



# Business Support Services

**“In the US, more than 70% of Fortune 500 companies now use shared services or outsourcing models for their finance and accounting operations.”**

*Everest Group, 2011*



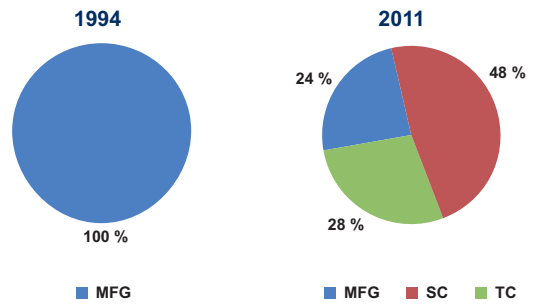
## REASONS TO INVEST IN THE CZECH REPUBLIC

- Location in the centre of Europe, gateway to both eastern and western markets, less than two hours by air from most European destinations
- Creative and experienced professionals at lower costs
- Multilingual workforce suitable for international services projects
- Developed ICT infrastructure
- Abundant A-class office space available in both the capital and regional cities
- Data protection respecting all EU rules
- Positive approach of the government, financial support for BSS projects
- Cultural proximity to the western world

**One of the most attractive places to live.**

## BASIC FACTS

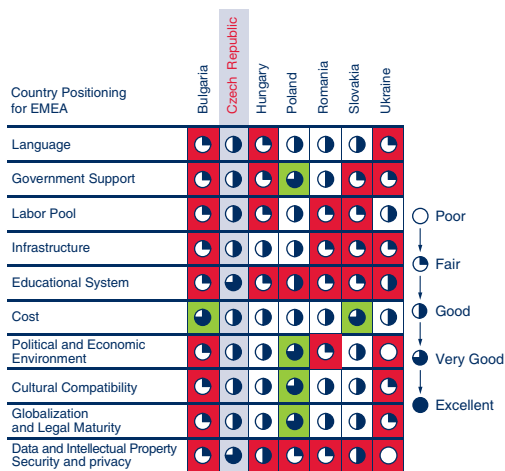
### More Projects with Added-Value



Note: MFG – Manufacturing Industry, SC – Service Centres, TC-Technology Centres

Source: CzechInvest, 2012

### Top Country Locations in EMEA Region



Source: Gartner, November 2012

## PEOPLE FOR GROWTH

According to an in-depth study of the Czech labour market conducted by Augur Consulting, more than 87% of Czechs are able to speak at least one foreign language, about 28% two foreign languages and nearly 25% three foreign languages. English, German, Russian, French, Spanish, Italian, Polish and Slovak are the most widely spoken foreign languages in the Czech Republic. The table below provides another view of language skills – the number of students that learn required languages.

### Languages at Czech Universities

How many students learn languages at regions  
Academic year 2011/2012

Region	English	French	German	Russian	Spanish	Italian
Prague	47,406	4,612	13,231	3,477	5,735	777
South Moravia	24,561	1,340	5,315	1,416	992	279
Moravia-Silesia	13,670	446	2,569	1,203	775	227
<b>Total Czech Republic</b>	<b>129,480</b>	<b>8,880</b>	<b>35,107</b>	<b>10,103</b>	<b>9,418</b>	<b>2,095</b>

Source: Ministry of Education, Youth and Sport, 2012.

From the comparison of countries, it is clear that most of the countries are not doing as well as the Czech Republic in the aforementioned categories. However, the categories highlighted in green are those in which the other countries are doing better than the Czech Republic.



2001

Accenture establishes its European BPO delivery centre in Prague



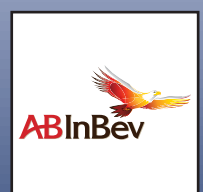
2004

ExxonMobil, one of world's largest multinational corporations, establishes a SSC in Prague to serve its global operations



2004

In Prague DHL implements the largest investment in the services sector in the CEE region



2006

AB InBev, a leading global brewer, chooses Prague for its European SSC

## INVESTMENT CASE STUDY

### DIXONS RETAIL

BRINGING LIFE TO TECHNOLOGY

Dixons Retail plc is one of Europe's leading specialist electronics retailing groups. It sells consumer electronics, personal computers, domestic appliances, photographic equipment, communication products and related services. The company does business online and through a network of more than 1,200 stores spanning 28 countries and employs 36,500 people. Dixons Retail is the number-one market leader in the UK & Ireland, Scandinavia and Greece.

The Group's Shared Services Centre in Brno opened in September 2007. Since then it has grown to provide a wide range of other services such as accounts payable, accounts receivable, finance support, e-commerce marketing and software development, customer support and group IS support.

