

# Business Service Sector in Latvia

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# Global Business Services (GBS) Centers

## How it works?

Companies centralise functions such as finance, human resources, customer service, IT and others across multiple countries into GBS centers. This enables them to:

- standardise processes and increase efficiency
- ensure consistency and accuracy in their operations
- leverage advanced technologies
- improve data management and analysis
- improve customer experience



# Business Services Sector in a Nutshell

57

Number of GBS Centers  
based in Latvia

20 K

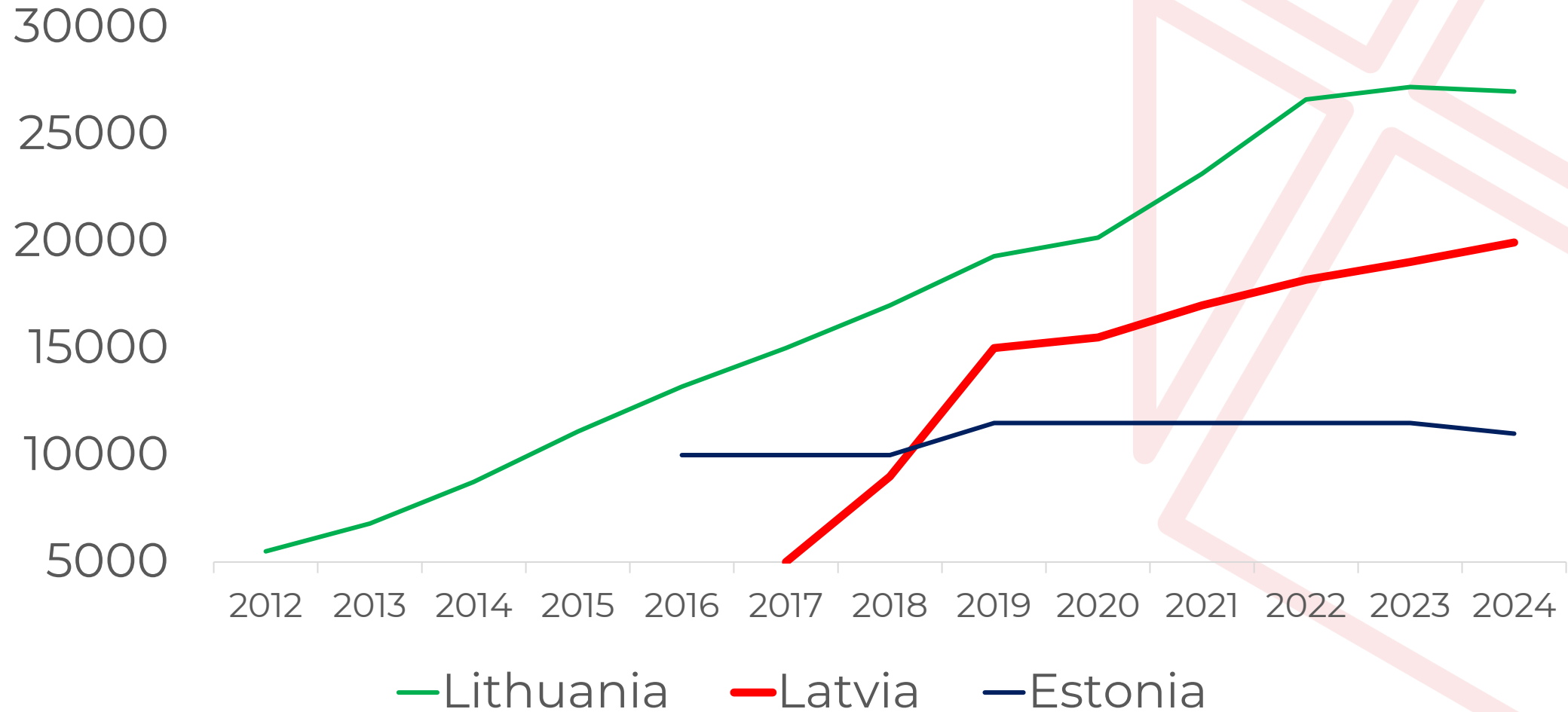
Jobs

345 M EUR

Taxes & Social  
contributions

# Growth of Baltic GBS sector

Number of employees

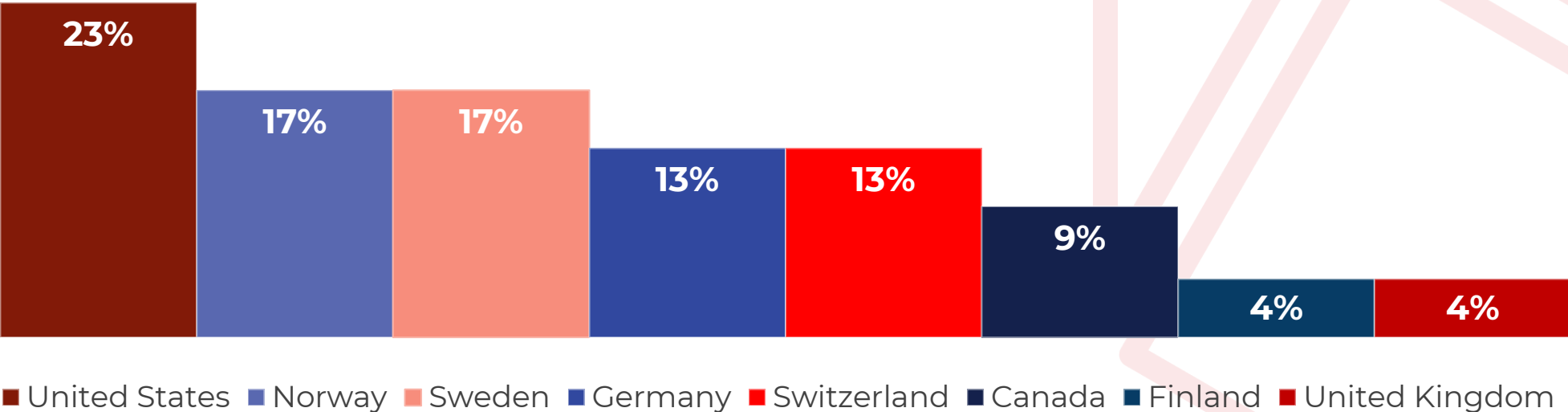


# GBS CENTERS BY YEARS OPERATING IN LATVIA (%)

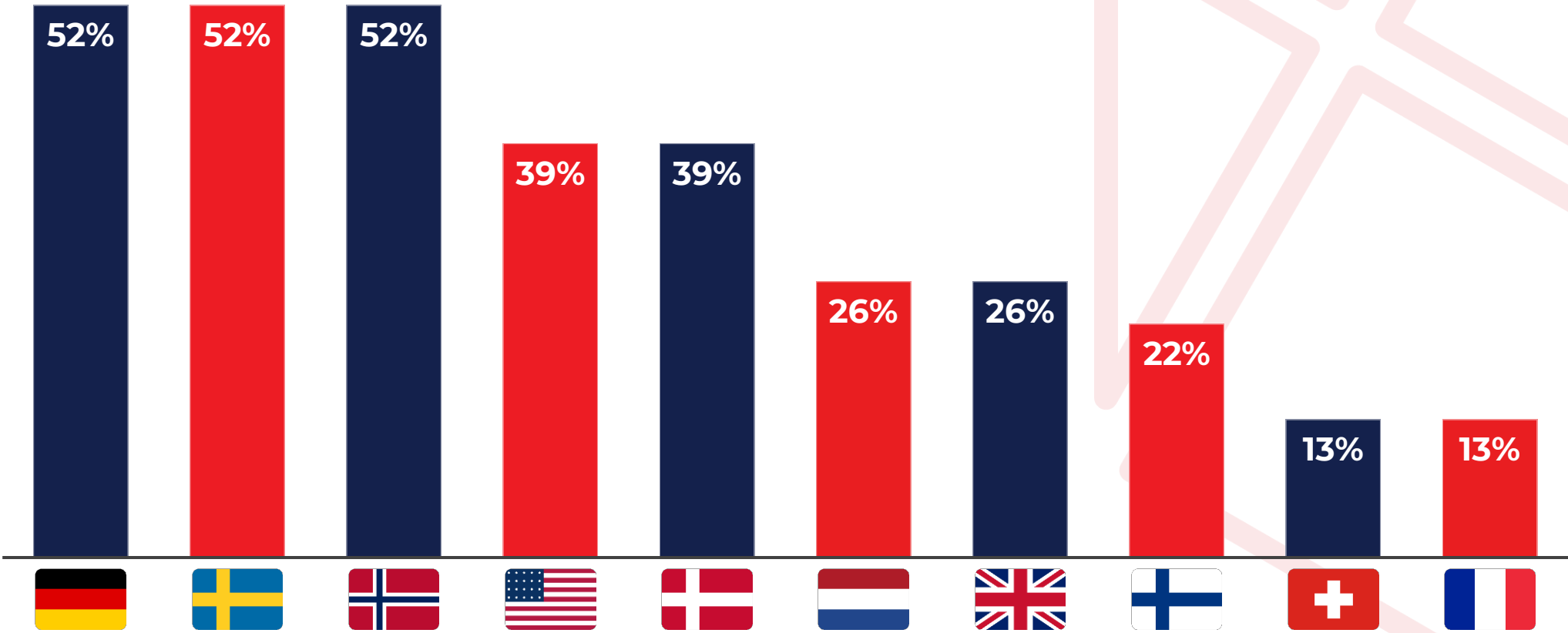


■ More than 10 years   ■ 6 - 10 years   ■ 3 - 5 years   ■ Newcommers

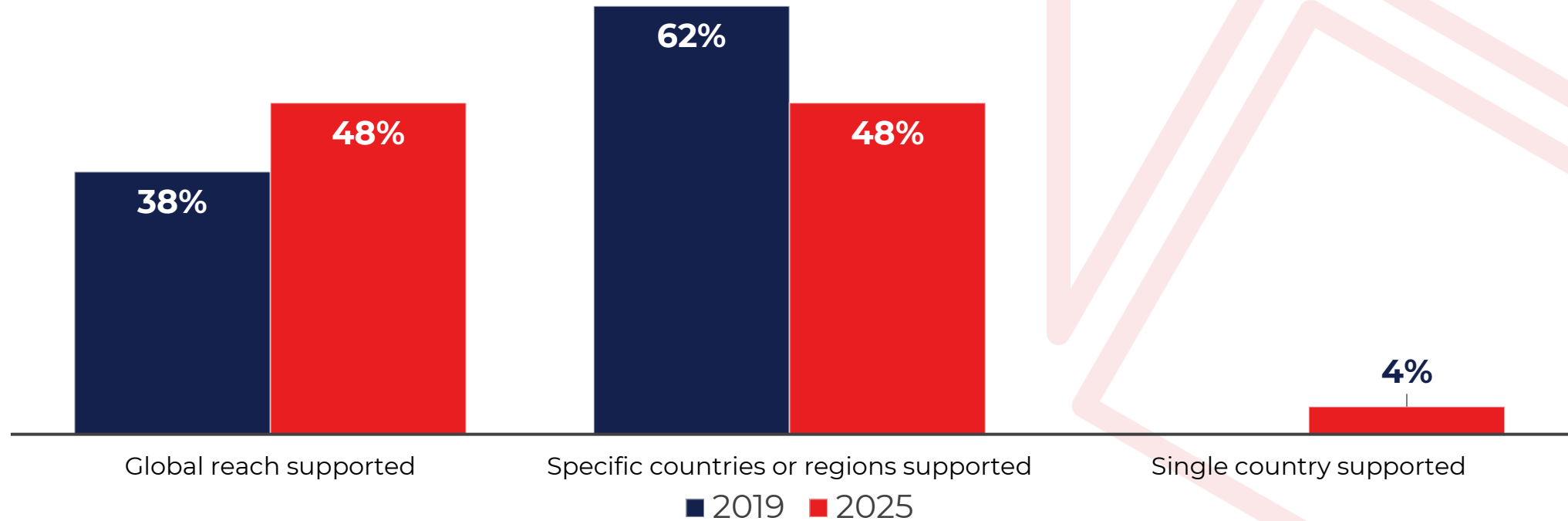
# GBS CENTERS BY COUNTRY OF ORIGIN



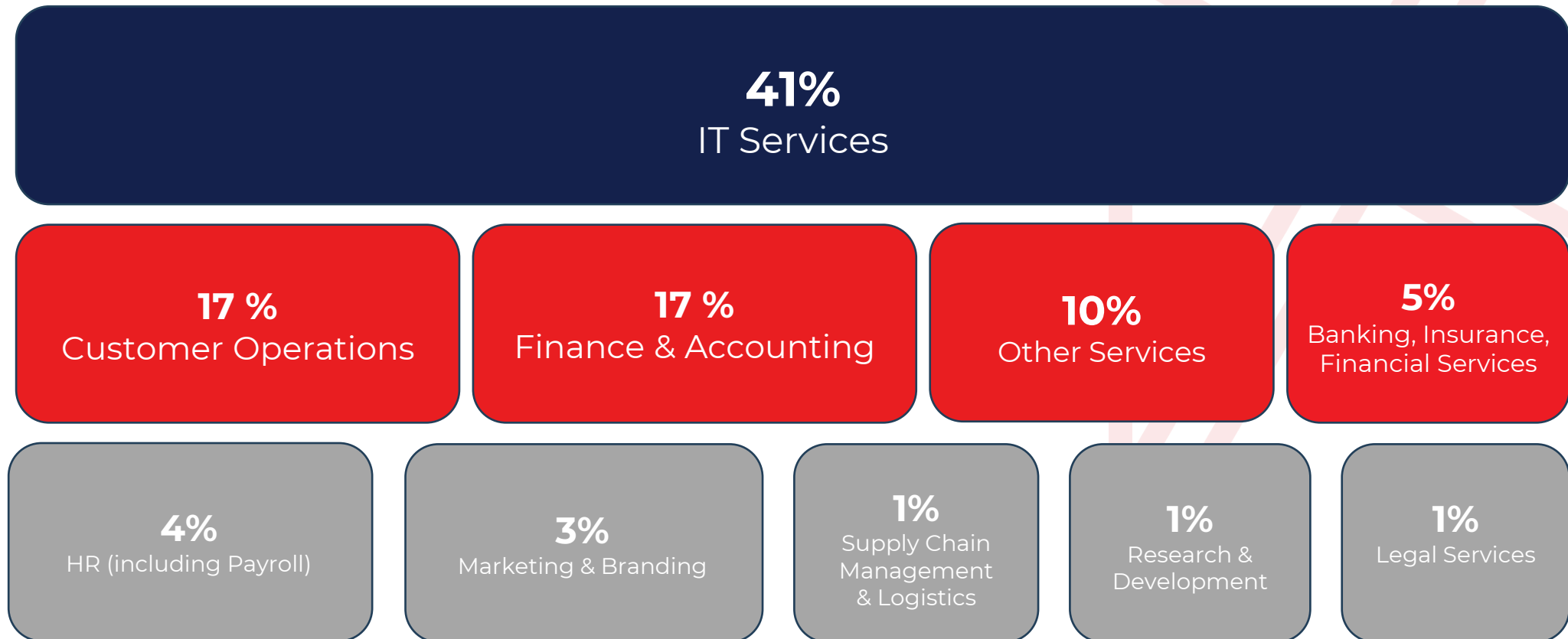
# TOP MARKETS SERVED BY LATVIAN GBS SECTOR



