

NEWSLETTER

The Official Newsletter of ABSL Latvia

Dear ABSL Latvia Members & Strategic Partners,

by Monta Geidane, Executive Director at ABSL Latvia

Already several months have passed since you received the last newsletter from ABSL Latvia. Also our lives have significantly changed and reorganized due to crisis situation and a list of restrictions associated with it.

The Association successfully moved into 2020 and the year started with its full capacity by bringing many promising meetings, discussions around great initiatives highly beneficial for the sector. Although the year started in completely different mode, now we are living in conditions that no one expected, no one was completely prepared for it. Yet, the industry has proved it's efficiency and readiness to cope with complex situation, when all employees are forced to work remotely. The sector has completely ensured successful business continuity even in circumstances that world hasn't experienced before.

In order to keep you informed about the activities carried during first three months of 2020, ABSL Latvia has prepared a detailed summary so that you know every single thing that we have been working on so far.

ABSL Latvia aims to address five main areas in 2020 and beyond: developing awareness and branding of the sector; providing industry insights; developing our community as a place for knowledge sharing and networking; and providing advocacy and a bridge between the sector and government. Those five pillars are shaping our monthly activities and showing the way to move forward.





ADVOCACY

Communication with government institutions, OCMA, EU funds

EU FUNDS

The Association is actively working to get approved the ERAF funding project submitted to CFLA in order to ensure EU co-financed trainings for employees of ABSL members. Although some final formalities need to be solved in order to prove that all our members are exporting their services to the extent required, we are in final phase to get the positive answer from CFLA.

NEW REGULATION OF AML LAW

After summarizing the conclusions of ABSL Latvia members about the new regulation of AML Law, the Association is planning to organize a meeting with representatives from Local State Revenue Service and Financial Intelligence Unit of Latvia in order to explain in details the specifics of shared services industry and what should be taken into account when AML audits are carried out in sector companies.

Moreover, it is planned to rise also the question of new regulation currently under discussions, which aims to implement legal requirement with the need to certify all accountants. ABSL Latvia plans to highlight the need to avoid unnecessary burden that such requirement might bring to Shared service centers having finance support function, in case if requirement equally is being applied to all accountants.

It is important to build strong advocacy of the sector itself. Undoubtedly, it is an ongoing and long-term process, where assistance from ABSL members is needed.

ADVOCACY

MEETING THE NEW MANAGER OF LIAA

After canceling the in-person meeting with Kaspars Rožkalns due to pandemic situation officially declared in Latvia, finally we have managed to agree about online meeting on April 1st. ABSL Latvia will highlight the importance of sector and it's contribution to economic growth of Latvia. LIAA can be a great partner when it comes to joint participation in different public events like Lampa, iNovuss etc. Although it is completely unclear about the time, when it will be allowed to have public gatherings and events, it is crucial to build strong relationships already early before.



ABSL PARTICIPATES IN WORK-GROUP

ABSL Executive Director Monta Geidane participated in work-group organized by Ministry of Economics, where officials from different associations, governmental institutions, private and state-owned companies came together in order to discuss the new image of Latvia as an attractive country for business and tourism.

During long discussions, Monta Geidane stressed the importance of Business Services sector and came up with ideas that might attract the interest of potential investors and encourage existing business operational centers to take over additional functions. Monta proposed to have tax reliefs for companies that implement robotics & AI solutions and recommended to ensure digital service solutions when it comes to getting work permits for employees from 3rd countries.

Ļ. CIEN. MONTAI GEIDĀNEI

AICINU JŪS PIEDALĪTIES LATVIJAS VALSTS EKONOMISKĀ
TĒLA DARBA GRUPAS SANĀKSMĒ

- EKONOMIKAS MINISTRIJA IEPAZĪSTINA AR POLITIKAS INICIATĪVU, JAU PAVEIKTO UN TURPMĀKĪEM PLĀNIEM
- EKSPERTU DIZAINA DOMĀŠANAS DARBŅĪCA – STRUKTURĒTA PRĀTA VĒTRA / DARBŅĪCU VADA LATVIJAS EKSPORTĒTĀJU ASOCIĀCIJAS LĪDZDĪBINĀTĀJS ANDRIS RUBĪNS
- VIEDOKĻU PREZENTĒŠANA UN DISKUSIJA

PRIECĀŠOS JŪS REDZĒT LATVIJAS TĒLA VEIDOŠANAS DARBA GRUPĀ!

