

SHARED SERVICE CENTER BULGARIA



PROJECT PRESENTATION

- BUSINESS PROCESS OUTSOURCING (BPO)
- HUMAN RESOURCES OUTSOURCING (HRO) and RECRUITING PROCESS OUTSOURCING (RPO) of NON LOCATION BASED SERVICE to BULGARIA
- INFORMATION TECHNOLOGY OUTSOURCING (ITO)

AGENDA

1. PRESENTATION CONSORTIUM SHARED SERVICE CENTER BULGARIA
2. YOUR ADVANTAGES - OUR CUSTOMIZED OUTSOURCING SOLUTIONS FOR YOU
3. BULGARIA AS A TOP OUTSOURCING DESTINATION
4. INTERESTING LINKS ABOUT OUTSOURCING IN BULGARIA
5. SUMMARY AND NEXT STEPS

INTRODUCTION | Shared Service Center Bulgaria

A CONSORTIUM between:

■ P&P BULGARIA

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&

■ LOGCON EAST GmbH

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1220 Vienna, Austria
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SUPPORTING partner:

■ WIFI International

Sofia, Bulgaria
www.wifi-bg.bg



USP of SHARED SERVICE CENTER BULGARIA FOR TRANSPORT, FREIGHT FORWARDING & LOGISTICS COMPANIES

- EXTENSIVE INSIDER KNOWLEDGE AND SKILLS
- FULL-SERVICE, ONE-STOP CONSULTING
- COOPERATION WITH WIFI INTERNATIONAL ACADEMY
- IN-DEPTH MARKET KNOWLEDGE AND MARKET DATA
- EXTENSIVE OWN & PARTNER NETWORK GUARANTEES FULL MARKET COVERAGE
- PROJECTS AND REFERENCES SINCE 2007

We are the only one company in the market offering to **LOGISTIC, TRANSPORT AND FREIGHT FORWARDING** companies the full range of BPO + HRO + RPO+ITO services in **BULGARIA**: currently **THE BEST EUROPEAN OUTSOURCING DESTINATION!**



INTRODUCTION | P+P Bulgaria



P&P BULGARIA - FOUNDED BY P&P AND INTELBORS CONSULT 2001 / RUN BY MIRENA KOLEVA AS AN INDEPENDENT PARTNER.

- Part of P+P Group (founded in 1980) with HQ in Vienna and 22 offices in AT, RS, HU, RO, SK, SI, CZ, BA, BG, AL, MK and HR.
- IntelBors Consult presented at the Bulgarian market as Human Resources Agency since 1993.

P&P BULGARIA was ISO 9000–2000 certified in 2007. Recertified in ISO 9001 – 2008 in 2008 and ISO 27 001:2005 in 2012.

- Current staff engaged in Outsourcing projects in Bulgaria: 1.340 FTE.

SERVICES | P+P Bulgaria

- EXECUTIVE SEARCH.
- PERSONNEL SEARCH AND SELECTION.
- INTERNATIONAL SEARCH.
- OUTSOURCING.
- MANAGEMENT & HR AUDIT.
- PERSONNEL AND ORGANIZATIONAL DEVELOPMENT.
- PERSONNEL LEASING AND PAYROLL.
- ALL OTHER HR-RELATED ASPECTS:
AC, Talent Management, Compensation Systems, Training and Coaching, Outplacement/
Newplacement, Internship/ Trainee program, Personal/ HR Partner on demand.