# GEOGRAPHICAL SCOPE OF SERVICES PROVIDED (%)



# EMPLOYMENT STRUCTURE BY BUSINESS FUNCTIONS, 2025 (%)

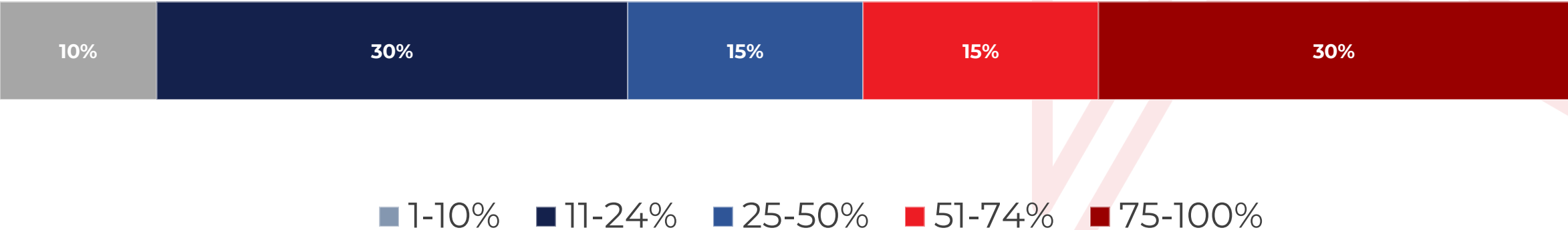


## RATIO OF TRANSACTIONAL WORK VERSUS KNOWLEDGE-INTENSIVE WORK IN SSC / GBS, GPO, ITO ORGANIZATIONS (2025) (%)

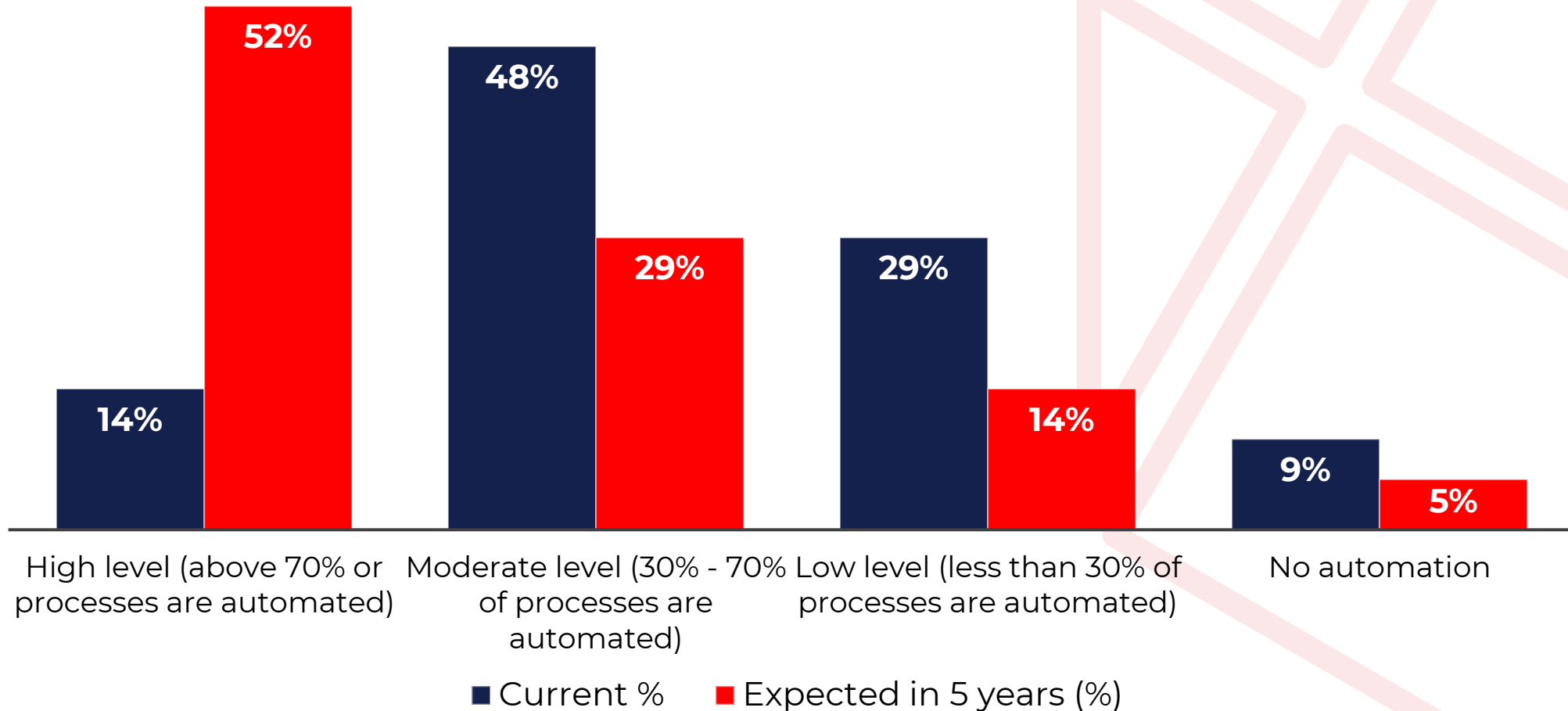


■ Transactional work    ■ Knowledge-intensive work

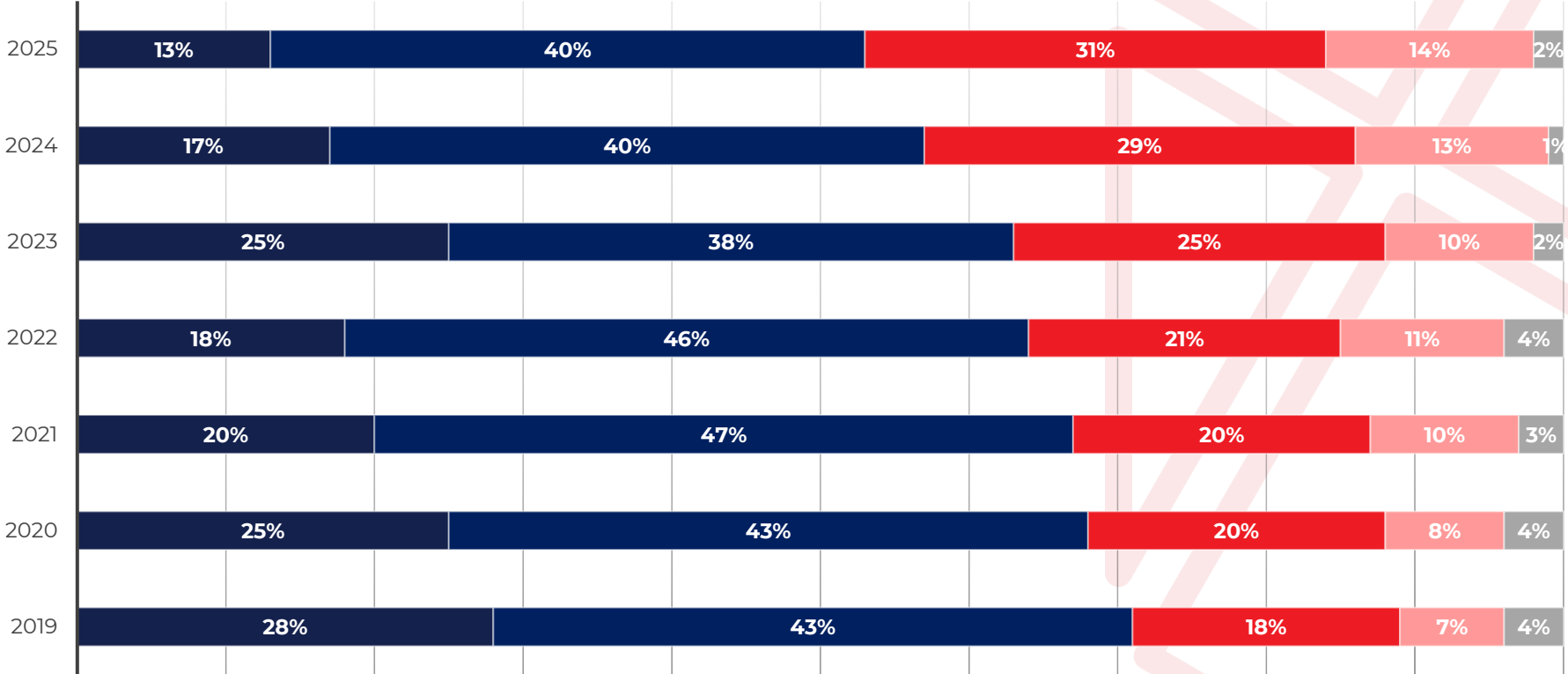
