



SSC Location Selection Leaflet

June 2020

Several questions arise when it comes to decision-making on a GBS set up or process migration project

General:

What fits company strategy?

What is the impact on company business model?

Insource or outsource processes?

Europe or Asia or Africa?

Destination location:

What is the business environment like?

What is the infrastructure like?

What are the cost levels?

What is the quality and availability of skills and talent?



OUR METHODOLOGY CAN HELP YOU ANSWER THE ABOVE QUESTIONS AND PLAN YOUR MIGRATION:



We review numerous parameters which affect your decision on location selection

1 LOCATION ATTRACTIVENESS

- Geography
 - Cultural life
 - Population

2 POLITICAL AND MACRO ENVIRONMENT

- GDP growth
- GDP per capita
- Inflation rate
- Unemployment rate

3 GENERAL BUSINESS ENVIRONMENT

- Local business services sector
- Labor costs
- Labor laws
- Governmental incentives and taxation

4 AVAILABILITY OF SKILLS & TALENT

- Number of universities with relevant courses
- Number of graduates
- Language skills

5 INFRASTRUCTURE & ACCESSIBILITY

- Real estate & office market
- Transport
- Telecommunications

**Note that the list is not comprehensive and it also depends on the specific Client needs*

Key trends in the global service locations - top global services locations

NORTH AMERICA

+ Good level of skills and talent available coupled with excellent infrastructure.

— Typically amongst the costliest centers for outsourcing activities.

CENTRAL AND LATIN AMERICA

+ Favoured by companies with a majority of their operations in North America and by companies who require language capabilities in this region.

— Very limited European language skills (apart from Spanish and Portuguese). Cost levels are similar to those observed in Eastern Europe.

CENTRAL AND EASTERN EUROPE

+ Typically, the best suited locations for nearshore sourcing for European companies. Lies in the same time zone for corporations in Europe and they also have good language capabilities.

— More expensive when compared to Asian destinations.

ASIA PACIFIC

+ Typically the most favoured destinations because of the cost arbitrage and skill set available. India is the leading outsourcing destination with capabilities for most outsourcing processes as compared to the other Asian destinations.

— Limited European language capabilities and time difference could be a factor. Rising costs.

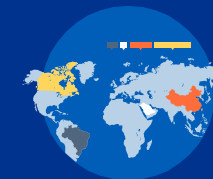
MIDDLE EAST AND AFRICA

+ Locations in the Middle East are typically selected when Arabic language requirements are a priority.

— South Africa might present some additional complexity of implementation with respect to East Europe. Talent pool is also limited compared to other outsourcing destinations.



Why choose KPMG Hungary?



KPMG HU TEAM CAPABILITIES:



Dedicated & experienced team of transition experts



Well-established & proven methodology



Widespread industry experience



Global project experience



Central geographical location & good time zone



Holistic view of projects

INDUSTRY EXPERIENCE:

- ✓ Consumer markets & Retail
- ✓ Customer & Financial services
- ✓ Healthcare & Pharmaceuticals
- ✓ Industrial & Automotive
- ✓ Oil & gas
- ✓ Telco & Media & Technology

PROCESSES MIGRATED:

- ✓ Acquire-to-Retire
- ✓ Order-to-Cash
- ✓ Purchase-to-Pay
- ✓ Record-to-Report
- ✓ Treasury
- ✓ Tax
- ✓ IT

GLOBAL PROJECT EXPERIENCE:



PROJECT REFERENCES:





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