

April 2021 | Issue 5

QUARTERLY NEWSLETTER

ABSL LATVIA OFFICIAL NEWSLETTER



MESSAGE FROM THE EXECUTIVE DIRECTOR

WRITTEN BY MONTA GEIDANE

Three months have passed in 2021 and we have stepped into the right pace towards achieving the goals of 2021. Recently a lot of time has been devoted to prepare industry annual report 2021 - collecting the fulfilled surveys from industry members, communicating other partnerships and finalizing valuable content for whole industry. We are really close to releasing already second industry report allowing to compare two years data and observe the industry growth tendencies.

A list of valuable lobbying activities was started in 2020 and this year the association keeps pushing forward things that should be improved in a business environment. We focus on improving immigration policy, insisting on meaningful people re-qualification. This year we also work on possible amendments in labor law to solve remote working related issues.

During the first quarter of 2021, ABSL Latvia initiated Customer Service and Procurement knowledge-sharing clubs allowing a broader group of industry professionals to gain benefit from ABSL. The association plans to continue building strong thematic communities so that the industry could feel safe enough and trust each other when it comes to sharing the best practices and learning from each other.

WHAT'S INSIDE THIS ISSUE:

In this newsletter, you will be guided through the five responsibilities of ABSL Latvia with a detailed overview of what has been achieved during those first three months of 2021. Have a wonderful and exciting journey!

Business Services Report 2021

Compared to last year, this time it was more challenging to collect the needed number of respondents, nevertheless, finally, we got 23 responding companies, which is only slightly less than last year. Considering the struggling process of collecting responses, ABSL plans to change the way how the information will be collected for the industry report next year. Those may be 1:1 interviews or decreased number of survey questions. Another possibility is subdividing the survey into several smaller questionnaires so that the company could easily delegate the parts of the surveys to those who know the answers. Anyway, if you do have any suggestions on ways how the association should keep collecting industry data on yearly basis, please let us know. We will consider every new idea and recommendation to make this information collecting process less time-consuming for the industry at the same time continuing to serve the industry's needs for information.

This year the report consists of 6 chapters, starting with a summarized data of industry (employee's skills, training areas, RPA, AI solutions implemented by industry, Covid-19 impact on operations, etc.) The second chapter will be provided by Fontes talking about compensation strategies and trends 2021 by outlining also Baltic compensation and tax impact on the total cost. In a separate chapter will have a look at changes in Riga office market. ERDA will be speaking on actions that should be taken in employee upskilling & reskilling efforts. Valuable content will be provided by Deloitte, inviting global site selection consultants to comment on how things have changed in the location advisory area. The report will include insightful interview with the Director of LIAA as well as exciting interviews with representatives from the headquarters of business centers based in Latvia. We have no doubts that the report 2021 will be your greatest support when building trustful relationships with your group companies and helping you to answer all the possible questions around Latvia as a location for business services.



The report will be released by the end of April. ABSL plans to organize an official report presentation webinar to talk about survey findings and other highly valuable topics for the whole industry.

Building Strong Knowledge-Sharing Communities

It isn't a secret that last year all the webinars were more or less around HR and business strategy-related topics, only a few of them touching upon themes like RPA and finance. Nevertheless, this year the association has a strong determination to bring into daylight thematic clubs representing other business support functions. During the first quarter of 2021, ABSL Latvia organized 5 webinars. Although two of them were focusing on HR-related topics, the rest of the webinars were organized for Procurement, Customer Service and Finance professionals. We are proud that we have managed to initiate three seemingly inactive community clubs already during the first quarter of 2021. To keep every thematic club alive and its members aware of the benefits that such a knowledge-sharing platform may bring, we are planning to keep at least 3-4 webinars in each thematic club per year.

Additionally, ABSL plans to establish an Executives' Club. This always has been one of the goals of the association, but initially, this was planned to be organized in form of Luncheons or Business Afterhours allowing the management representatives of the industry to come together, network, and share their challenges, best practices. Nevertheless, due to Covid-19 and the long-lasting limitations that it brings, we are planning to launch online calls with Executives to at least partly provide the opportunity to network. It's planned to invite also opinion leaders from The Hackett Group, Dentons, Gartner or other well-known business consulting agencies to represent the expert's opinion on the topics that we are going to discuss during such calls with Executives and to bring even more value to that.



Please find below the descriptions about the webinars that ABSL Latvia organized during the first quarter of 2021.