# PROPORTION OF WORKFORCE WHO HAS UNDERGONE TRAINING TO UTILIZE AI TOOLS



# EXPECTED AUTOMATION LEVEL IN 5 YEARS (%)

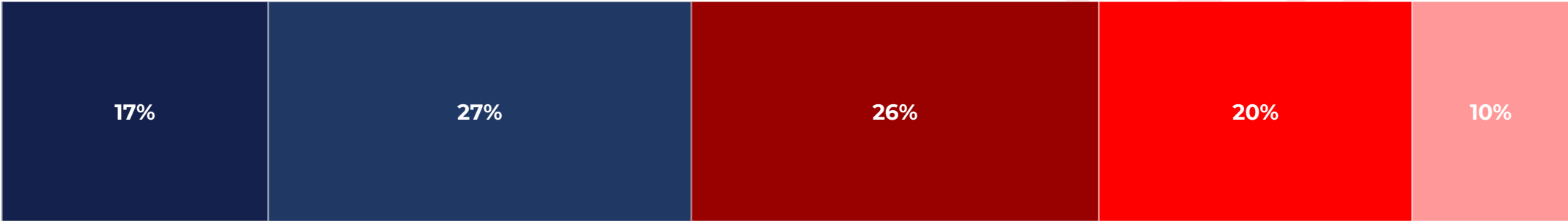


# EMPLOYMENT STRUCTURE OF BUSINESS SERVICES CENTERS BY JOB CATEGORY (2019-2025) (%)



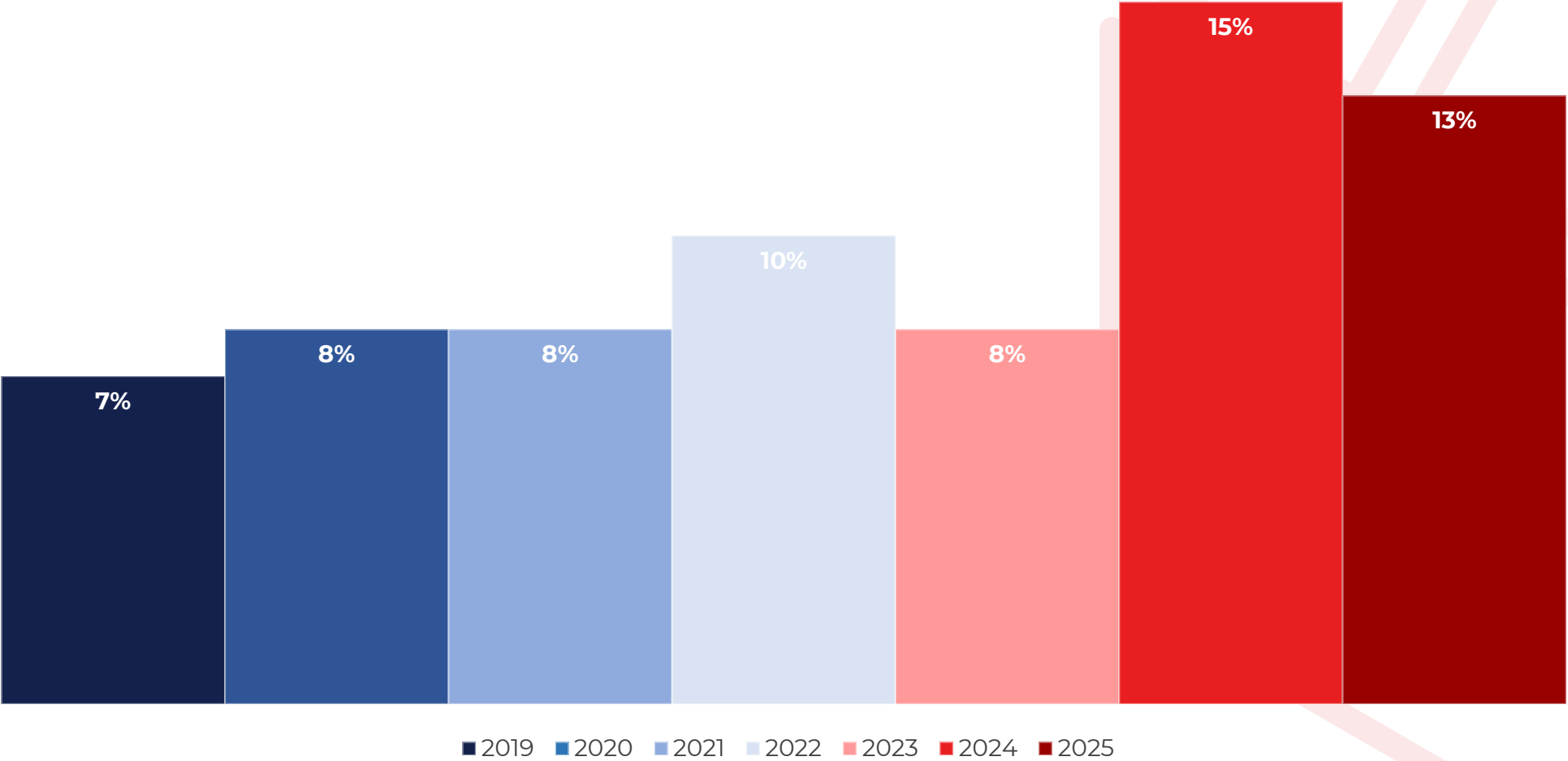
- Entry level & Junior positions
- Specialists
- Senior Specialists & Experts
- Team Leaders & Managers
- Executives

