Deloitte.

ABSL

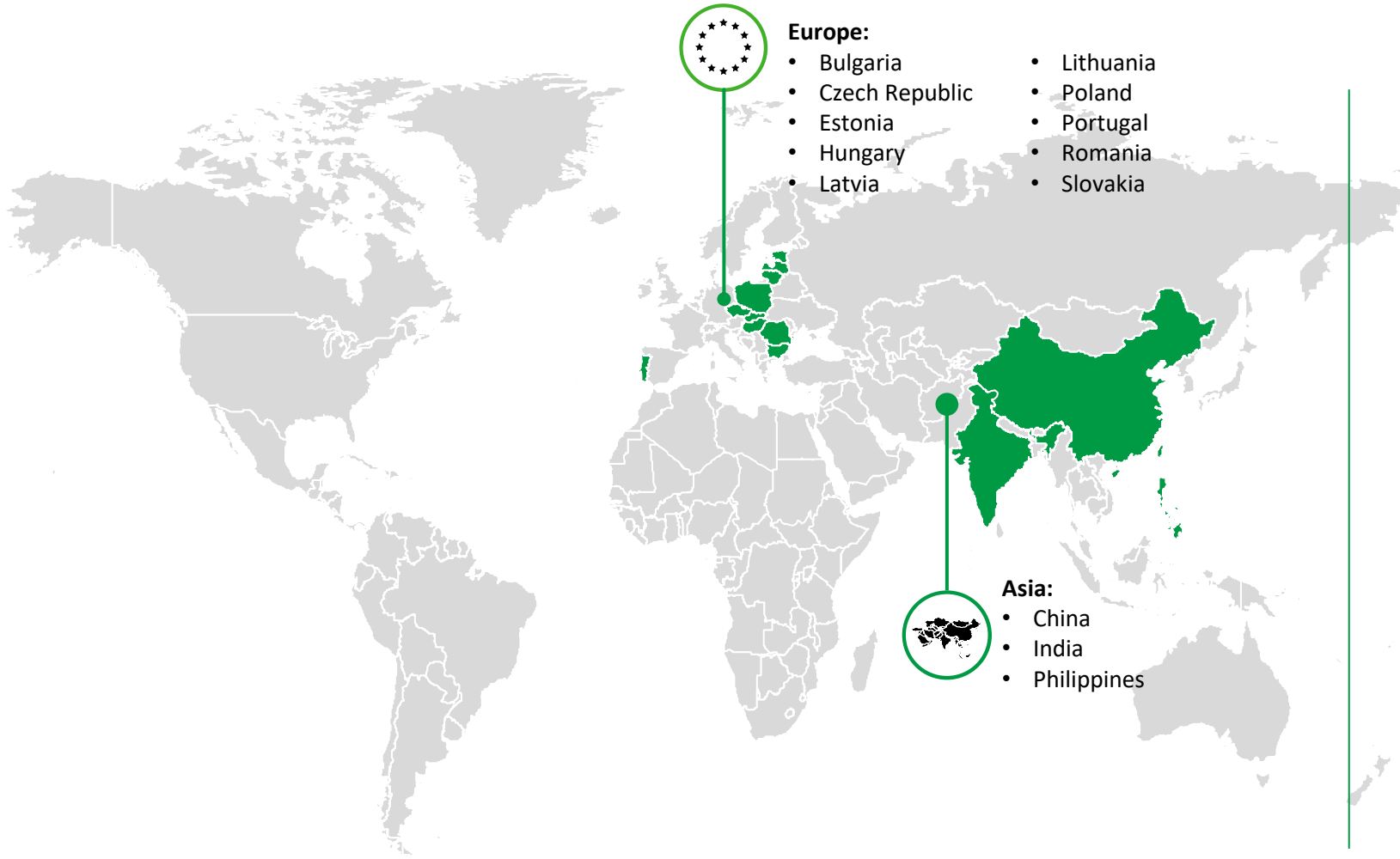
Romania in the context of the global business services landscape

Trends, insights and comparative analysis



Tomas Husner, Deloitte

Together with ABSL, we've created a one-of-a-kind report comparing key data from the business services industry across 13 global locations



We have prepared a unique report analyzing and comparing 10 locations in Europe and 3 locations in Asia, bringing a one-of-a-kind view on location analysis:

- Sector size and growth
- Labor force size
- Unemployment
- Salary levels
- Productivity
- Grants and incentives
- And more

© 2025. Deloitte Central Europe

TRENDS IN BUSINESS SERVICES



The business services environment is driven by 8 key trends focusing on service delivery, operating model, efficiency, talent and customer experience