Expert presentations by:



Václav Plevka
Analytics & Cognitive |
Consulting
Deloitte



Ondrej Prerovsky
HR Cloud | Consulting
Deloitte



Pārsla Basko
Business Partner
ERDA

HR ANALYTICS EMPLOYEE RETENTION

January 27, 10:00-11:00, MS Teams

Industry panel discussion:



Antra Lazdina
HR Manager
TietoEVRY



Alesja Kircenko
Deputy Head
SEB Global Services



Marija Chanturia
HR Manager
Airo Catering Services
Latvija

Back in September 2020 ABSL Latvia in cooperation with Deloitte and ERDA started its HR Analytics journey by providing monthly series on workforce analytics solutions in recruitment, performance, and employee retention.

On January 27 we held already third in a row and at the same time the final HR Analytics webinar focusing on employee retention-related questions.

AGENDA:

- 10:00-10:20 Deloitte Czech Republic (HR Analytics for Employee Retention (Vaclav Plevka, Analytics & Cognitive | Consulting at Deloitte Czech Republic; Ondrej Prerovsky, Senior Manager HR Cloud at Deloitte Czech Republic)
- 10:20-10:30 ERDA (How to retain employees? – Case Study) Pārsla Baško, Business Partner at ERDA
- 10:30-11:00 Panel discussion with industry members about Employee retention strategies and HR tools helping to track employee retention metrics.

Panellists:

- Antra Lazdiņa, HR Manager at TietoEVRY;
- Alesja Kircenko, Deputy Head at SEB Global Services Riga;
- Marija Chanturia, HR Manager at Airo Catering Services Latvija (LSG Sky Chefs)

-The questions that were answered during the webinar:

- How Covid-19 has impacted retention?
- How expensive it is to lose employees and get new ones?
- How to calculate costs associated with attrition?
- How to analyze high attrition rates and what factors should we look at?
- Why should we involve team managers in trying to minimize employee turnover?

...those and many more questions were answered during the webinar by our experts Vaclav Plevka, Ondrej Prerovsky, and Pārsla Baško.

We hope that all of the participants took the chance to enrich knowledge on how HR analytics can help us to become more effective and also got a dose of motivation to significantly improve HR processes with the help of HR analytics tools. Thanks for being with us throughout this journey.





Procurement Club KICK-OFF WEBINAR

February 12, 10:00-11:00, MS Teams

Presentations by the following Procurement experts:



On February 12, ABSL Latvia launched its knowledge-sharing Procurement Club by organizing a webinar where purchasing experts from six different Business centers gave a presentation about the procurement function in their organizations, allowing to have a look behind the scenes and get more insights on what are the main challenges and future plans in developing and improving purchase function within each business center.

PROCUREMENT EXPERTS PARTICIPATING AS SPEAKERS:

- Matiss Haritonovs, Cabot Corporation
- Vanda Kanaviņa, Circle K Business Centre
- Ilmārs Gaidelis, allnex Latvia
- Ieva Aizvakara, Atea Global Services Ltd.
- Karina Spungina, MSC Shared Service Center
- Guna Bambale, Solvay Business Services Riga

We are looking forward to having many more meetings with purchasing experts to share the best practices in process digitalization, automation, efficiency, etc.



CUSTOMER SERVICE CLUB KICK-OFF



On February 26, ABSL Latvia launched its knowledge-sharing Customer Service Club by organizing a webinar where customer care experts representing six different Business services centers gave a presentation about the Client Support function and its specifics in their organizations.

CUSTOMER SERVICE EXPERTS PARTICIPATING AS SPEAKERS:

- Roberts Slaukstins, Cabot Corporation Latvia
- Anna Demidova, MSC Shared Service Center
- Dace Lodzina, CIRCLE K BUSINESS CENTRE
- Zigmars Vestfals, Airo Catering Services Latvija (
- Erika Mezmale, allnex Latvia
- Ilona Safonova, Solvay Business Services Latvia

We are looking forward to having many more meetings with customer service experts to share the best practices in process standardization, prioritizing clients, taking care of client satisfaction, process digitalization, automation, etc.

What GDPR means for Employee Data?

IVITA SAMLAJA
ASSOCIATE PARTNER AT DELOITTE LEGAL

FEBRUARY 25

11:00-12:00

MS Teams

Q & A session

To be held in  language



ABSL Latvia in cooperation with Deloitte organized a webinar “What GDPR means for Employee Data?” on February 25, 2021.