# DISTRIBUTION OF WORKFORCE BY LENGTH OF EMPLOYMENT (%)

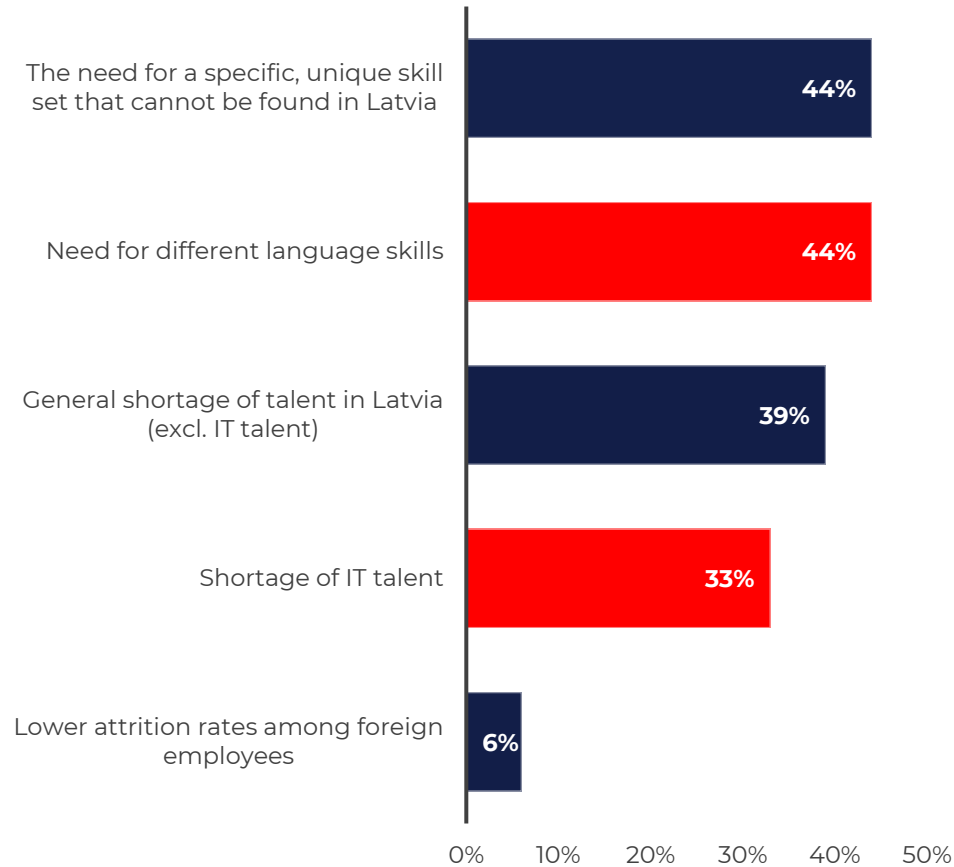


■ Less than a year ■ 1 - 2 years ■ 3 - 5 years ■ 5 - 9 years ■ 10 years and more

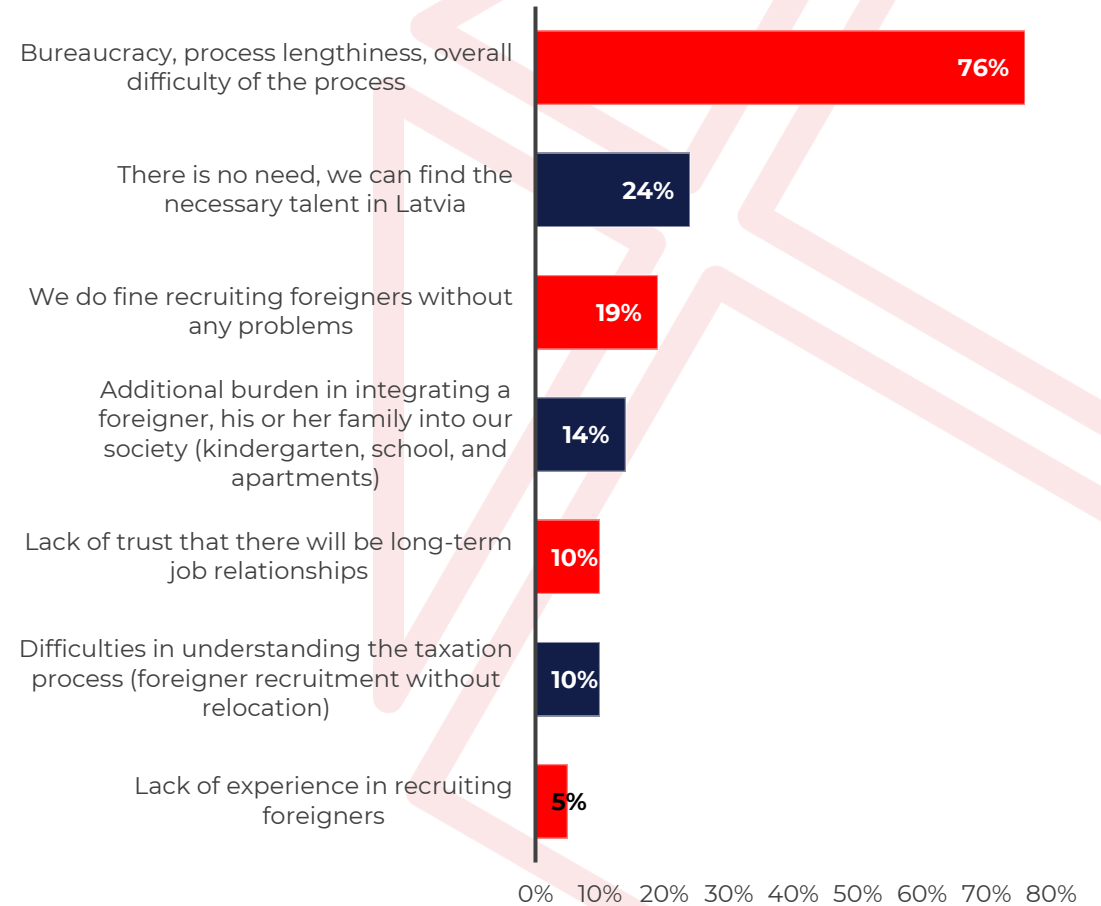
# FOREIGN EMPLOYEES WORKING FOR INDUSTRY ORGANISATIONS (2019-2025)