RALFS NEMIRO
EKONOMIKAS MINISTRS



feb 27 | Brīvības iela 40-33, Rīga | 10:00 - 14:00

R5VP: 20.02.2020
REINIS.VECBASTIKS@EM.GOV.LV; 67013025

Strong advocacy of the sector is crucial to initiate changes in business environment.

TALENTS

Cooperation with universities, improved study programs

ABSL Latvia has done an excellent job by highlighting the Business Services sector and its needs in terms of competences and skills to representatives of higher education institutions and Ministry of Science and Education.

CAREER DAYS AT RISEBA

Shortly before the crisis situation was officially declared in Latvia, the Association was building strong ties with certain higher education institutions in Riga. We started the cooperation with RISEBA, where April was officially announced as a career month for all students.

April 21 was already set as date, when ABSL Latvia together with three members could organize short presentations about Business services industry in Latvia. The event was planned to be publicly announced by using social media. The visit format was planned to be the following – ABSL would give a 30 minutes presentation about sector in general and afterwards three companies from the sector could come on the stage to share their stories.

As you can already anticipate, the Career month has been cancelled, but we will still own the same chance in next study year which starts September 2020.

IMPROVED STUDY PROGRAMS

There are discussions with RISEBA around the possibility to have specialized courses implemented in bachelor's study programs of business administration. This means that we need experts & volunteers from Business Services Sector willing to devote their time by giving lectures in RISEBA. It is expected that those new lecturers will highlight the differences that sector companies offer compared to the rest of the market when it comes to different professional areas. It is important to provide more insights explaining job specifics in logistics, finance, customer care, IT and how it differs taking into account that those companies are servicing businesses worldwide. ABSL Latvia could potentially issue certificates to students who have participated in certain number of lectures. In return, it will be much easier for employers (HRs of BSS) to identify whether the potential employee has enough understanding of responsibilities in one or another position.



TALENTS

A poster describing the industry itself and job opportunities provided by ABSL Latvia members is planned to be placed on Information wall at RISEBA



BUSINESS SERVICES SECTOR

- ### 1 GLOBAL ORGANIZATION

Service center is formed as the separate business unit of a globally represented organization in order to provide business support functions to its group's companies or legally unrelated entities
- ### 2 BUSINESS SUPPORT FUNCTIONS

The most frequently served business support functions are IT, finance and accounting, customer care, logistics, procurement, HR
- ### 3 50% SERVICE EXPORTS

At least 50% of turnover should represent the export of business services
- ### 4 FOREIGN OWNED

More than 50% of company shares should be owned by a foreign entity



50 Business Service Centers provide 15,000 jobs in Latvia, mainly Riga



**1,657 Euro average salary
1,000 Euro common entry level salary**



Around 1,000-1,500 new jobs every year



80% of people employed in sector companies are 22-34 years old



AWARENESS

PUBLIC MEDIA

ABSL Latvia aims to get more publicity of industry and build the awareness of sector. In 2020 we have managed to participate in radio discussion about job opportunities provided by our members for those Latvians who are living abroad and considering to return. We also got published on Dienasbizness.lv about Latvian Business Services sector and it's participation in CEE Shared Services & Outsourcing Awards Ceremony organized in Poland.

Just few weeks ago an opinion article by our Executive Director Monta Geidane was published on Dienasbizness.lv and Delfi.lv.

Recently also our press release about how well the industry is coping with crisis situation was published on dienasbizness.lv, delfi.lv and nra.lv, thus reaching our aim to get heard on public media.