- MANAGING DIRECTOR, MANAGING PARTNER AND OWNER OF P+P BULGARIA SINCE 2001
- MANAGING DIRECTOR OF WIFI INTERNATIONAL BULGARIA SINCE 2007



QUALIFICATION/STUDIES:

- Master in Business Administration, University of National and World Economy
- Master in Journalism, Sofia University, Bulgaria
- Master in Process Engineering, University of Chemical Technology and Metallurgy, Bulgaria
- Certificate Trainer of Adults, WIFI (The Institute for Economic Promotion), AT

SECTOR EXPERTISE:

- BUSINESS AND MARKETING STRATEGY
- HR MANAGEMENT, TRAINING & DEVELOPMENT
- MANAGEMENT
- ESTABLISHING OF PARTNER NETWORKS IN INTERNATIONAL ORGANIZATIONS
- BANKING SECTOR
- FMCG
- ENERGY
- PHARMACEUTICAL SECTOR
- CONSULTING
- CONSTRUCTION
- IT/TELECOMMUNICATION
- STATE ADMINISTRATION

INTRODUCTION | Logcon East

- LCE IS ONE OF THE ONLY CONSULTING FIRMS OFFERING NEUTRALLY EXCLUSIVE ADVISING SERVICE FOR THE LOGISTICS INDUSTRY IN THE CEE / CIS / NME AREA SINCE 2008
- LCE combines different kind of integrated service for the clients
- LCE is working on projects by a creative and operational approach with flexible specialists teams fitting the order at optimal costs
- LCE guarantees confidentiality
- LCE promotes actively the brand&service of its customers within the line of work



INTRODUCTION | Martin Eckerstorfer

- MANAGING PARTNER, LOGCON EAST GmbH www.logcaneast.com
- MULTIMODAL ADVISOR C.R.E.A.M. EUROPE (EU NGO) www.cream-europe.eu
- MAIN RESPONSIBILITY IS OPERATING AND LEADING a virtual network of partners in the CEE countries which are all working under the Logcon East brand



QUALIFICATION/STUDIES:

- Qualified Freight Forwarder
- BA Transport/Logistics, German Foreign Trade and Transport Academy (DAV), Bremen, Germany
- M.BA, M.LE Imadec University, Vienna, Austria

+20 years of experience in 5 top forwarding companies and 2 consulting companies: in various functions in AT, DE, LV and China: operator; team leader; key account manager; head of sales and marketing; managing director.



My competences and sector expertise in transport, infrastructure and logistics: management of companies in terms of controlling P/L, steering the staff, increasing of effectiveness and productivity, cost-cutting within the concept of Lean Management, turnaround management, restructuring, key account management; SCM; top management recruitment in CEE, M&A, fundraising for LSP and infrastructure companies.

- MANAGING PARTNER, BRAIN SOFT
- FOUNDER AND MANAGING DIRECTOR, TOUCHPOINT
- MANAGING PARTNER, PARTNER ECOSYSTEM
- FOUNDER AND MANAGING DIRECTOR, GREEN DATA CENTER
- FOUNDER, INNOVOTECH
- MANAGING PARTNER, WEBSOFT SOLUTIONS COMMUNITY



QUALIFICATION/STUDIES:

- Master's degree in Forecasting and Planning, University of National and World Economy, Sofia, Bulgaria
- Certifications - ITIL, IBM Certified, HP Certified, Oracle Certified, Prince 2 Project Management, Quality Management, Backup Academy Certified, Cloud Computing Certified, Cloud University, Motorola Solutions Certified, Zebra Technologies Certified, Microsoft Certified

18 years of experience in IT business in various functions: managing big information systems, business continuity management, Information resources management and capital planning, strategic planning and execution, Data center design and consulting, project development and team management, consulting and auditing IT service management, Software development, IT infrastructures, IT innovations, SAP implementation, Call Center management, IT outsourcing.



Outsourcing
Destination
Bulgaria

BENEFITS & ADVANTAGES



BENEFITS for you - our tailor made outsourcing solutions for you

- **SIGNIFICANT COST SAVINGS:** Direct impact on your P/L bottom line. Average costs of 1 FTE doing outsourcing job in BG (compared to AT up to 6.000€ /month incl. all costs) for a „normal FTE“ from 1.600€ up to IT Senior developer 3.800€ / month all-in (40h/week): manpower costs, social & facility costs, bonuses, infrastructure, IT, phone costs, software etc. depending on their qualification, language, IT and other project relevant skills
- **QUALITY LEVEL:** Same, even improvements possible
- **HIGH FLEXIBILITY IN STAFF MANAGEMENT:** Increase / reduction if needed, both under short notice and no extra payments for you
- **PROCESS OPTIMIZATIONS POSSIBLE:** Your high paid resources could be released from low-skilled work and be used for other high value purposes and projects