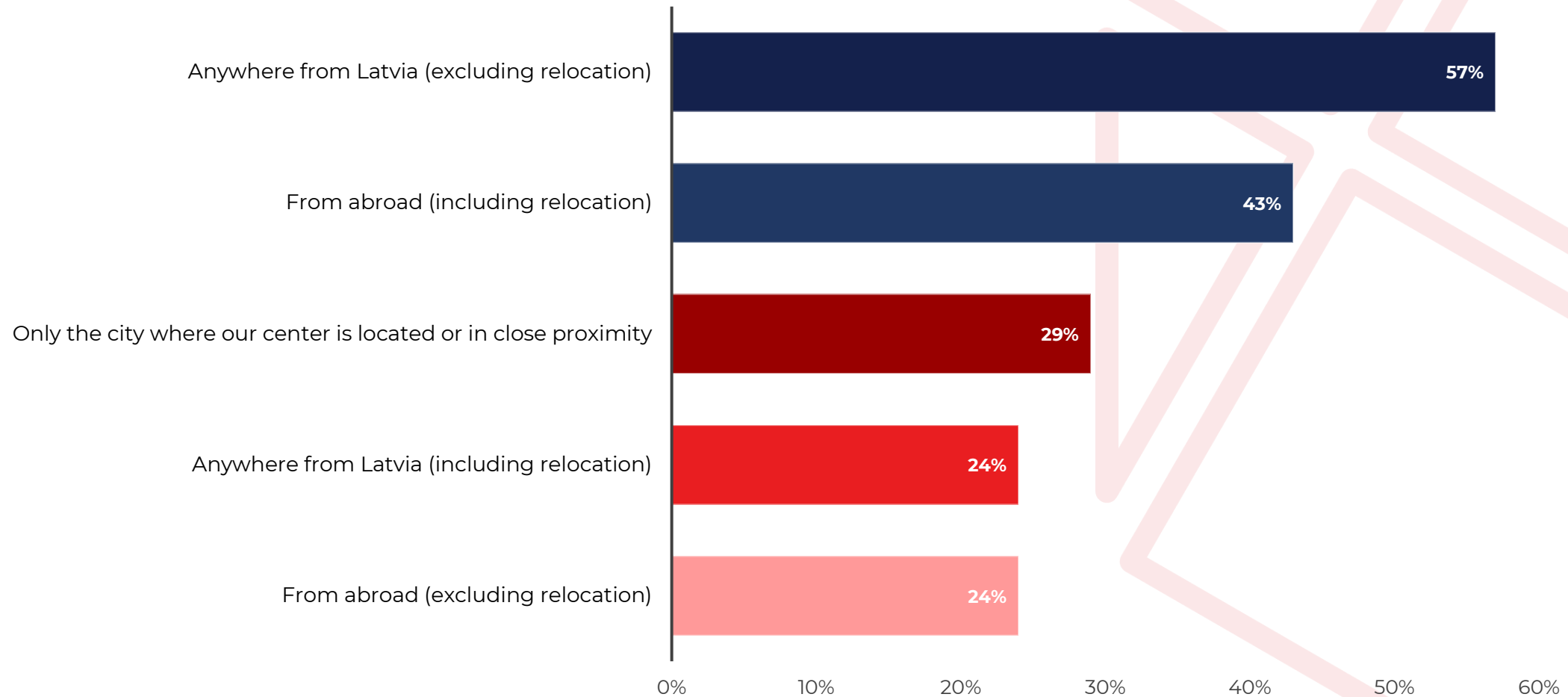
### MAIN FACTORS MOTIVATING ORGANIZATIONS TO ATTRACT EMPLOYEES FROM OTHER COUNTRIES IN 2025 (%)

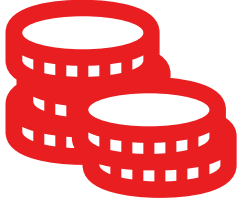


### FACTORS DISCOURAGING ORGANIZATION FROM RECRUITING FOREIGNERS (%)



# INDUSTRY'S RECRUITMENT PLANS OVER THE NEXT 12 MONTHS IN TERMS OF GEOGRAPHICAL COVERAGE (%)



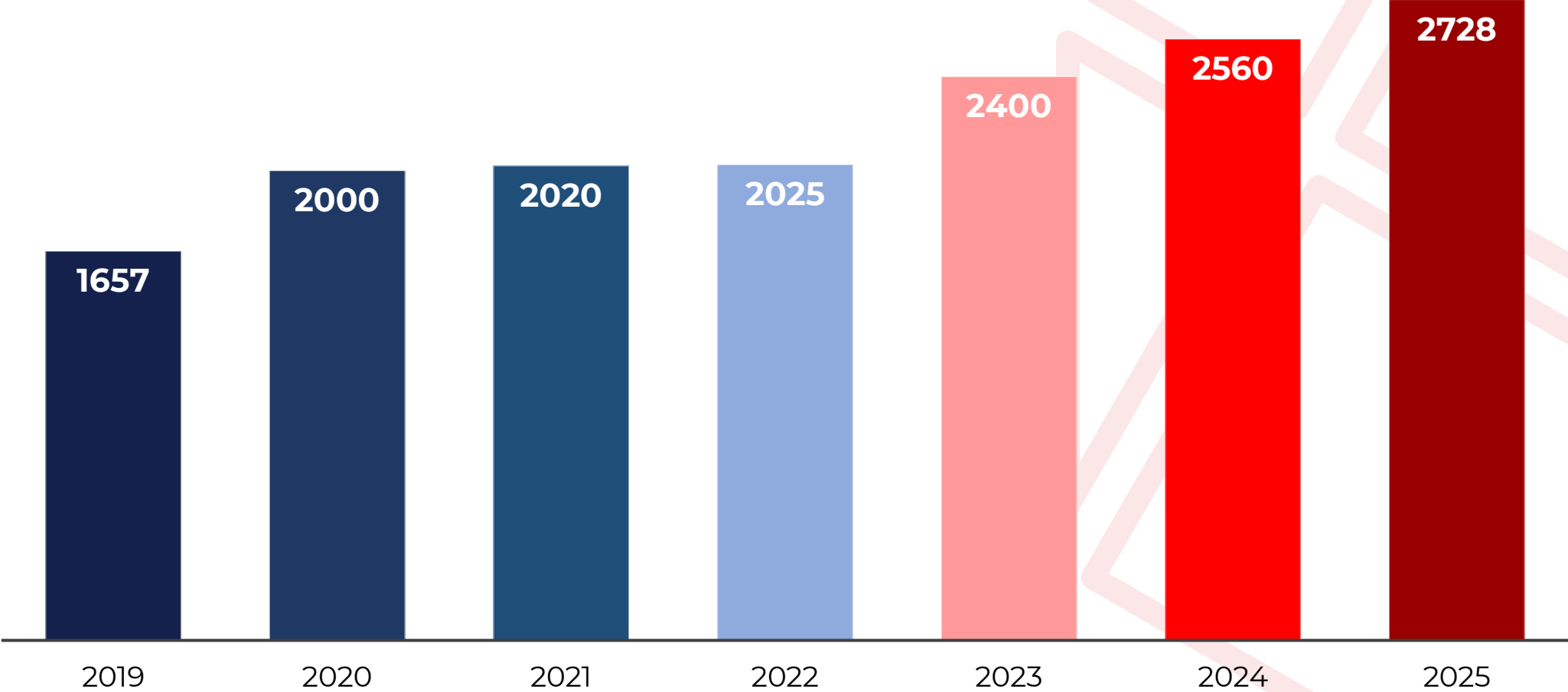


**2728 EUR**

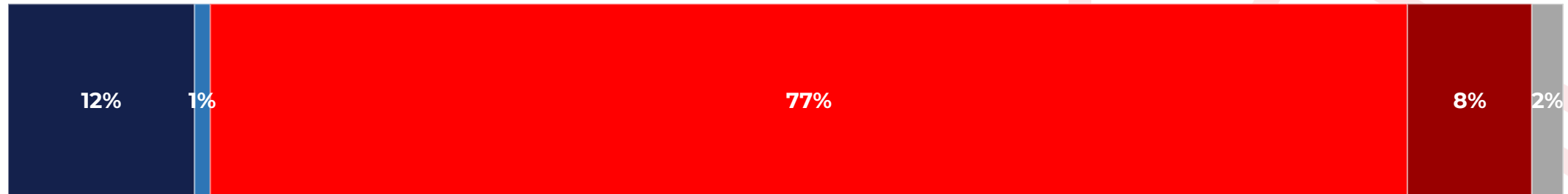
Average Salary in the GBS Sector in 2025 (before taxes)

	<b>IT</b>	<b>Finance</b>	<b>Operational</b>
<b>Junior level</b>	1922	1637	1537
<b>Middle level</b>	3144	2396	2357
<b>Expert, Manager level</b>	4525	3546	3901