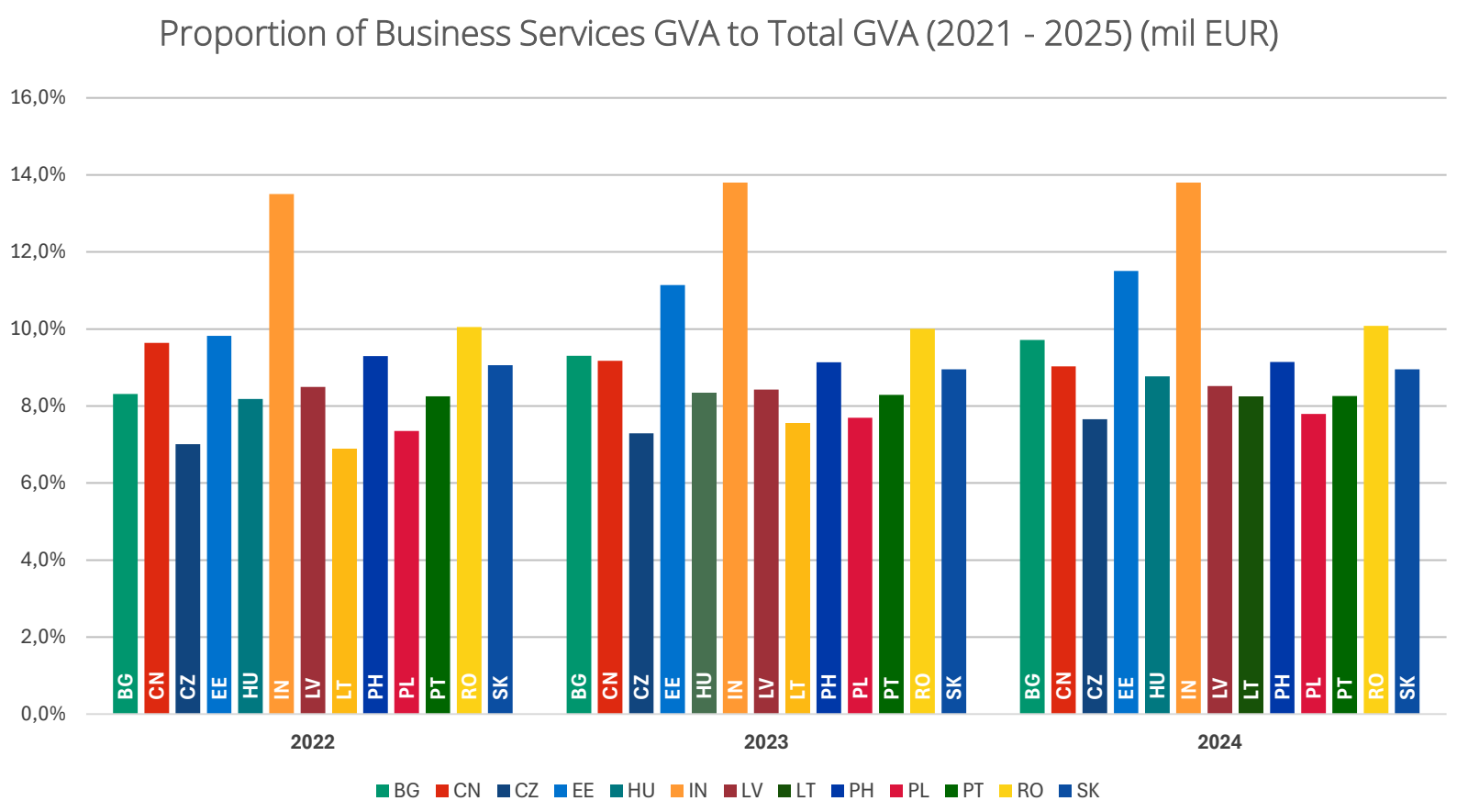


© 2025. Deloitte Central Europe

MACROECONOMIC LENSE



India’s proportion of business services sector GVA, as compared to the total economy GVA, by far exceeds any of the analyzed countries.



When comparing total GVA size of the BS sector, China, India and Philippines by far supersede all analyzed European countries.