Brno was chosen as the centre's location because it best fulfilled the selection criteria (including workforce availability, quality and cost of available office space, regional tax policy and political stability) in comparison with Prague and other potential locations in Central and Western Europe. Future expansion of the centre is planned.

"We were searching for a stable location with the potential for finding trained specialists at a reasonable price, people who would be motivated by the possibility of having a career in a powerful pan-European group," said Kevin O'Byrne, former Chief Financial Officer, Dixons Retail.

Currently the company employs over 270 people supporting 14 countries in seven languages and offers a range of part-time and full-time positions.

### Johnson & Johnson

**"In 2005 we chose Prague as the location for our centre of business support services mainly thanks to the sufficient availability of workers with professional and language skills on the given labour market and also thanks to the macroeconomic stability of the Czech Republic. The initial plan to hire 80 new employees and to offer services only in the field of processing financial documents for selected European countries soon had to be rethought. Now more than 285 colleagues offer services to partner organisations of Johnson & Johnson in many other financial processes within Europe as well as the United States. Prague turned out to be the correct choice."**

*David Mansfeld, Managing Director,  
JNJ Global Business Services*

## CZECHINVEST'S SERVICES

- Full information assistance
- Tailor-made visits
- Maximisation of networking capacity
- Handling of investment incentives
- Access to EU structural funds
- Business properties identification
- Business infrastructure development
- Supplier/JV/acquisition partner identification
- Aftercare services

### Economic Programmes

Students and Graduates  
Academic year 2011/2012

The Czech Republic	Vocational Training Centres	Secondary Specialized Schools	Higher Professional Schools	Universities
Students	6,197	72,839	5,989	100,630
Graduates	1,740	17,733	1,252	27,186

Source: Ministry of Education, Youth and Sport, 2012

### Gross Monthly Wages (in EUR)

Job position	Czech Republic	Poland	Slovakia	Hungary
Finance Director	4,000	5,350	3,500	3,000
Financial/Management Accountant	1,350	1,950	2,000	1,850
Financial Accountant	1,350	1,200	1,500	1,900
IT Manager	3,150	3,400	3,000	3,000
Help Desk Supervisor	2,500	3,000	1,750	1,250
Architect	3,150	3,650	2,650	3,000
Call Centre Manager	2,900	3,500	3,000	3,150
Customer Service Team Leader	1,600	1,550	1,600	1,500
Customer Service Agent (0-3 yrs experience) with language	1,150	1,000	950	1,200
HR Manager (1-3 yrs Generalist experience)	1,800	2,300	1,900	1,650
HR Generalist/Specialist	1,450	1,200	1,650	1,200

Source: Salary Survey, Grafton, 2012



2008

Covidien, a global leader in manufacturing and distribution of medical devices, selects Prague for its SSC providing business support services for EMEA markets



2009

With 600 clients worldwide, IBM's Brno operation employs more than 3,000 IT specialists



2012

Investment incentives are available also for SSCs and software-development centres



2014

Start of new programming period for EU structural funds, 2014-2020

**SELECTED SHARED SERVICES CENTRES  
IN THE CZECH REPUBLIC**



Source: CzechInvest, 2012

**INVESTORS' FAQ**

- **How many SSCs are located in the Czech Republic?**  
According to the conference presenting the findings of PwC's 2012 SSC survey, there are approximately 100 SSCs in the Czech Republic.
- **How long does it take to set up a business in the Czech Republic?**  
It usually takes 16 days to set up a Czech entity.
- **What are the top BSS locations in the Czech Republic?**  
Most of the business support services centres are located in Prague, Brno and Ostrava. There are also centres in other regions such as Plzeň and Pardubice.

**OUTSTANDING QUALITY OF LIFE**

Czech Republic boasts extraordinary quality of life.

The IMD World Competitiveness Yearbook's Quality of Life Index ranks the country twentieth in the world and first in the CEE region. But one must experience the local cultural heritage, sport facilities and natural beauty to fully grasp the joys of living in the Czech Republic.

The country offers a full range of services that are required by expatriates and their families, including multilingual international schools covering all levels from kindergarten to MBA studies, attractive housing, shopping malls and first-class recreational facilities including over 80 golf courses and 12 UNESCO heritage sites.



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**CZECHINVEST'S  
HEADQUARTERS**

CZECH REPUBLIC  
PHONE: +420 296 342 500  
E-MAIL: fdi@czechinvest.org  
[www.czechinvest.org](http://www.czechinvest.org)