# SALARY GROWTH (2019-2025)

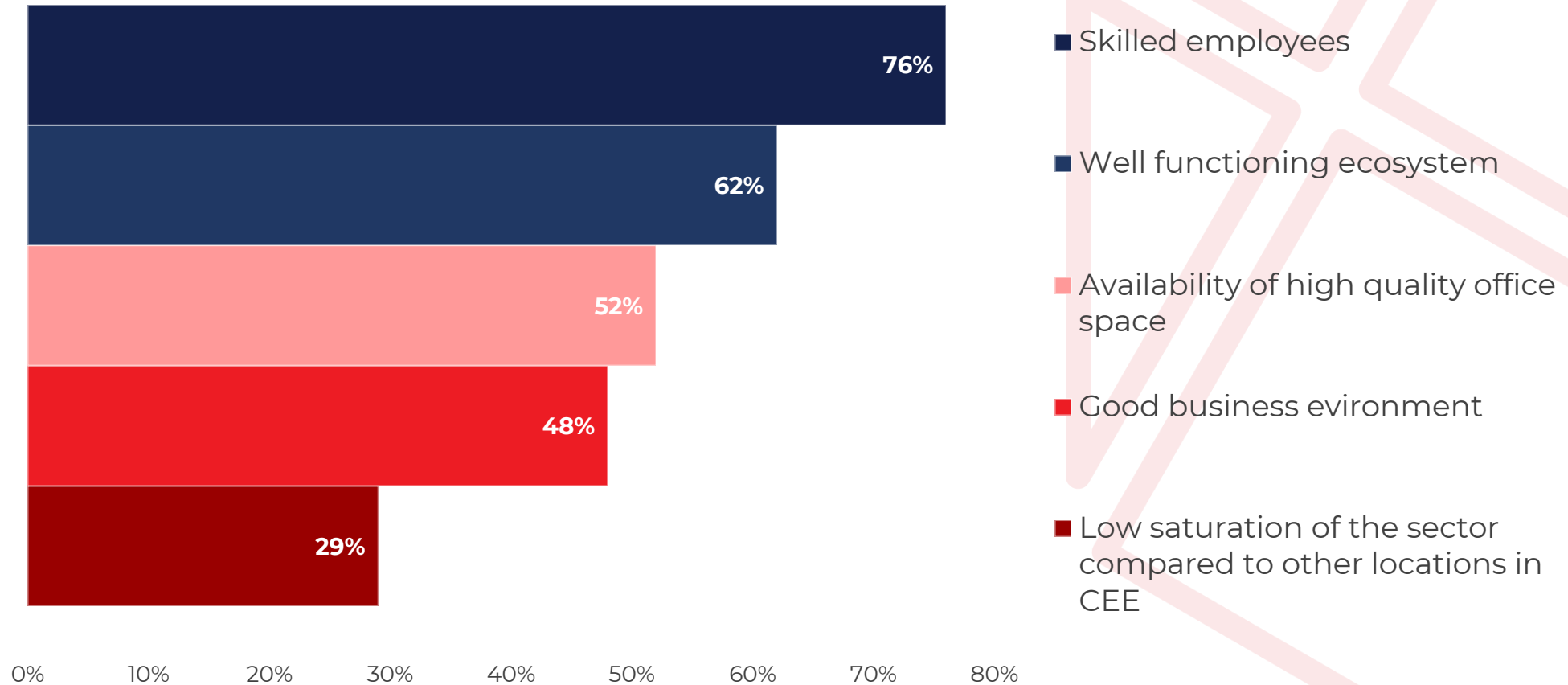


# POPULARITY OF REMOTE WORK MODELS AMONG INDUSTRY ORGANISATIONS IN 2025 (%)



- Fully office-based (no remote work)
- Primarily office-based (remote work allowed only in exceptional cases)
- Hybrid model (regular rotation between office and remote work)
- Primarily remote (with the option to work from the office)
- Fully remote (no office work)

# LOCATION STRENGTHS OVERVIEW

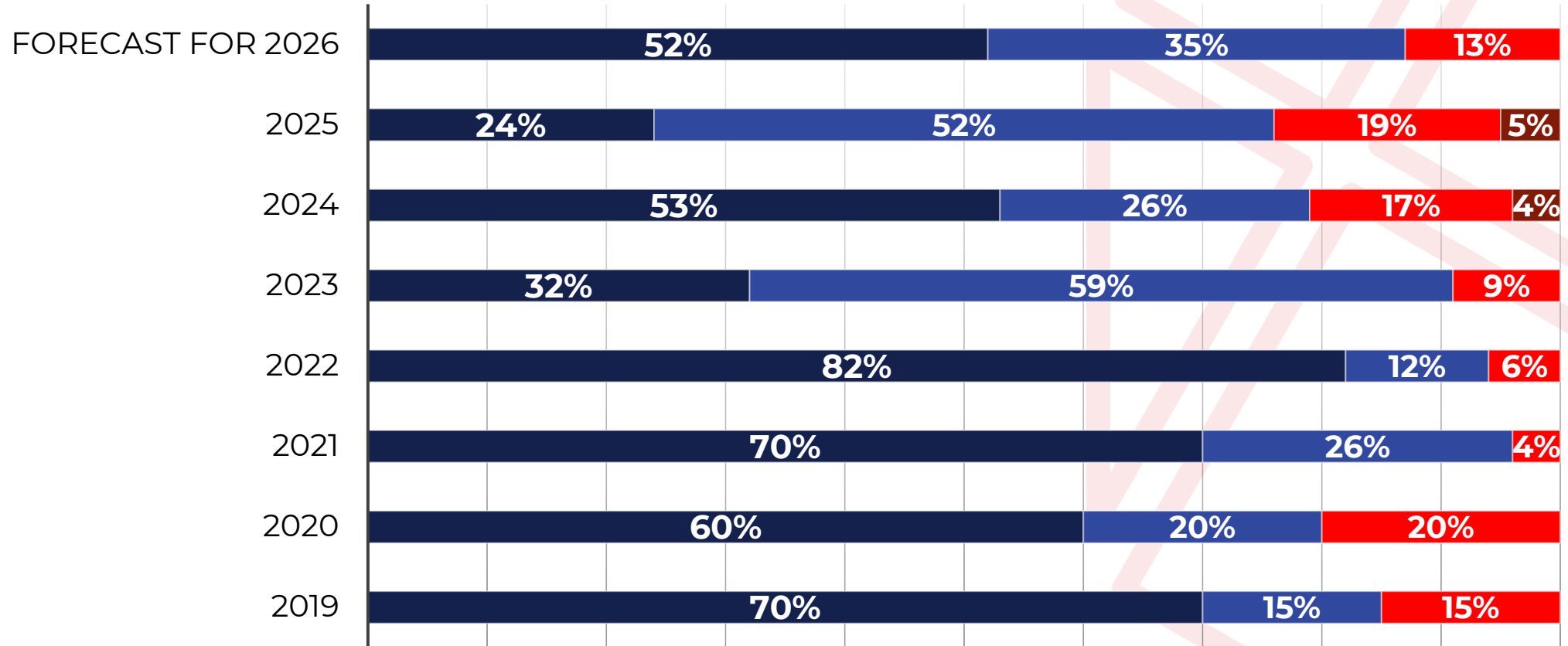


# INDUSTRY'S PLANS FOR CURRENTLY LEASED / OWNED OFFICE PREMISES FOR 2026 (%)



- Expansion in current location
- No changes planned
- Adapting premises through reconstruction to align with new realities
- Not known currently