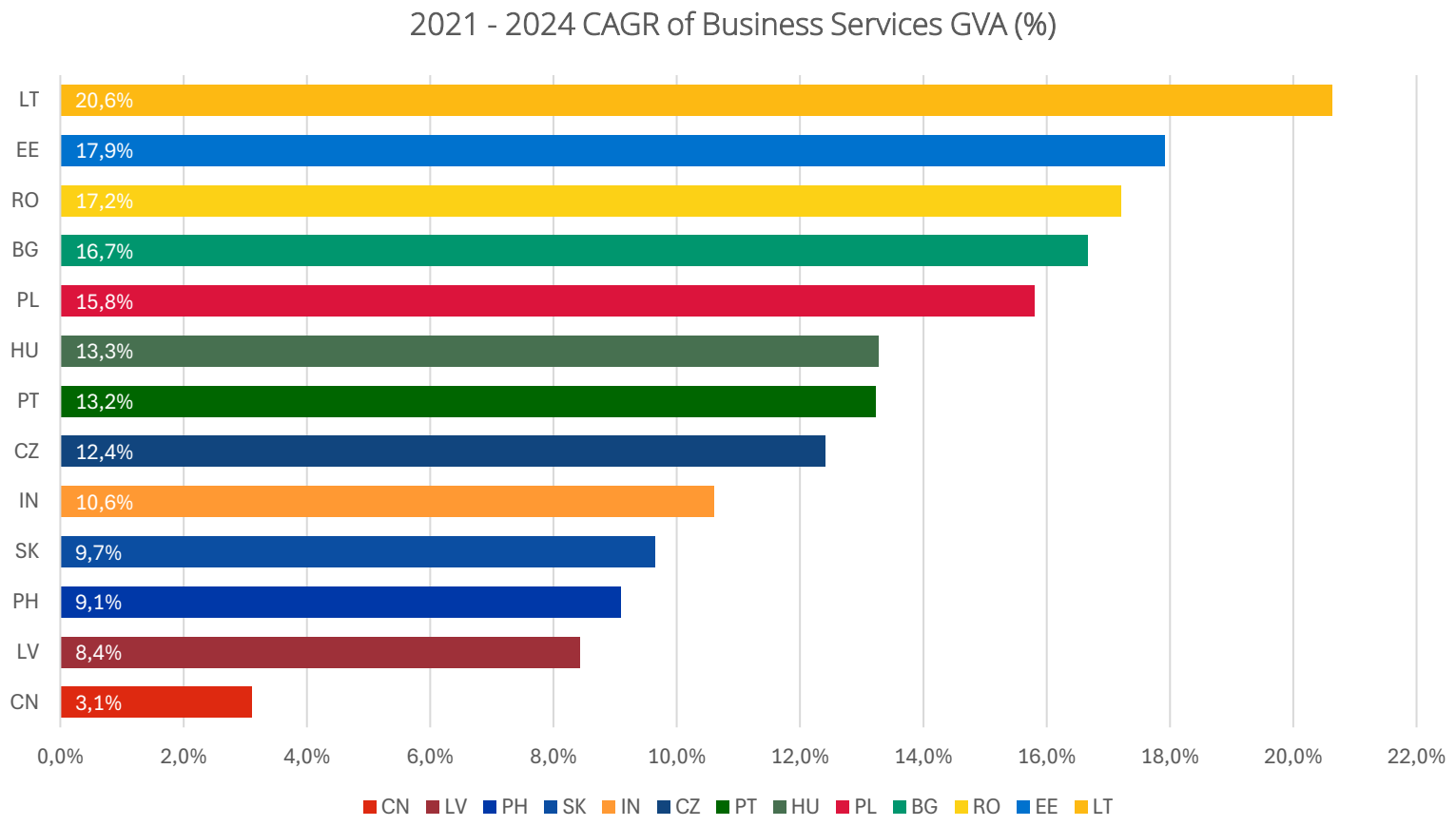
To understand the importance of the BS sector in the entire economy, we compared the proportions of BS GVA to the total country GVA.

India retains the highest proportion from all countries (~14%) and is followed by Estonia (~11%) and Romania (~10%).

The smallest proportion can be seen in the Czech Republic (~7%).

© 2025. Deloitte Central Europe

Lithuania’s business services sector GVA has been growing the fastest in the last 3 years (compounded), followed by Estonia and Romania.



In terms of GVA growth, Lithuania, Estonia and Romania show the fastest growth in the past 3 years (measured as compounded annual growth rate).