In addition to that, we are actively working to build high quality content on social media – LinkedIn, Facebook. 1-3 posts describing the activities carried out by ABSL are published every week. We kindly ask you to like & share our posts in order to reach even larger audience.

LinkedIn

facebook

The screenshot shows the top navigation bar of the 'Dienas Bizness' website. It includes the site logo, social media icons for Facebook, Twitter, and YouTube, and an 'ABONET' button. Below the navigation bar is a horizontal menu with categories: Ekonomika, Finances, Politika, Mazais Bizness, Tehnoloģijas, Dzīvesstils, Viedokļi, and Video. A search icon and a list icon are also present.

This screenshot shows an article titled 'Vai esam gatavi pazaudēt veselu nozari Lietuvai? (4)'. The article text discusses the impact of the COVID-19 pandemic on the Latvian economy and the role of business service centers. It mentions that many companies are struggling and that the government is providing support. The article is dated 26.2.2020.

The screenshot shows a television advertisement for Netvision. The ad features a woman in a blue dress and a man in a suit. The text on the ad includes 'INTERNETS', 'INTERAKTĪVĀ TELEVĪZIJA', and '16.90€ mēn.'. There is also a logo for 'netvision'.

This screenshot shows the top navigation bar of the 'Dienas Bizness' website, similar to the first screenshot. It includes the site logo, social media icons, and an 'ABONET' button. The horizontal menu categories are: Ekonomika, Finances, Politika, Mazais Bizness, Tehnoloģijas, Dzīvesstils, Viedokļi, and Video.

This screenshot shows an article titled 'Latvijā bāzētie biznesa pakalpojumu centri gūst starptautisku atzinību'. The article discusses the success of business service centers in Latvia and their international recognition. It mentions that these centers are becoming a key part of the Latvian economy. The article is dated 04.2.2020.

The screenshot shows a television advertisement for 'SKRISKITE TIESIĢIĀI | ZADARĀ! NUO ŠIOL - IR ĪS KAUNO'. The ad features a man in a suit and a woman in a blue dress. The text on the ad includes 'SKRISKITE TIESIĢIĀI | ZADARĀ! NUO ŠIOL - IR ĪS KAUNO'.

This screenshot shows the top navigation bar of the 'Dienas Bizness' website, similar to the previous screenshots. It includes the site logo, social media icons, and an 'ABONET' button. The horizontal menu categories are: Ekonomika, Finances, Politika, Mazais Bizness, Tehnoloģijas, Dzīvesstils, Viedokļi, and Video.

This screenshot shows an article titled 'Prognozē starptautisko biznesa pakalpojumu centru lomas pieaugumu'. The article discusses the growing role of business service centers in the global economy. It mentions that these centers are becoming a key part of the Latvian economy. The article is dated 30.03.2020.

The screenshot shows a news banner with the text 'Jaunākais izdevums' and 'Vērojot COVID-19 ietekmi uz pasaulē ekonomiku un biznesa vidi, jau šobrīd var prognozēt, ka krīzes situācija'. There is also a button that says 'IEDZĪVOTĀJU IEVERĪBA!'.

The screenshot shows a social media post on Facebook. The post is titled 'Eksperu padomi: Kā atrast darbu, atgriežoties Latvijā?'. The post features a photo of a group of people and text that discusses the challenges of finding work in Latvia after returning from abroad. The post is dated 27. jan 2020.

AWARENESS

EVENTS ATTENDED BY ABSL

This year started actively also in terms of events attended by ABSL Latvia. In the beginning of January joint discussion “From Brain Drain to Brain Gain” was organized by AmCham, Norwegian Chamber and hosted by EVRY Latvia (part of TietoEVRY). Fredis Bikovs as General Manager at EVRY Latvia (part of TietoEVRY) and Chairman of The Board at ABSL Latvia participated as speaker and one of opinion leaders in panel discussion.



Access to labor is one of the top challenges faced by companies operating in Latvia, which requires new and innovative solutions for personnel attraction.