TARGETS and ADVANTAGES for you

- OUR PARTNERSHIP TO BE BASED ON MUTUAL CONFIDENCE!
- WE CONTRIBUTE TO YOUR SUCCESS AND SUPPORT YOU AS A RELIABLE OUTSOURCING PARTNER TO ACHIEVE YOUR GOALS!
- WE WILL KEEP ALL OUR AGREEMENTS STRICTLY CONFIDENTIAL!

PROJECT TARGETS - we deliver tailor-made solutions in:

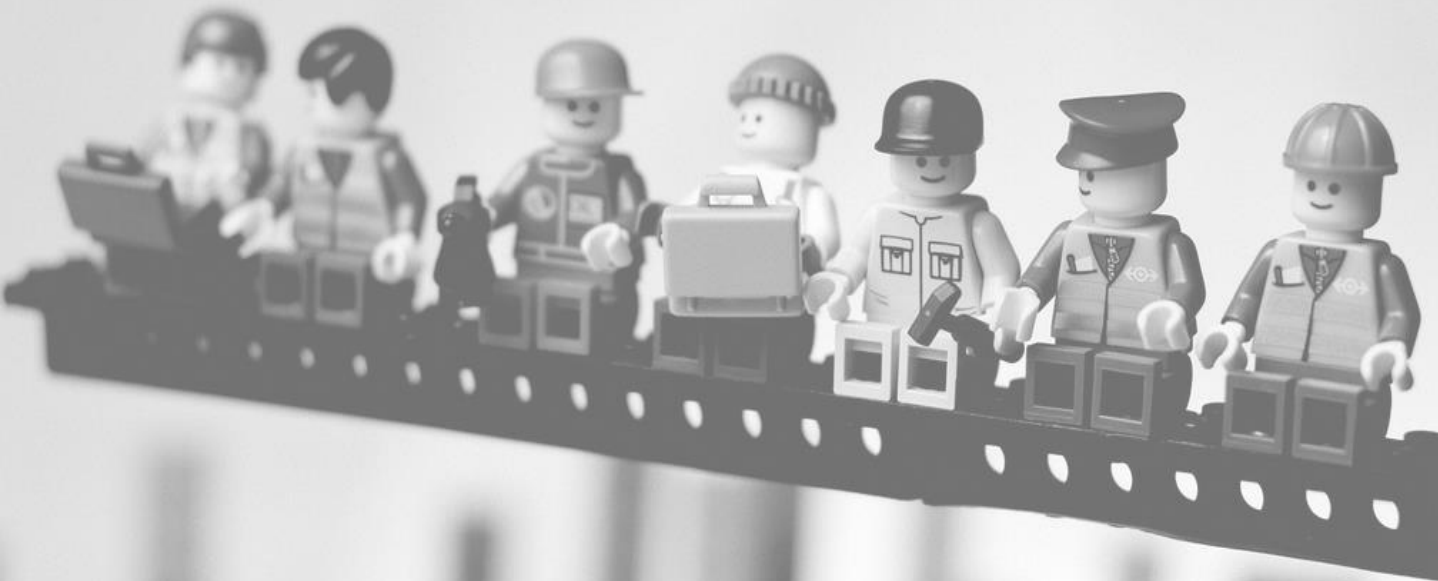
1. BPO (Business Process Outsourcing) with focus on Operations & Administration
2. HRO (Human Resources Outsourcing)
3. RPO (Recruitment Process Outsourcing)
4. ITO (Information Technology Outsourcing)

REFERENCES AND PROJECTS

- MORE THAN 8 YEARS OF EXPERIENCE with BPO, HRO and RPO in Bulgaria with customers from different countries and industries.
- TOTAL HEADCOUNT OF EMPLOYEES engaged in outsourced projects managed by P&P Bulgaria during the period of 2007 – 2015 fluctuated bet. 600 and 2.000 FTE's