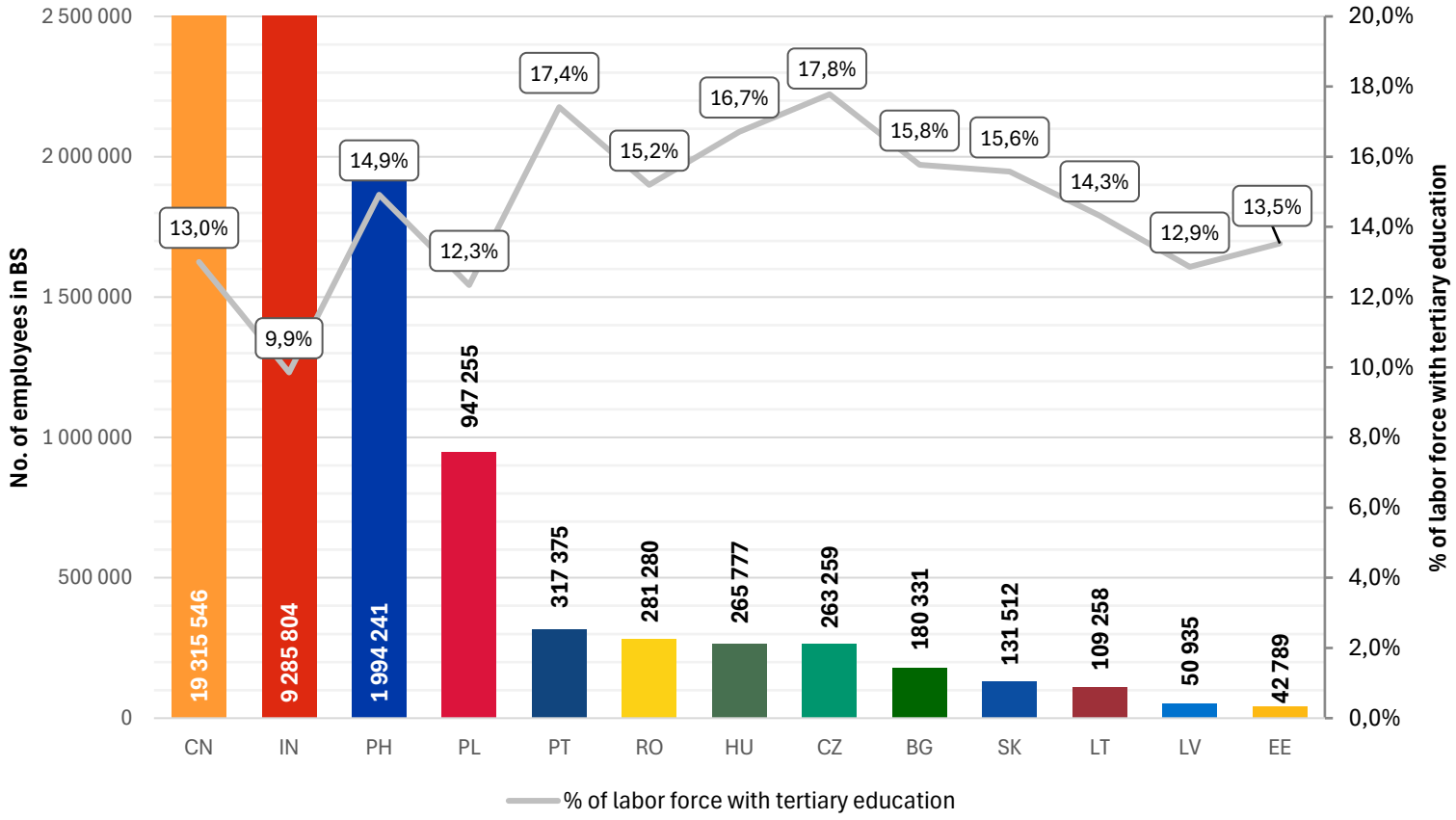
Despite the large potential of the sector in India and Philippines, both show below average growth.

China has shown the slowest growth out of all analyzed countries.

© 2025. Deloitte Central Europe

Business services employee size in Asia vastly exceeds any European locations. European BS attracts more talent with tertiary education.

Number of employees in Business Services and as percentage of labor force with tertiary education (2024)



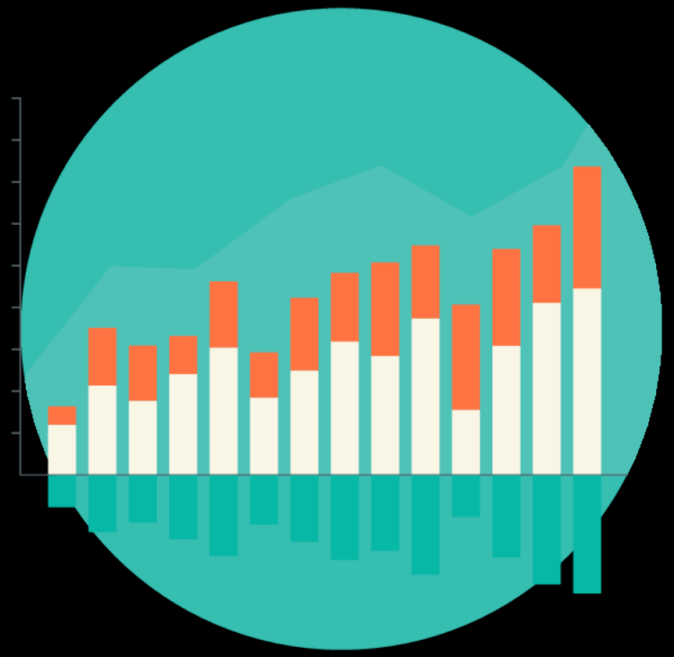
China is currently the biggest business services sector in the world, with an estimated 19,3m workers, followed by India with 9,3m. The smallest sector can be seen in Baltic countries, which is given by overall size of the economies.