What are the main challenges and practical solutions regarding employer branding, internal mobility, remigrant and immigrant employees? Are there any resources that are still untapped?

Come engage in a discussion with business leaders and experts to explore these timely topics.

January 28
18:00-20:30



EVRY Latvia, Skanstes 54

Fredis Bikovs
EVRY Latvia

Janis Kreilis
Your Move

Anita Kehre
Printify

Irina Kostina
Ellex Klavins

For AmCham, ABSL, NCCL members



Moreover, Fredis Bikovs has been invited as one of the speakers at quarterly Baltics Shared Service Centers conference organized by The Hackett Group. It was originally planned to take place on March 26, but currently the event has been postponed due to pandemic situation.

On March 5, Fredis Bikovs participated in panel discussion together with the Head of LIAA, Kaspars Rozkalns and Natalija Monkeviciene representing Eastnine AB within BREL breakfast organized by real estate company Colliers International Latvia. It was an excellent opportunity to share the vision about the growth of BSS and its impact on office segment development in Baltics. There were many brilliant ideas discussed on how to attract more investors and make the Business Services market in Latvia stronger and even more mature.

Although it was planned that ABSL Latvia participates in several public events like Lampa, iNovuss, HR week, currently every single participation is under the question due to pandemic situation.

NETWORKING

AML KNOWLEDGE-SHARING EVENT

Networking and knowledge-sharing events is a crucial and needed part for ABSL community. This year we had our first knowledge sharing event with the main focus on new regulation of Anti-Money Laundering Law and its impact on shared service centers having finance support function. Experts from E&Y were invited to clarify all uncertainties related to this question. Event was hosted by MSC Shared Service Center and gathered an audience of 17 people.



ABSL LATVIA IN COLLABORATION WITH EY IS ORGANIZING AN INFORMATIVE SEMINAR

HOW TO STAY COMPLIANT WITH THE NEW REGULATION OF AML LAW?

When? 18th of February, start at 10:00 AM
Where? MSC Shared Service Center Riga



EVENT ONLY FOR THE MEMBERS OF ABSL LATVIA

CSR KNOWLEDGE-SHARING EVENT

With the initiative coming from Alise Vilka (Atea Global Services), the next knowledge-sharing event took place on March 12. Thanks to Alise Vilka for sharing a story on how Global Business Service centres can become a family friendly industry. Alise emphasized the importance of creating supportive environment where people feel stable and safe to be ready for families. As Alise said “it’s not only a first job experience, it’s a lifelong journey within industry that provides a plenty of professional career growth opportunities”. Tatjana Riblova (Cognizant Latvia) presented Outreach platform which works successfully across Cognizant group companies worldwide. She also stressed out the importance to involve all employees as they are learning new competences and skills while being actively promoting one or another CSR initiative. Our final speaker Dace Helmane from CSR Institute reminded that we should look much wider at potential CSR activities. We have to be creative enough and keep eyes wide open to see where we can bring real value and tangible outcomes.

ABSL
KNOWLEDGE-SHARING EVENT
MARCH 12
10:00-12:00

CORPORATE SOCIAL RESPONSIBILITY

- Alise Vilka - Atea Global Services
Can GBS become the first "Family friendly industry"?
- Tatjana Riblova - Cognizant Latvia
Coming together to make a difference
Cognizant Outreach platform
- Dace Helmane - InCSR
Why responsible entrepreneurs may feel lonely?

HOSTED BY ATEA GLOBAL SERVICES, MUKUSALAS STREET 15



NETWORKING

ANNUAL GENERAL MEETING

Due to pandemic situation in Latvia, the Annual General Meeting was held online on March 27, where we discussed the Association's responsibilities in 2020, reviewed our Financial Statement of 2019 and elected a new ABSL Latvia board member. We had two final nominees – Alise Vilka (General manager at Atea Global Services) and Lelde Lipska (General Manager at Cabot Latvia). 12 members out of 13 and 2 strategic partners out of 2 participated in new board member elections, and this time Lelde Lipska was elected with 9 votes. Please welcome Lelde Lipska (Cabot Corporation Latvia) for being appointed as new board member.