OUR LIST OF CLIENTS INCLUDE COMPANIES LIKE:

- RPO (Recruitment Process Outsourcing): Coca Cola Hellenic Business Service Organization; Actavis; BASF; Coface; Howk Fund; OMV; OTIS; Hyder; Semmelrock Stein und Design; EVN
- BPO (Business Process Outsourcing): M-tel – Telecom Austria; EVN; OMV; EMC; Intel
- HRO (Human Resources Outsourcing): Interlease; Prostream; EVN; OMV
- ITO (Information Technology Outsourcing): WilliBetz, SGS, Porsche Bulgaria



MAIN ADVANTAGES FOR YOU

- BULGARIA - OUTSOURCING DESTINATION NO.3 IN THE WORLD 2015 (SEE CUSHMAN & WAKEFIELD BPO & SSC LOCATION INDEX) & NO.1 IN EUROPE - 2015 (EUROPEAN OUTSOURCING AWARDS)
- BULGARIA IS EU-MEMBER SINCE 2007, EU-LEGISLATION FULLY APPLICABLE
- MANPOWER AND OTHER COSTS UP TO FIVEFOLD LOWER THAN IN DACH AREA (THE LOWEST IN EU)
- HIGHLY EDUCATED AND MOTIVATED LABOUR FORCE IN THE WHOLE COUNTRY
- 10% CORPORATE TAX AND 10% FLAT TAX
- DIRECT DAILY FLIGHTS TO/FROM SOFIA

COME FOR A VISIT
BULGARIA
RETURN ON INVESTMENT

52.4% of the workforce aged 25-34 speak at least one foreign language

WELCOME
WILLKOMMEN
BIENVENUE

Among the lowest office rents in the EU (MBL/CBRE)

| City | Office Rent (€/sqm) |
|-----------|---------------------|
| Sofia | €12 |
| Bucharest | €18.5 |
| Prague | €21 |

The lowest corporate and personal tax in the EU

10% FLAT TAX

DID YOU KNOW

5TH BEST COUNTRY IN EUROPE ACCORDING TO GLOBAL SERVICES LOCATIONS INDEX 2011 BY A.T. KEARNEY

Only 4 procedures to start a new business vs. 11 in some EU countries

| | |
|---|---|
| 1 | 2 |
| 3 | 4 |

National currency pegged to the euro

8th fastest internet speed worldwide (Bloomberg)

BULGARIA - OUTSOURCING FRIENDLY

RANGE OF POSSIBLE ACTIVITIES and BPO checklist base for you

- AT LEAST 15% OF GENERAL PROCESSES ARE BACK-OFFICE PROCESSES → COULD BE OUTSOURCED
- POSSIBLE START WITH HIGHLY REPETITIVE STANDARD PROCESSES → NO SPECIALIST KNOWLEDGE NEEDED
- DEFINITION: PROCESSES WITH EXTERNAL CUSTOMER CONTACT - YES/NO?
- TO BE CONSIDERED:
 - THE BUSINESS UNITS ITSELF
 - THE UNITS: HR, SALES, ACCOUNTING & CONTROLLING

RANGE OF SOME POSSIBLE LOGISTIC ACTIVITIES for BPO in Bulgaria

- CUSTOMER SERVICES: call center, help desk, technical support (languages?)
- CRM/SALES: telemarketing, telesales, mystery shopping, marketing, organization of various sales & marketing campaigns, evaluation and improvement of your CRM
- PROCUREMENT & INVENTORY MANAGEMENT: purchase of office stationery and equipment for all offices, freight purchase, supplier/carrier prequalification & selection, fixed fleet management etc.
- FINANCE & CONTROLLING: invoicing and other documentation, network profit sharing, various KPIs and reporting etc.
- HR & PAYROLL: all services
- OPERATIONS: order/data entry & management, tracking & tracing shipments, PODs
- CONTROL TOWER for bigger clients – order control, coordination