Figures are based on International Labour Organization (UN) and include ISIC L2 codes:

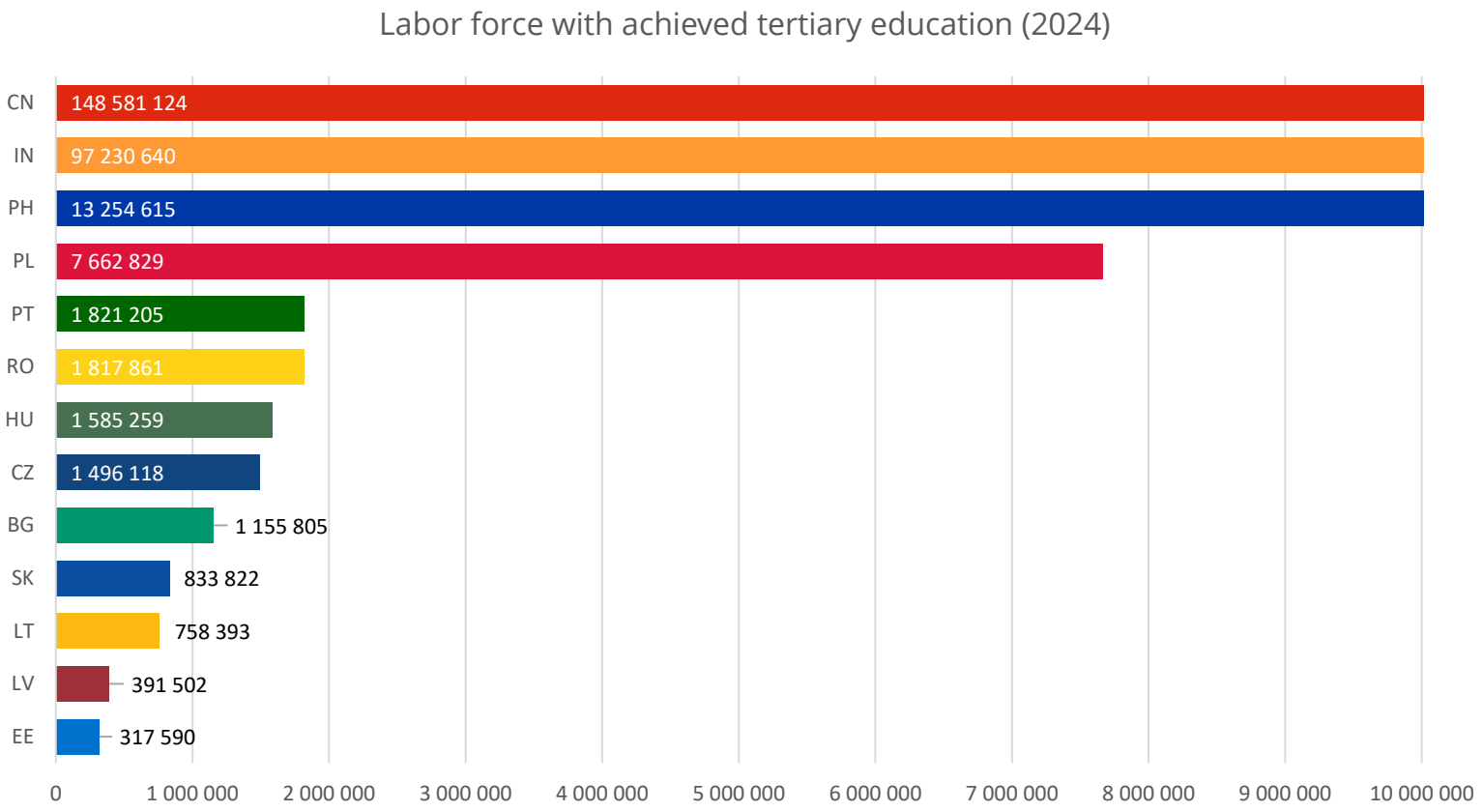
- 62 - Computer programming, consultancy and related activities
- 63 - Information service activities
- 69 - Legal and accounting activities
- 70 - Activities of head offices; management consultancy activities
- 82 - Office administrative, office support and other business support activities

© 2025. Deloitte Central Europe

LABOR MARKET AND SALARIES



The labor force with tertiary education, most suitable for the BS sector, is exceedingly higher in Asia than in all countries in Europe.