Ivita Samlaja (Associate Partner at Deloitte) shared experience on practical aspects of employee personal data protection. Although many organizations have well-developed client data protection policies, the same cannot be said when employee data is being processed and stored. Ivita has hands-on experience in consulting GBS Centers in Latvia and she is open to sharing valuable information on what are significant factors that need to be considered when working with employee data.

Many thanks to Ivita Samlaja for sharing her experience in consulting different kinds of organizations on how to stay compliant with gdpr when dealing with employee data. We highly appreciate the growing number of participants joining ABSL webinars! Thanks a lot!

MANDATORY DISCLOSURE RULES (DAC6)

AIJA KLAVINSKA
SENIOR TAX MANAGER
DELOITTE

March 26, 2021
10:00 am - 11:00 am
MS Teams Platform

*To be held in Latvian language



On March 26 ABSL Latvia in cooperation with Deloitte organized a FINANCE CLUB webinar “(DAC6) Mandatory Disclosure Rules”. The invited expert Aija Klavinska answered all possible questions around DAC6 – how this EU Directive has been implemented in Latvia, what is the main reason behind it, which kinds of transactions trigger reporting, how companies can report, and what are the consequences of not reporting these specific cross-border transactions.

Companies should review their group cross-border transactions carried out during the last two years to identify whether there are such structures that should have been reported to Tax Authority. Preferably, documentation would be retained about how the company evaluated those transactions and concluded that one or another structure is or is not reportable. Besides, it is recommended to come up with a procedure on how the company can systematically monitor the nature of new transactions to identify the ones that should be reported in the future.

Cooperation with Universities

ABSL Latvia Chairman of the Board, Fredis Bikovs has become a part of the BA School of Business and Finance Advising Council. Higher education and qualification of the talent pool is a hot topic around the globe - digitalization, process optimization, business efficiency - all this needs to have a proper talent in place. With the help of ABSL Latvia, Fredis has raised the question of challenges that foreign investors face when trying to build up a team of strong professionals, and he is personally involved in several initiatives to make things better. ABSL Latvia trusts that Fredis' knowledge and professional background in developing the business services industry in Latvia will serve as a great base for consulting the BA School of Business and Finance in future growth opportunities.



"The talent pool is the most precious resource that we have ever had, therefore I am extremely proud to be elected as Council Advisor at BA School of Business and Finance - a reliable partner, which always strives for excellence."

FREDIS BIKOVS,
CHAIRMAN OF THE BOARD AT ABSL LATVIA

In January 2021 ABSL Latvia organized already the second call for the industry to welcome professionals and experts willing to give guest lectures in universities. We managed to update the existing guest lecturer's portfolio, currently offering to choose from 23 different guest lectures sorted under different study courses like customer service, procurement, finance, business strategy, logistics, human resources, information technologies, project management, etc. This is a well-designed guest lecturer portfolio providing descriptions about every single lecture as well as the professional background of every lecturer.

Moreover, it is really easy for university representatives to get organized in this portfolio and find the lecture that fits their student's needs. The updated guest lecturer portfolio has been sent to higher education institutions in Latvia.

We did receive a lot of interest, but many study program directors were saying that this is something that might be more relevant starting from the new study year (September 2021) because students are busy right now getting prepared for the final exams.

So far we have had 34 guest lectures for RISEBA, RTU, LU, BA School of Business and Finance, Business University "Turība" students (14 out of 34 lectures were held during the first quarter of 2021).

Raising Awareness of the Industry

During the first quarter of 2021, we have progressed in several activities aimed at building the awareness of industry. The first thing to mention is that “Global Business Services” as a separate category for the first time was included in the well-known public voting competition called “Top Employer 2020” carried out by cv.lv on annual basis. This is a huge step forward showing that Global Business Services has been recognized as an industry large enough to deserve a separate category. The most amazing thing is that there were around 6700 votes given to companies representing the industry which is more than 45% of all people participating in the voting.

This year Circle K Business Centre got the award “Top Employer 2020” in the Global Business Services category. Many congratulations!



BUSINESS CENTRE

Another way how to build awareness of the industry at international level is by participating in the annual CEE Shared Services and Outsourcing Awards, which is a well-known event organized for already nine consequent years. This year it will be a hybrid event - party organized online. On behalf of the association, we would like to thank every industry company that has submitted the nomination. The seminars and awards ceremony will be held on April 14-15. This year the jury will be joined by two representatives from Latvia - Kim Leandersson (Cognizant) and Monta Geidane (ABSL Latvia). Let's keep our fingers crossed for business centers representing Latvia and hope that this year we will get many awards.



