



## **Next-wave Location Profile – Kiev, Ukraine**

Locations Insider™ (LI)  
Market Report – November 2016: Preview Deck

# Our research offerings for global services

## ▶ **Market Vista™**

Global services tracking across functions, sourcing models, locations, and service providers – industry tracking reports also available

## ▶ **BFSI<sup>1</sup> Information Technology**

## ▶ **PricePoint™**

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## ▶ **Finance & Accounting**

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## ▶ **Cloud & Infrastructure**

## ▶ **Contact Center**

## ▶ **Global Sourcing**

## ▶ **Service Optimization Technologies**

## ▶ **Locations Insider™**

## ▶ **Transaction Intelligence**

### **Custom research capabilities**

- Benchmarking | Pricing, delivery model, skill portfolio
- Peer analysis | Scope, sourcing models, locations
- Locations | Cost, skills, sustainability, portfolio – plus a tracking tool
- Tracking services | Service providers, locations, risk
- Other | Market intelligence, service provider capabilities, technologies, contract assessment

### **Subscription information**

- The full report is included in the following subscription(s)
  - **Locations Insider™ (LI)**
- In addition to published research, a subscription may include analyst inquiry, data cuts, and other services
- **If you want to learn whether your organization has a subscription agreement or request information on pricing and subscription options, please contact us**



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<sup>1</sup> Banking, financial services, and insurance

# Overview and methodology of the research

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## Overview of the research

Everest Group's Next wave location profiles provide crisp, yet insightful assessment of emerging / "next-wave" countries or cities for services delivery. These reports help global sourcing practitioners or location strategy professionals stay ahead of competition in understanding global sourcing opportunities in "next-wave" locations.

These reports offer perspectives on:

- Global sourcing profile (e.g., functions supported, market activity) of the location
- Opportunities for enterprises and service providers
- Key drivers and challenges for global sourcing industry
- Overview of talent availability and operating costs (including wage inflation and attrition)
- Key environment risks (e.g., geopolitical, macroeconomic, safety)

## The methodology of these reports includes:

- Proprietary tracking and databases on operating costs, labor pool, market activity, and risks
- Year-round tracking of 180+ locations around the world
- Coverage across all offshore, nearshore, and onshore locations across regions (APAC, Europe, North America, LATAM, Africa)
- Over 100 global projects on supporting clients on location decisions
- Executive-level relationships with buyers, service providers, technology providers, and industry associations

# This study provides perspectives on key aspects of the global sourcing market in the location; below are four charts to illustrate the coverage of the report

ILLUSTRATIVE

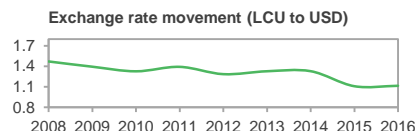
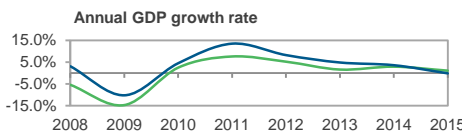
## Country/city overview and market activity

### Key factoids – geographic and socio-economic

Region	XX
Time zone	XX
Government type	XX
Population (XX)	XX
GDP	XX
GDP per capita	XX
Currency	XX
Corporate tax rate	XX
CPI inflation	XX
Major languages spoken (XXX)	XX
Economic development Agency	XX



— GDP growth (%)  
— GDP (PPP) growth (%)



## Growth drivers, opportunities, and challenges

### Relative maturity of functions served

- Contact center services dominate the landscape, based on FTE count
- XXX
- XXX
- XXX
- XXX
- XXX

### Potential opportunities

- Ability to act as a multi-lingual customer service center with potential to support operations in Arabic, French and Spanish, plus limited scale in English
- XXX
- XXX
- XXX

### Drivers for industry growth

- Availability of highly skilled multi-lingual tertiary graduate pool
- Significant cost saving potential over Western Europe and the Scandinavian locations
- XXX
- XXX