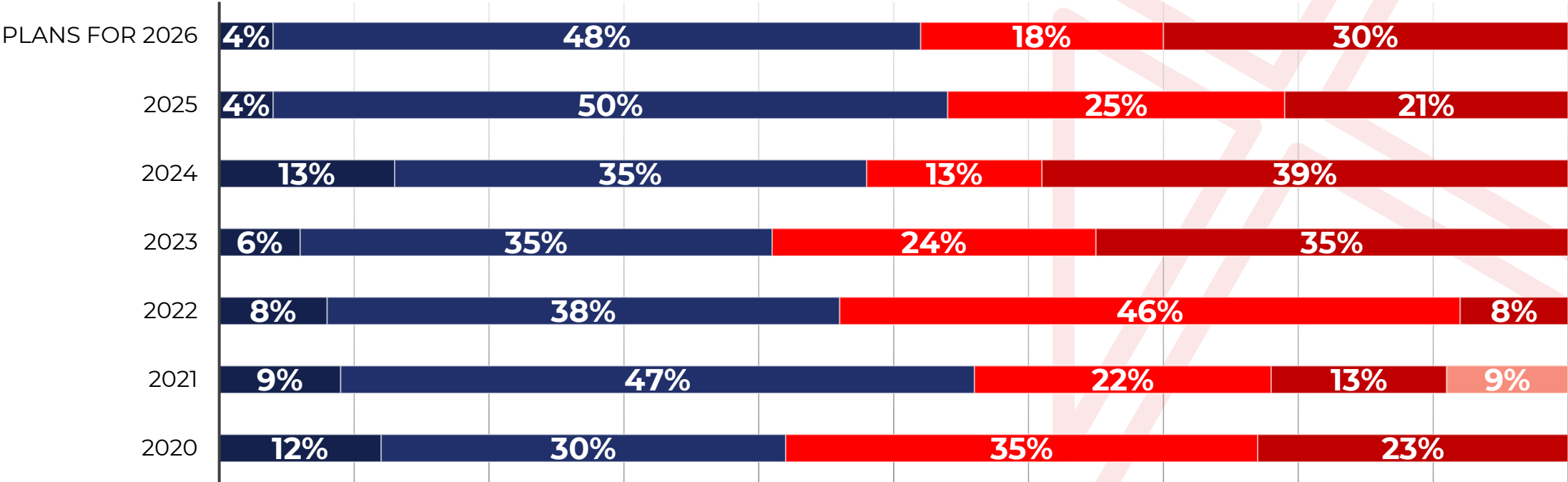
# HEADCOUNT CHANGE DYNAMICS, 2019-2026, %



■ Increase in employment  
■ Decrease in employment

■ No change in employment  
■ Started operations in the year of reporting

# PLANS TO EXPAND IN NEXT 12 MONTHS, 2020-2026, %



- Yes, in terms of geography (market development)
- Yes, in terms of new (additional) service offerings in existing markets
- Yes, in terms of both – geography and service offerings
- No, we have no plans to change our current scope of activities
- No, we are reducing our scope of activities and / or geography

# INDUSTRY'S OVERALL SATISFACTION RELATED TO BUSINESS ENVIRONMENT IN RIGA



**100%**

Overall satisfaction with the city as a place for business activity



**100%**

Readiness of tech infrastructure to support hybrid / WFH operations



**100%**

Availability and quality of innovation testing capabilities



**100%**

Data and cybersecurity environment



**100%**

Quality of local universities



**95%**

City accessibility (by airport, trains, buses)



**95%**

Availability of modern office space



**95%**

Quality of life



**92%**

Cooperation with local universities



**90%**

Legal and tax environment



**90%**

The cost of renting office space



**90%**

The level of wages in the location



**86%**

Quality of the public transport in the city



**85%**

Integrated GBS Ecosystem (Companies, universities, public sector)



**85%**

Talent competitiveness of Riga with other nearshore European locations



**81%**

Availability of talent pool / highly qualified staff



**75%**

Cooperation with local investor support office



**75%**

Availability and quality of Digital Public Services



**60%**

Availability and quality of government incentives

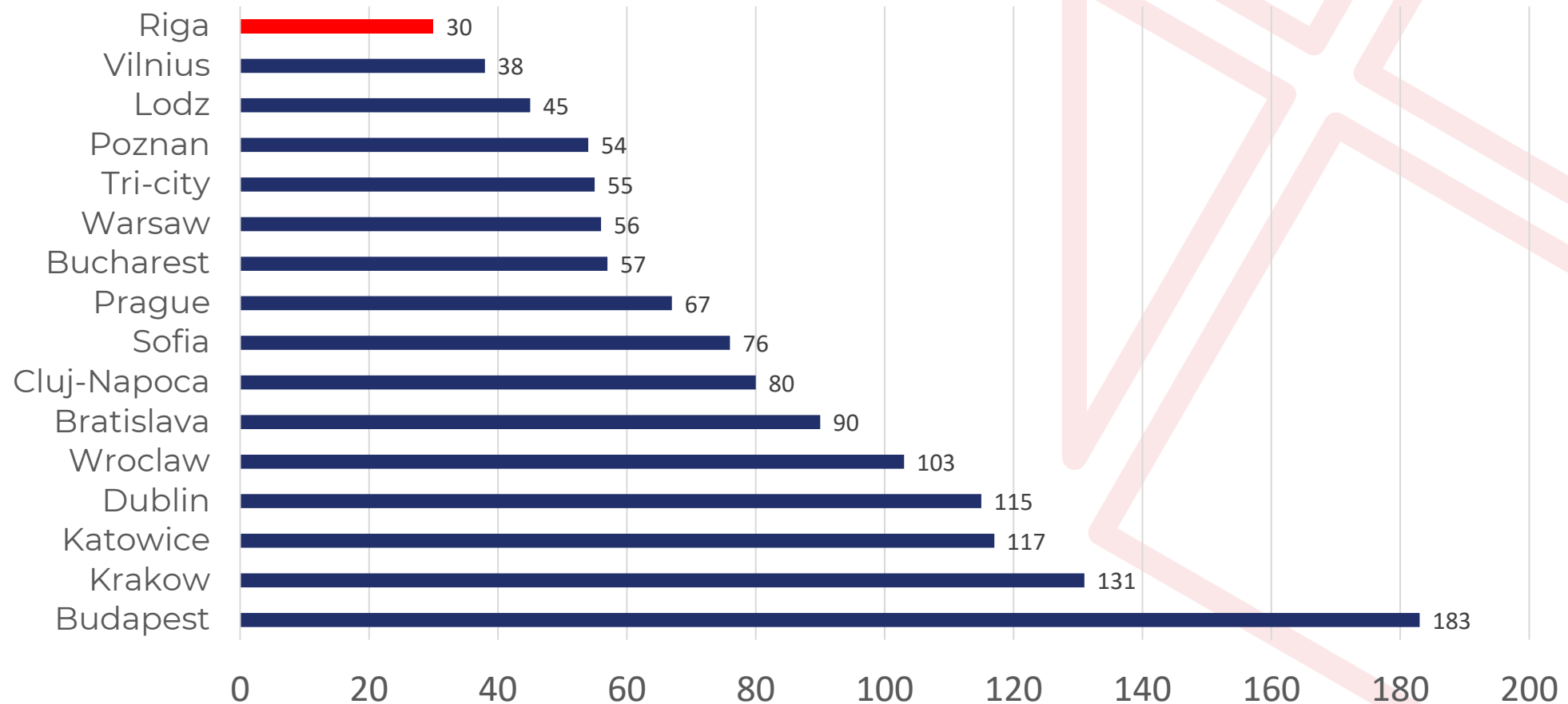


**55%**

Regulatory framework and openness of the public sector

# SATURATION

People employed in Business Services Centers per 1,000 Residents



# Thank you



# Business Services Sector in Baltics



Number of GBS/ ICT  
and BPO centers



Number of employees  
in the sector