CEE Shared Services And Outsourcing Awards

Darba vides pārmaiņu evolūcija – pielāgoties, mainīties, turpināt



During the first quarter, ABSL Latvia participated in two conferences talking on behalf of the Business Services industry in Latvia. The first public appearance occurred when Executive Director M. Geidane participated in the online conference “Evolution of work environment changes – adapt, reform and continue” organized by Valsts nekustamie īpašumi on March 11, where she talked about the role of remote work and its impact on office environment from the industry’s perspective.

ABSL Latvia thanks Ieva Hertela (Acting General Manager at Atea Global Services) for her participation as another speaker at this conference.

The conference got around 1400 views on Facebook which is quite a good result. It is important to remind that although we are not solving crucial problems or addressing certain issues to decision-makers by participating in such conferences, this serves as another opportunity to spread the message about the industry itself.



On March 24, BA School of Business and Finance in cooperation with ALTUM organized a conference about the interaction of universities and the business environment in the digital economy. During the conference, ABSL Latvia Chairman of the Board Fredis Bikovs joined the expert panel speaking on challenges and possibilities in building stronger ties between the private sector and universities and how digital solutions may step in to make those cooperations much more efficient.

Raising Awareness of the Industry



DELFI.LV

Darbs gaida darītāju: biznesa pakalpojumu centri nevar aizpildīt brīvās darbavietas

 Diena



DELFI PLUS⁺

Many of you are familiar with Clubhouse app - a highly popular communication platform among opinion leaders, politicians, and other decision-makers. ABSL Latvia used this app for the first time to organize a discussion on how to attract well-paid jobs and investments to Latvia by inviting speakers from the public and private sectors.

This is another tool where meaningful discussions may help us to address the right questions to responsible parties.

ABSL keeps building awareness of the industry through opinion articles and press releases. So far ABSL Latvia has brought into daylight two articles. The first one was an interview given by ABSL Executive Director Monta Geidane to Delfi Plus, which is a paid content section. During the interview, all possible questions around the industry and its growth tendencies were answered. The naming of the article "The job waits for someone to do it: Global Business Services cannot fulfill the open job vacancies", as always quite a loud one to attract more readers.

Another opinion article coming from ABSL Latvia was related to our attempts to interact with decision-makers at the government level when it comes to the meaningful requalification of working aged people. The story was all around the Life-long education program and possible improvements that should be made to make it more efficient and reach its initial goals.

The opinion article by M.Geidane (ABSL Latvia) stressed the importance of using modern solutions when thinking about raising people's qualifications and skills. The opinion article got published on delfi.lv, ir.lv and a part of it was published as an expert's comment in the daily newspaper "Diena".



Diskusija: Kā piesaistīt Latvijai jaunas darba vietas un investīcijas?

03.03.2021 | Clubhouse | 19:30



R. Alksoskenko,
Ekonomikas ministrija



R. Āzis,
Latvijas Investīciju un
attīstības aģentūra



A. Krievčenko,
SEB Global Services
Rīga



A. Rubins,
NORD ODB RIGA



L. Heilmans,
Arvārstu iestāžu padome Latvijā



Z. Čukšodāne,
ETDA



R. Birksts,
ABSL Latvia



M. Geidane,
ABSL Latvia



Advocating for Industry

With the help of ABSL Latvia European Regional Development Fund (ERDF) program is available for the whole industry allowing to co-finance up to 60% of training costs. Recently certain changes in the project have been made, allowing to co-finance also expert consultations. Currently, ABSL Latvia has signed contracts with training centers such as Triviums, FranklinCovey, Training Lab, and BDA, in near future, we are also planning to sign a contract with KIC. Additionally, companies can choose any of the local Scandinavian training centers to teach Swedish, Norwegian, Finnish, or Danish languages to their employees.



European Union
European Regional
Development Fund

Step by step getting closer to the improved immigration process

ASBL Latvia is having open discussions with The Office of Citizenship and Migration Affairs (OCMA) to ease the process of acquiring EU Blue Cards and Permanent Residence Permits for high-level specialists coming from abroad.