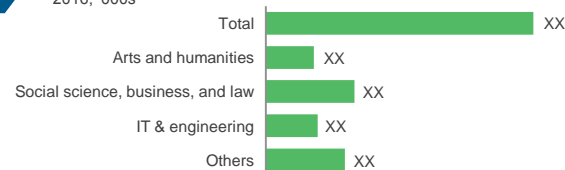
### Likely challenges

- Scalability limitations due to small talent pool
- XXX
- XXX
- XXX
- XXX
- XXX

## Talent availability and operating cost

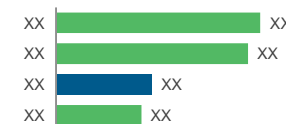
### Entry-level talent pool

### Annual tertiary graduate pool 2016; '000s

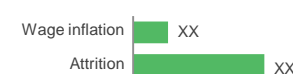


### Operating cost

### Annual operating cost per FTE – BP (F&A) 2016; US\$ '000s



### Wage inflation and attrition (IT ADM) 2016; Percentage per annum



## Risk assessment

■ Highly favorable ■ Favorable, some concerns ■ Least favorable

Parameter	Everest Group rating	Comments
Geopolitical	■	<ul style="list-style-type: none"> <li>• Low risks associated with domestic political stability</li> <li>• XXX</li> <li>• XXX</li> </ul>
Macro-economic	■	<ul style="list-style-type: none"> <li>• Domestic demand to drive growth during 2016-2017; potential risks with external trading partners such as Russia, Ukraine, and Finland</li> <li>• XXX</li> </ul>
Infrastructure	■	<ul style="list-style-type: none"> <li>• Good availability of ICT infrastructure for shared services, comparable to other leading European locations</li> <li>• XXX</li> <li>• XXX</li> </ul>
Safety and security	■	<ul style="list-style-type: none"> <li>• Concerns due to potential cyber attacks from Russia prompting the country to set up a remote data center for government records; however, security issues are not a concern for companies</li> <li>• XXX</li> </ul>
Regulations and ease of doing business	■	<ul style="list-style-type: none"> <li>• The country was ranked 16th (out of 189) in 2016 by the World Bank for ease of doing business and 29th (out of 140) by WEF in Global Competitiveness for 2015-2016</li> <li>• XXX</li> </ul>

Source: Everest Group (2016)

# Locations Insider research calendar

■ Published ■ Current

## Topic

## Release date

Innovation Beyond Borders – Global Talent Hotspots for Engineering Services and Research & Development (ER&D) .....	August 2016
Banking middle- and back-office services delivery from Nearshore Europe .....	September 2016
"Next-wave" location profiles: Cape Town, South Africa .....	September 2016
"Next-wave" location profiles: Morocco .....	September 2016
"Next-wave" location profiles: Chandigarh, India .....	September 2016
Emerging Locations Trends Report: Analytics delivery hotspots .....	September 2016
Delivery of IT services from U.S. ....	September 2016
Global Locations Annual Report .....	October 2016
"Next-wave" location profiles: Kiev, Ukraine .....	November 2016
"Next-wave" location profiles: Thailand .....	Q1 2017
"Next-wave" location profiles: Belo Horizonte, Brazil .....	Q1 2017
Delivery of IT services from Asia Pacific locations beyond India .....	Q1 2017
Poland tier-2 cities: Diverse value propositions for service delivery .....	Q1 2017
"Next-wave" location profiles: Bangladesh .....	Q2 2017
"Next-wave" location profiles: Cork, Ireland .....	Q2 2017
"Next-wave" location profiles: Jamaica .....	Q2 2017
Landscape of locations delivering business process services to the UK & Ireland .....	Q2 2017

# Additional research references

The following documents are recommended for additional insight into the topic covered in this report. The recommended documents either provide additional details, or complementary content, that may be of interest:

1. **Global Locations Annual Report 2016** ([EGR-2016-2-R-1957](#)); 2016. This report is a unique and comprehensive guide to understanding the nuances of the global services locations landscape and interpreting locations-related developments and trends in order to frame locations strategy. It presents insights into the size and growth of the global services market, global services exports by regions and country, update of locations activity by region and country, and trends affecting global locations (changes in investment environment and exposure to various risks). It also provides industry-leading comparison and analysis of key movements in maturity, arbitrage, and potential of global delivery locations (cities) through our unique MAP Matrix™ analysis
2. **Nearshore Europe Banking BPS Market: Will Europe Bank on Nearshore?** ([EGR-2016-2-R-1897](#)); 2016. The locations in nearshore Europe play a critical role in the delivery of banking BPS for both global and European banks, especially for their in-house delivery model. In this research, we assess the Nearshore European region across multiple dimensions for the delivery of banking business process services
3. **“Next-wave” Location Profile – Estonia** ([EGR-2016-2-LP-1862](#)); 2016. This report analyzes Estonia and offers perspectives on global sourcing profile of Estonia, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks
4. **“Next-wave” Location Profile – Iasi, Romania** ([EGR-2016-2-LP-1780](#)); 2016. This report analyzes Iasi and offers perspectives on global sourcing profile of Iasi, key opportunities, drivers, and challenges, along with an overview of talent availability, operating costs, and environment risks

For more information on this and other researches published by Everest Group, please contact us:

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## About Everest Group

Everest Group is a consulting and research firm focused on strategic IT, business services, and sourcing. We are trusted advisors to senior executives of leading enterprises, providers, and investors. Our firm helps clients improve operational and financial performance through a hands-on process that supports them in making well-informed decisions that deliver high-impact results and achieve sustained value. Our insight and guidance empowers clients to improve organizational efficiency, effectiveness, agility, and responsiveness. What sets Everest Group apart is the integration of deep sourcing knowledge, problem-solving skills and original research. Details and in-depth content are available at [www.everestgrp.com](http://www.everestgrp.com).

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