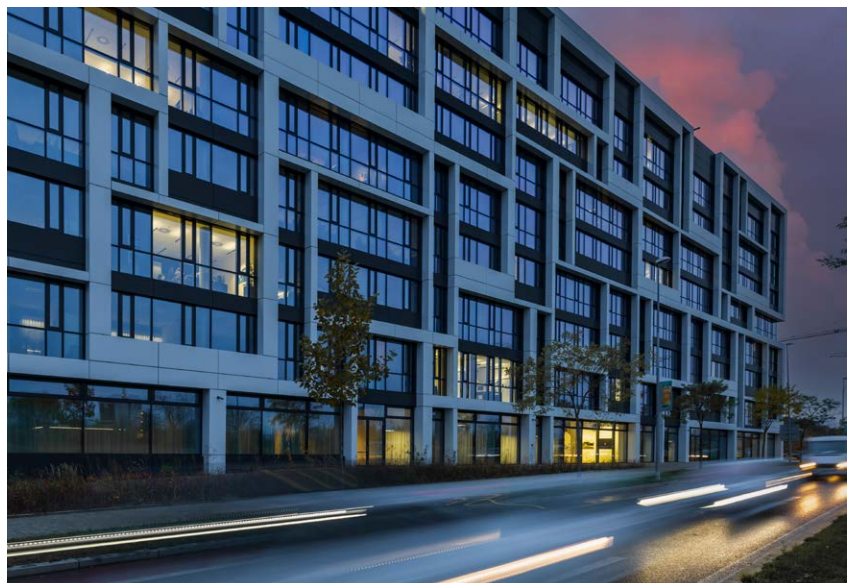
The market has experienced a continuous increase of available space since the historical lows in 2019, when there was very little to choose from for new occupiers coming to the market, or those looking for a change of scenery. Now we experience a bit more of a neutrally positioned market, where every occupier has several options to choose from if the move is timed well ahead. A vacancy rate of approximately 7.7% was recorded at the end of Q4 2022, but several locations, especially within the most established submarkets, can still lack the availability of larger units.

The limited number of office projects completed during 2021 and 2022 helped to keep the vacancy rate increase at a decent level and as a result, the Prague market did not experience any major shock of sudden availability in recent years. This can, on the other hand, be perceived as double edged and limited new construction will limit the number of choices that companies have when looking for new offices on the market. Nevertheless, the future of the Prague office market is not gloomy, as several large projects, mainly mixed-use developments or office elements of larger areas are nearing completion. In total, approximately 129,000 m<sup>2</sup> will be completed in 10 projects.

The cost of prime office space in Prague experienced an unprecedented increase during 2022 and is between €26.50 and €27.00 per m<sup>2</sup> / per month. The situation in Ukraine complicated the labour market and construction materials supply chains. Although many of the problems caused are now solved, the prices and capacities of construction companies are still high. This opens the gap between new construction and existing stock. Looking away from the city centre, costs per square metre of between €15.50 and €17.50 are more common for the most modern space in established office locations.

**184,000 m<sup>2</sup>**  
of modern offices are currently under construction in Prague

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## BRNO

With approximately 657,000 m<sup>2</sup> of modern offices, Brno is the second largest market with modern office space and can be compared in size to some Polish regional city markets such as Poznan, Lodz or Katowice. The popular part of Brno's city centre also includes several office properties, but most of the truly modern office space is located in hubs around the centre and in several spots on the outskirts, which benefit from proximity to the universities or industrial facilities. Occupiers present in Brno are very often branches of larger companies acting as business service centres or research & development facilities.



Despite the market being active with moves and new tenant entries, a vacancy rate of 11.1% was recorded at the end of H1 2022. A rate of between 10.0% and 12.0% can be considered a standard level for the city. As the market is relatively small, every space vacated by a move of large occupiers can take longer to absorb.

Construction activity in Brno is ambitious and usually led by locally focused developers, who are well aware of the needs of the local market. Since 2019, approximately 89,500 m<sup>2</sup> of modern offices have been delivered and there are over 200,000 m<sup>2</sup> in various planning stages. Similar to Prague, several large developments and locations like Nová Zbrojovka or Dornych are closer to becoming a real choice for occupiers. The established existing office hubs of Ponavka and Vlněna Office Park will be also getting new additions as the developer CTP commenced construction of two exceptional properties.