After sending the official recommendation letter and receiving the official reply from the responsible government institution, the work-group organized by ABSL Latvia has decided to organize three separate online calls with OCMA, where the representatives from the industry (Accenture, SEB Global Services, and Deloitte) will discuss concrete improvements in following areas:

1. Circulation of documents
2. Improvements in OCMA homepage
3. OCMA Client Service

ERDF program for employee training needs available till the end of 2023

Please note that before starting any training process, the organization needs to inform the association. The company financial status evaluation needs to be carried out and only after receiving confirmation from Central Finance and Contracting agency the company can start the training process. The association should always be aware of all training activities in those cases when the organization plans to attract EU funding. Please contact the association to get more information about ERDF program.



All those calls will be organized to practically discuss the issues that Global Business Service Centers face when trying to recruit foreigners. Official correspondence turned out to bring 0 value, therefore such calls are expected to bring more outcomes and meaningful discussions. We will keep you informed about the progress.

Advocating for Industry

Efficient re-qualification of the working-age population in Latvia

ABSL Latvia Chairperson of the Board Fredis Bikovs participates in work-groups organized by the Ministry of Economics to discuss the question of meaningful re-qualification of people in Latvia. Moreover, during the first three months of 2021, ABSL Latvia participated in two calls with Arvils Ašeradens, who currently holds the position of Chairperson of the education, culture, and science committee in Saeima. The calls were organized to discuss how a life-long education program could bring more tangible benefit to society, the labor market, and economic growth in Latvia.



Pushing forward amendments in Labor Law – Remote Work Legislation

Pandemic has brought new ways of working. A growing number of organizations are interested in the legal and taxation aspects of remote work, especially in cases when the employee is working remotely from another country. ABSL participated in the first work-group established to discuss remote work legislation.

The Group itself is formed and led by the Latvian Special task Ambassador for work with diaspora, therefore the primary task of the group is to attract diaspora to work in Latvia remotely or move to Latvia and work for foreign companies. However, this goes hand in hand with questions important for the industry, such as attracting workforce from abroad (immigration, marketing), remote work with Latvian employees (Labor Law).



Advocating for Industry

Green Channel as an opportunity for Global Business Services

With the initiative coming from the Ministry of Economics and Investment and Development Agency of Latvia, finally, the fast-track "Green Channel" has been approved by the Cabinet of Ministers allowing significantly ease the administrative burden for investment projects.



OTHER NEWS

It is our absolute pleasure to announce Intrum Global Technologies as a new member of ABSL Latvia.

NEW MEMBER

intrum



We highly appreciate that Global Business Services sector has been recognized as a strategically important and high value-added industry. The process improvements coming into force with the help of the so-called "Green Channel" initiative, means that the existing and also new investors will be able to set up the operations in Latvia much quicker than before and it will be much easier to recruit high-level professions from foreign countries. We are thankful for having successful cooperation with the Ministry of Economics and Investment and Development Agency of Latvia throughout the journey.

Intrum Global Technologies joins ABSL Latvia

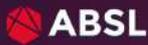
Intrum is a leading credit-management company with expertise in debt collection services. With its headquarters based in Stockholm, Intrum is present in 24 countries in Europe plus Latin America (Brazil), employing more than 10 thousand professionals.

Intrum set up its IT operations center in Riga in 2010, taking care of providing software development services, implementation, and IT support for Intrum Group needs. Gradually growing its number of employees, Intrum Global Technologies currently employs more than 260 high-level IT professionals.

Welcome and congratulations on joining the ABSL community of business services leaders!

ABSL LATVIA ANNUAL GENERAL MEETING

Results achieved in 2020 | Plans for 2021 |
Announcing new Board members of ABSL Latvia



Candidates
for the ABSL
Latvia Board
2021-2023



March 29, 4 -5 PM, MS Teams

ABSL Latvia Board members elected

On March 29, ABSL Latvia led its Annual General Meeting during which newly elected board members were announced.

Please welcome ABSL Board Members elected for a two-year term:

- Fredis Bikovs (ABSL Latvia)
- Ieva Zirne (CIRCLE K BUSINESS CENTRE)
- Kim Leandersson (Cognizant Latvia)
- Intars Sloka (DNB Bank ASA Service Center)
- Leide Lipska (Cabot Corporation Latvia)
- Alesja Kircenko (SEB Global Services Riga)
- Sintija Morica (Solvay Business Services)

During the last monthly board meeting the newly elected board members voted for Fredis Bikovs to continue his responsibilities as a Chairperson of the Board, while Ieva Zirne was re-elected for the second period in the position of Deputy Chairperson of ABSL Latvia.

Many congratulations and thanks to all those industry representatives who put forward their candidacies to become board members of the association. It proves that we care and together we will achieve the best results!

We will keep doing a great job for the sake of all industry!