RANGE OF POSSIBLE ACTIVITIES for HRO / RPO to Bulgaria

- EXECUTIVE SEARCH
- PERSONNEL SEARCH AND SELECTION
- INTERNATIONAL SEARCH
- MANAGEMENT & HR AUDIT
- PERSONNEL AND ORGANIZATIONAL DEVELOPMENT
- PERSONNEL LEASING, TRAINING AND COACHING
- OUTPLACEMENT / NEWPLACEMENT

RANGE OF POSSIBLE ACTIVITIES for HRO / RPO to Bulgaria

PAYROLL (according the latest EC-guidelines)

- Our staff is educated and trained according all latest Austrian legal, payroll and accounting regulations (in full cooperation and alignment with WIFI Austria and WIFI Bulgaria)
- Qualification and certificate obtained after the course and the exam "Payroll expert / Personalverrechnungsprüfung". All relevant aspects are covered.

RANGE OF POSSIBLE ACTIVITIES for ITO to Bulgaria

- CONSULTANCY AND DEVELOPMENT SERVICES
- DATACENTER AND CLOUD SERVICES
- SYSTEM INTEGRATION
- INFRASTRUCTURE DEVELOPMENT
- MAINTENANCE AND SUPPORT

RANGE OF POSSIBLE ACTIVITIES ITO to Bulgaria

- Delivering highest quality service to our clients from all over the world – local and international.
- Clients in more than 30 countries and we always strive to create long-term partnerships that add value to business processes.
- Providing direct access to resource pool of 700+ IT engineers, own data center facility and own public cloud.
- Our staff have more than 1000(thousand) different technical certificates on leading vendor technologies



BULGARIA AS TOP OUTSOURCING DESTINATION



BULGARIA: STABLE ECONOMIC AND POLITICAL SITUATION

| European Economic Forecast Winter 2015 | | | | |
|---|------|------|------|------|
| Forecasts for Bulgaria | 2013 | 2014 | 2015 | 2016 |
| GDP growth (% , yoy) | 1,1 | 1,4 | 0,8 | 1,0 |
| Inflation (% , yoy) | 0,4 | -1,6 | -0,5 | 1,0 |
| Unemployment (%) | 13,0 | 11,7 | 10,9 | 10,4 |
| Public budget balance (% of GDP) | -1,2 | -3,4 | -3,0 | -2,9 |
| Gross public debt (% of GDP) | 18,3 | 27,0 | 27,8 | 30,3 |
| Current account balance (% of GDP) | 2,2 | 1,7 | 2,1 | 1,8 |

[Full forecasts for Bulgaria](#)

5 February 2015
European Commission
European Economy 1|2015

SOFIA AS THE PERFECT PLACE FOR YOUR OUTSOURCING PROJECT

GENERAL INFORMATION:

- POPULATION: 1,3 MIO
- CENTER OF THE LEGISLATIVE, EXECUTIVE AND JUDICIARY POWER (THE NATIONAL ASSEMBLY, THE PRESIDENCY, THE COUNCIL OF MINISTERS AND THE MINISTRIES, ETC.)
- WELL-DEVELOPED TRANSPORT & TELECOMMUNICATION INFRASTRUCTURE INCLUDING AN INTERNATIONAL AIRPORT
- MAJOR PART OF THE TOTAL BPO SECTOR EMPLOYMENT IS HERE

EDUCATIONAL SNAPSHOT:

- 16 LANGUAGE SCHOOLS WITH BUSINESS CURRICULUM
- 18 LANGUAGE SCHOOLS WITH IT CURRICULUM
- 21 UNIVERSITIES

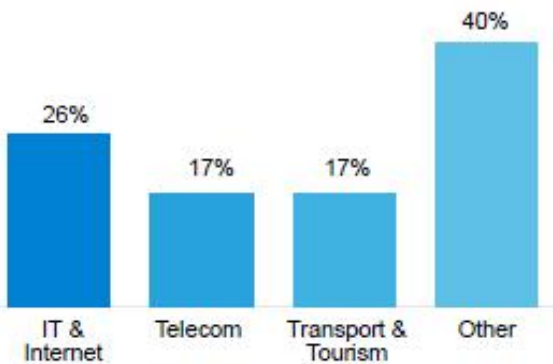
IN TOTAL 26 000 GRADUATES IN SOFIA / 60 000 P.A. IN BULGARIA!