 **ABSL**
NEW BOARD MEMBER



Lelde Lipska
General Manager
Cabot Latvia



Fredis Bikovs
General Manager
EVRY Latvia, part of TietoEVRY



Kim Leandersson
General Manager
Cognizant Latvia



Ieva Zirne
Senior HR Business Partner
Circle K Business Centre



Alesja Kircenko
Deputy Head
SEB Global Services



Zane Culkstena
General Manager
ERDA



Intars Sloka
General Manager
DNB Bank ASA

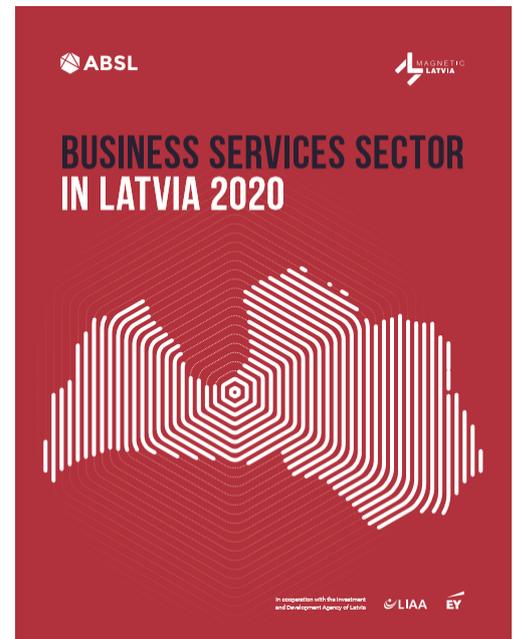
HR CLUB

The 2nd HR Club was planned to be held in April. Following the latest information on crisis development, it's more believable that we will have it organized as a webinar. According to survey sent to HR managers in early March, it's clear that HR professionals are willing to get more insights on topics related to HR analytics, HR process automation, HR process improvement. We do have speakers on HR analytics, but considering all the changed work environment, it would be highly beneficial to also include topic about best practices of remote work as this is the main challenge that all industry faces today.

BUSINESS SERVICES REPORT

If something is being carried out for the first time, a lot of challenges may arise only because it's something that hasn't happened before. However, ABSL has successfully managed to form two great partnerships to bring Business Services Report into real life. LIAA and E&Y are our main cooperation partners for Annual Business Services Report. The Report itself is going to be a comprehensive informative material including different topics describing the industry.

Regarding the progress of the report itself, please be informed that currently a graphic design agency is working on the visual side of the informative material. It will be finalized and printed out by the end of April.



OTHER SUBSTANTIAL INFORMATION

In April ABSL Latvia celebrates its one-year anniversary. During the first months of the year, when we had our normal lives and didn't expect to face COVID-19, which completely changed everything, we were planning to make this event outstanding by having great speakers and content, and also inviting high-level government officials in order to build the awareness of the industry.



Considering the fact that it's under the question about the time when everything will go back to normal, currently it is more than unclear about the possible date when such an event could be held.

NEW MEMBER

>
accenture



It's ABSL Latvia pleasure to welcome Accenture Latvia on board. This is a great opportunity to join a community that has a power to improve business environment in Latvia for global business service centers!

Accenture is a leading global professional services company, providing a broad range of services in strategy, consulting, interactive, technology and operations. With 509'000 people serving clients in more than 120 countries, Accenture brings continuous innovation to help clients improve their performance and create lasting value across their enterprises. Accenture combines unmatched experience and specialized capabilities across more than 40 industries – powered by the world's largest network of Advanced Technology and Intelligent Operations centers.

The advanced technology center in Latvia is the biggest in Nordics with more than 1500 IT professionals working with Java, .Net, SAP, Oracle and other leading-edge technologies.