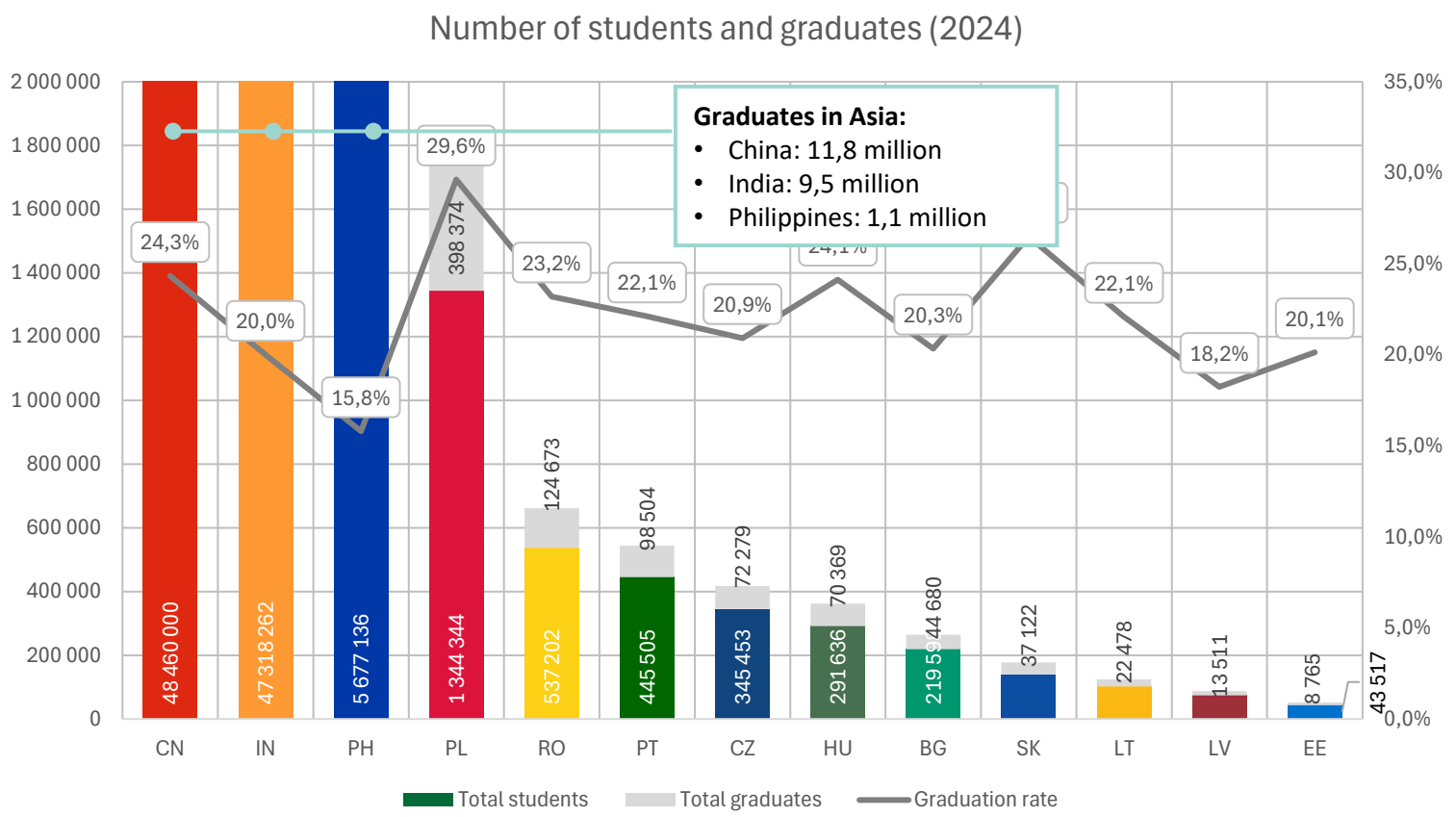


China, India and Philippines all vastly exceed all European locations when it comes to the size of the labor force with tertiary education, which is the most targeted group for the business services sector. This directly reflects the population size of the individual countries.