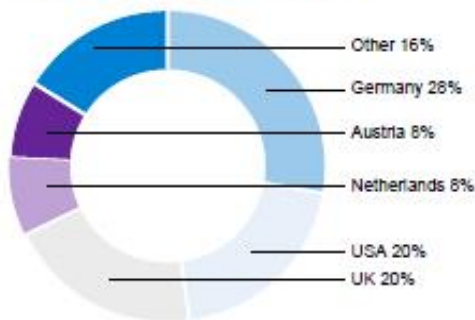
THE BULGARIAN BPO INDUSTRY

- THE BULGARIAN BPO INDUSTRY SERVES CLIENTS ACROSS THE GLOBE IN MORE THAN 25 LANGUAGES... :

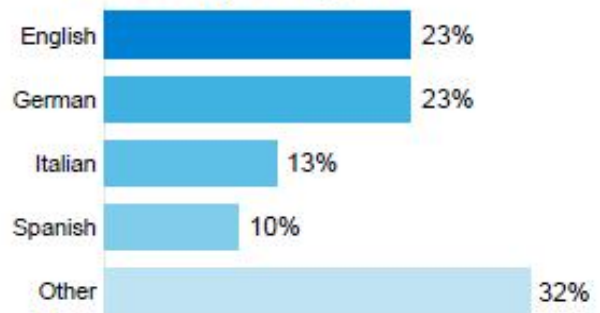
Expected biggest source industries for new contracts in Bulgaria



Expected biggest source countries for new contracts in Bulgaria



Expected language demand in the industry in Bulgaria



- Overview of the Bulgarian BPO sector (source: Exentix survey) the size of the BG outsourcing market expected to increase up to 100% over the next 3 years
- Call center operations, customer support, followed by market research to be with highest demand



The Bulgarian BPO sector employs more than 15 000 and generates more than €200 million in revenues.



USEFUL LINKS ABOUT OUTSOURCING IN BULGARIA

BULGARIAN OUTSOURCING ASSOCIATION (BG)

www.outsourcingbg.com/en/



INVEST BULGARIA AGENCY (BG)

www.investbg.government.bg/en



EUROSTAT (EC)