Office costs in Brno have increased over the past several years thanks to the increasing quality of the developments and increasing demand. In comparison to Prague, Brno is cheaper in most of the cases, but this gap is narrowing, especially regarding the current situation with the rising costs of construction materials and labour, which was sped up by the Russian invasion of Ukraine. The cost per square metre in prime projects in Brno are currently around €10.50 per m<sup>2</sup> / per month, but some exclusive units or projects can be marketed for higher prices. In general, occupiers should be able to find A-class space for prices between €13.00 to €15.00 m<sup>2</sup> / per month.

# 31,000 m<sup>2</sup>

Over 31,000 m<sup>2</sup> of modern offices in Brno are planned for delivery during 2023



## OSTRAVA

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The stock of modern offices in Ostrava accounted for approximately 217,000 m<sup>2</sup> and represents the third largest office market in the country. Modern properties are spread around the city, but the area surrounding the shopping mall Forum Nová Karolína and the historical core can be considered as the prime office location, with the most modern properties and developments located here.

The amount of available space for lease has decreased over the past two years and currently accounts for approximately 18,200 m<sup>2</sup> or just 8.3%. The vacant space is being slowly absorbed and it can, in some cases, be difficult to find a unit of the desired size, in some locations. As the market is a third of the size of the Brno office market, every vacated office has an impact on the resulting vacancy.

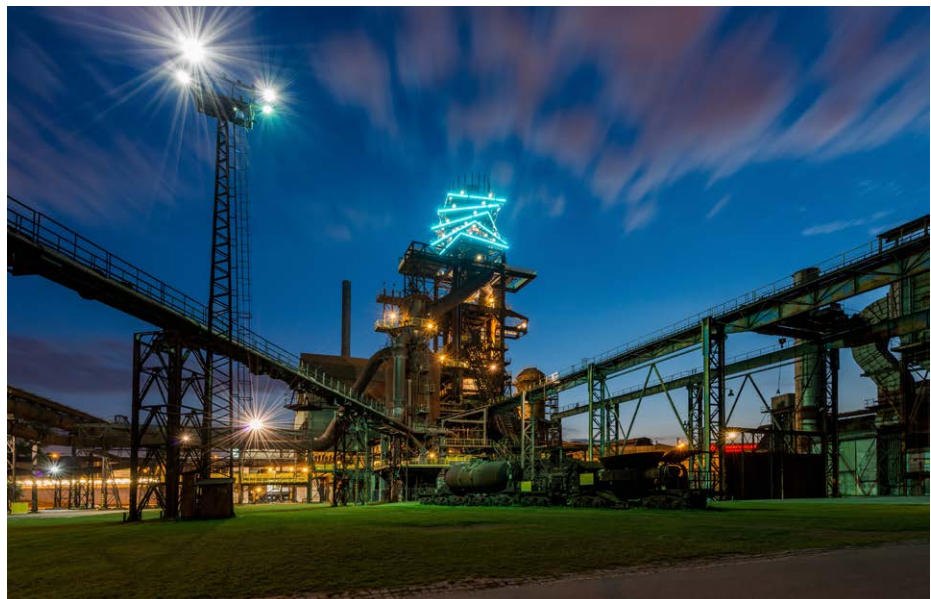
There has been a shortage of construction activity over the past several years in Ostrava. It is not that the city does not attract the developers, but lengthy permitting, combined with lower demand and absorption on the market makes development more difficult. Moreover, the focus of investors is currently on the industrial sector, which is booming around Ostrava.

The cost of prime offices in Ostrava increased recently to approximately €14.00 per m<sup>2</sup>/ per month, driven by the development of the new Organica building, which exceeds most of Ostrava's properties in many ways. The majority of offices currently available in Ostrava can be leased for between €10.50 and €12.50 m<sup>2</sup>/ per month and while these can be considered as stable, an increase is highly probable.

# 20,000 m<sup>2</sup>

Organica will deliver over 20,000 m<sup>2</sup> of space to Ostrava's market and become the city's prime office property

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## OTHER REGIONAL CITIES

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For the rest of the country, local developers are pushing through many projects, especially in well-connected cities like Pilsen, Hradec Králové and Olomouc. Such projects, already existing or proposed, are of high-quality and offer excellent services to their clients. Thanks to lower operating costs, choosing to establish the office in smaller cities can prove economically viable, but also more difficult to find.

### Summary

Despite the European-wide economic slowdown, the Czech office market is able to attract new tenants through competitive market conditions such as high property standards, an innovative environment and a skilled, well-educated and talented workforce. Supported by the beautiful, picture postcard looks of Czech cities, high standards of living and its location in the heart of the European continent, the Czech Republic should always be on the list for expansion options.



# 10

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