Despite that, Europe offers significant labor pools for large operations as well, with the largest pool in Poland, followed by Portugal and Romania.

© 2025. Deloitte Central Europe

The number of students and graduates is uncomparable between the countries in Asia and Europe, while showing a similar graduation rate.



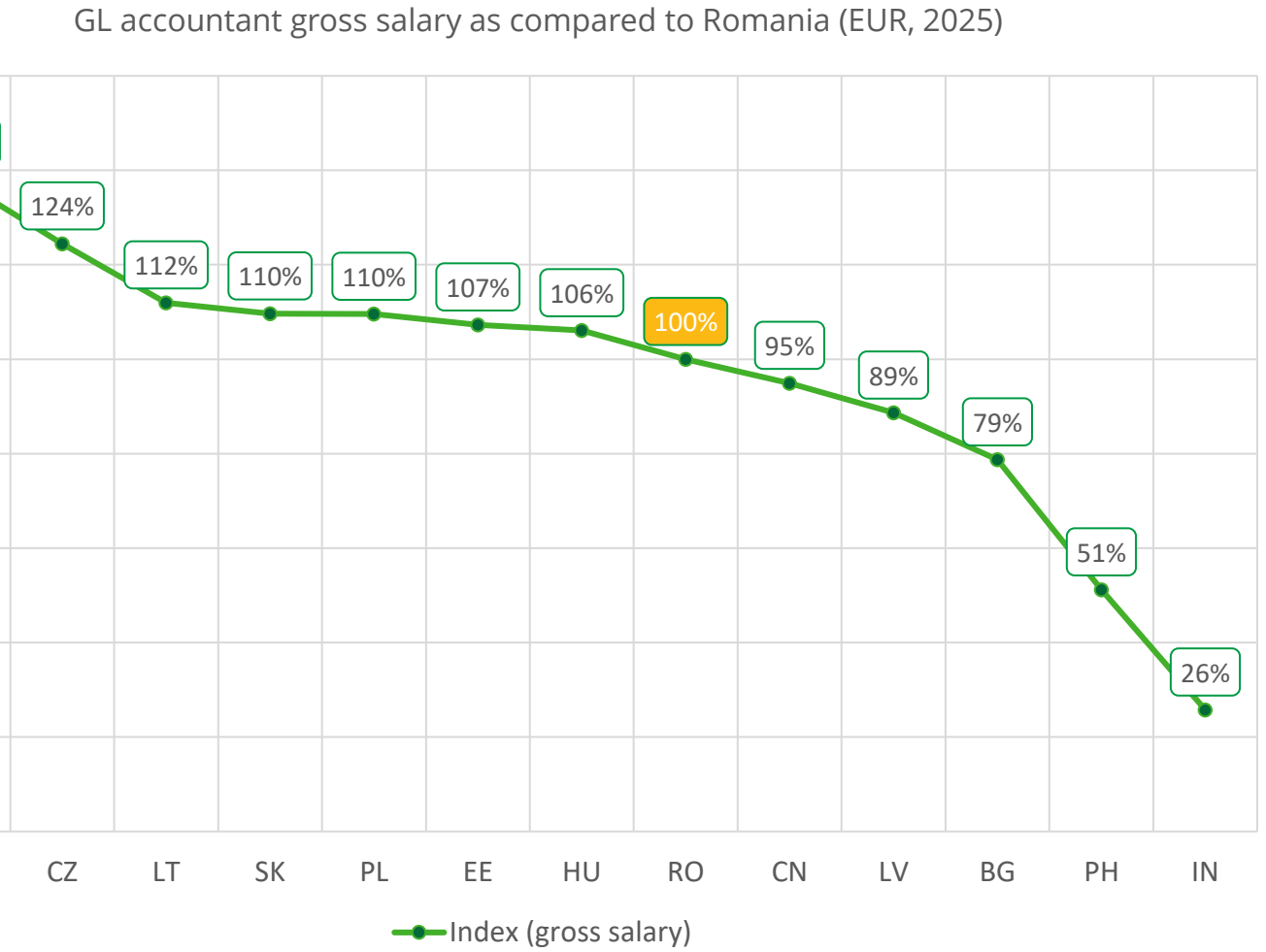
China, India and Philippines vastly exceed all European locations when it comes to number of students and graduates recorded each year. This provides a large talent pool for BS organizations.

Although proportionally the BS sector is bigger in European locations, this indicates a large growth potential in Asian countries.

In Europe, the largest number of students and graduates can be seen in Poland and Romania.