www.epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/

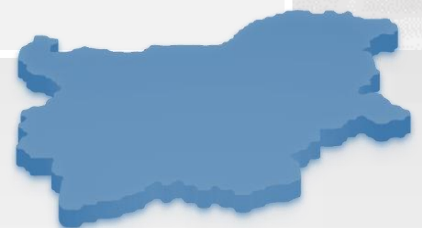
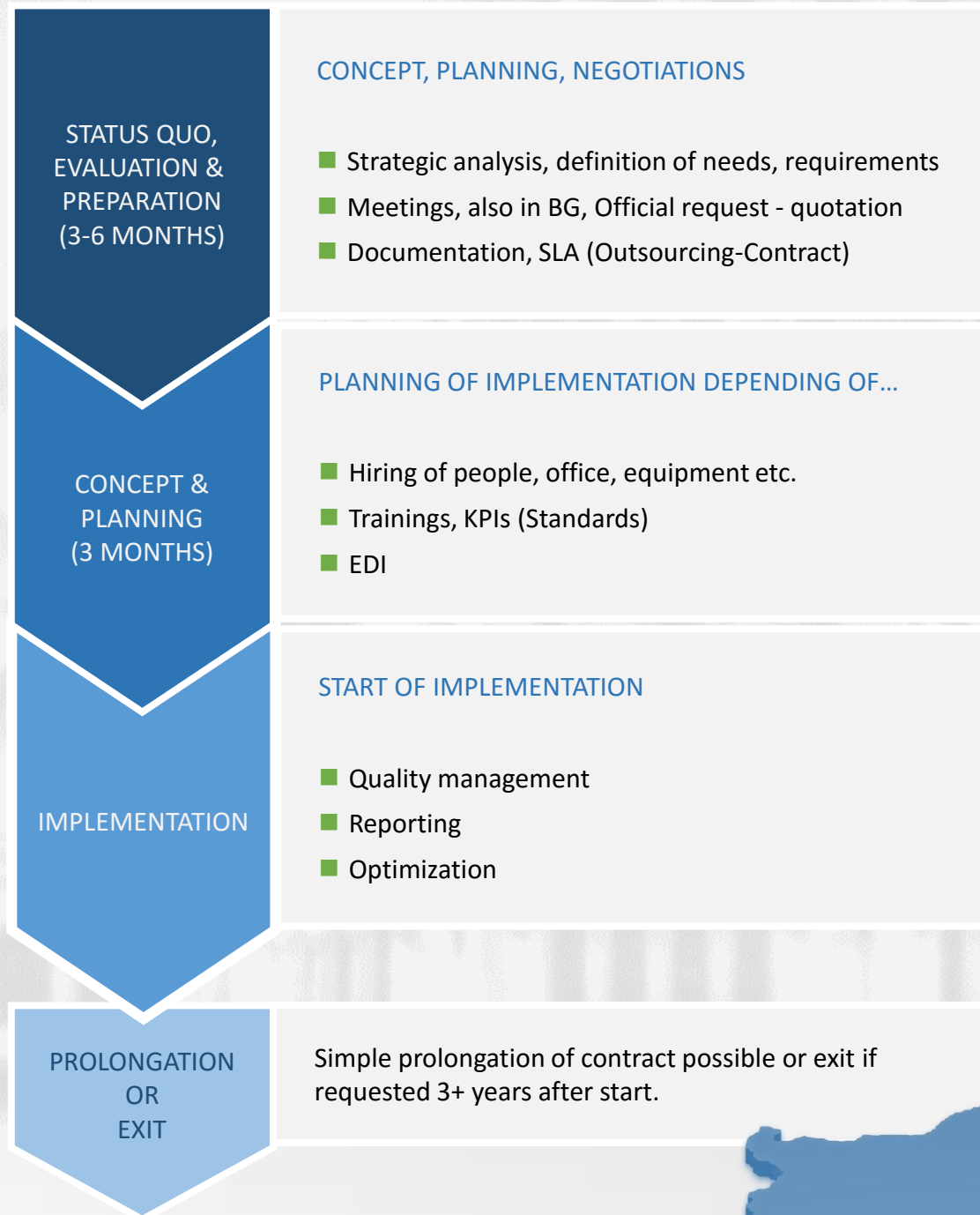


NATIONAL STATISTICAL INSTITUTE (BG)

www.nsi.bg/en



SUMMARY and NEXT STEPS: BPO/HRO/RPO/ITO main project phases





EVERYTHING IS FINE - NO CHANGE

- NEW BUSINESS / PROJECTS >>>
STAFF INCREASE NEEDED
- INCREASING COSTS
- INFLEXIBILITY

IMPLEMENTATION BPO/HRO/RPO IN BULGARIA WILL...

- REDUCE YOUR FIXED COSTS >>>
TRANSFER IN VARIABLE COSTS
- INCREASE THE COST TRANSPARENCY
- INCREASE YOUR FLEXIBILITY &
INDEPENDENCE FROM LABOR
MARKET
- INCREASE YOUR COMPETITIVENESS
VIA REDUCED COSTS
- SUPPORT THE CONCENTRATION ON
YOUR CORE COMPETENCES



**THANK YOU VERY MUCH
FOR YOUR ATTENTION!**



**Outsourcing
Destination
Bulgaria**