© 2025. Deloitte Central Europe

During a BS location analysis, gross salaries are a key component. For a mid-level GL accountant, Romania has the 6th lowest costs globally and 3rd in Europe.



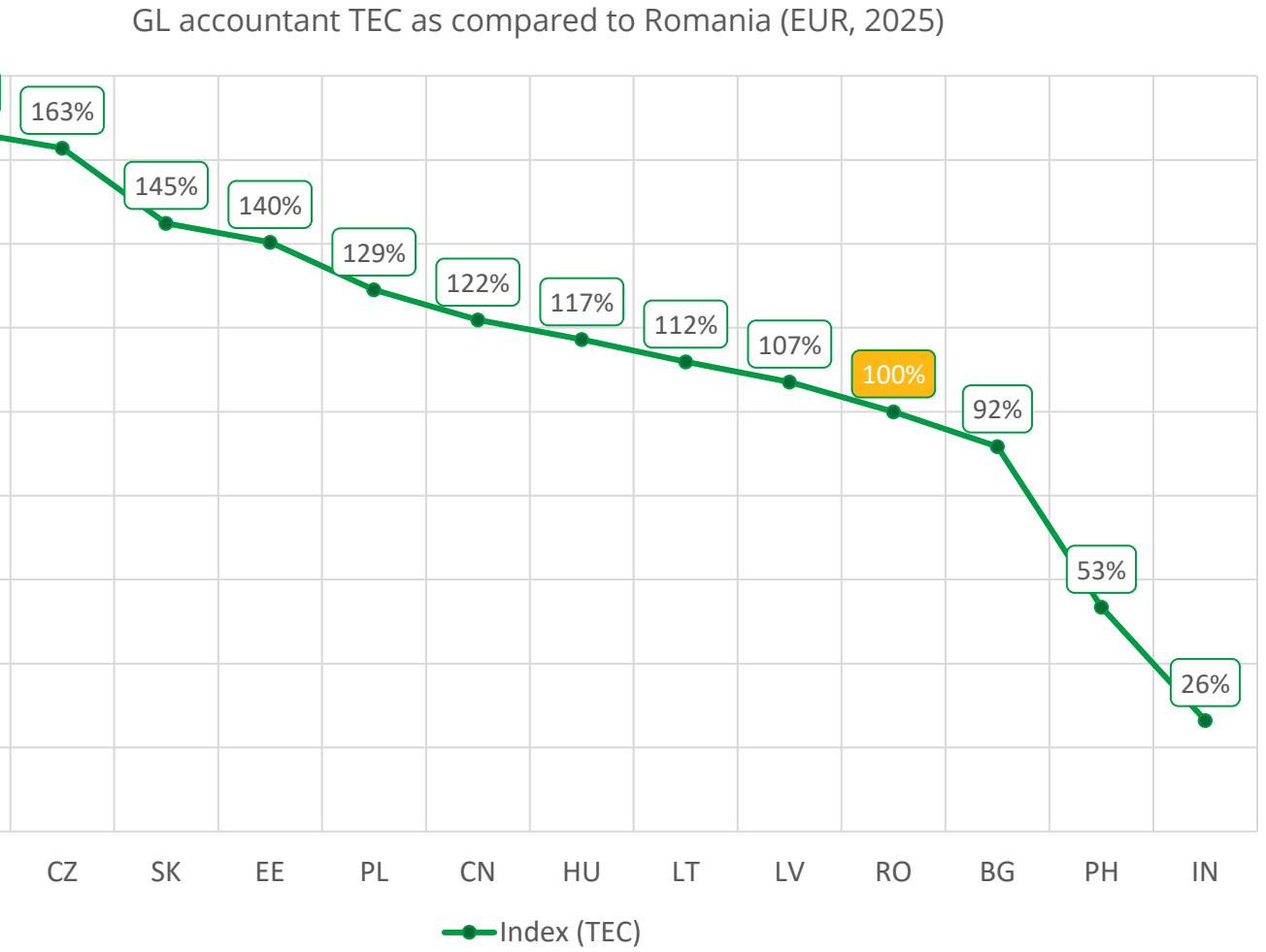
During location analyses gross salaries are often key components for the location decision. Gross salaries include all employee contributions and exclude any employer contributions.

When analyzing a mid-level GL accountant gross salary, Romania appears as the 6th lowest cost location. India and Philippines are significantly below any European location, being at 26% of the cost level in Romania.

Highest cost can be seen in Portugal and Czech Republic, which are 38% and 24% higher than in Romania.

© 2025. Deloitte Central Europe

When comparing total employment costs (TEC) for a mid-level GL accountant, Romania appears as the 4th lowest cost location globally and 2nd in Europe.



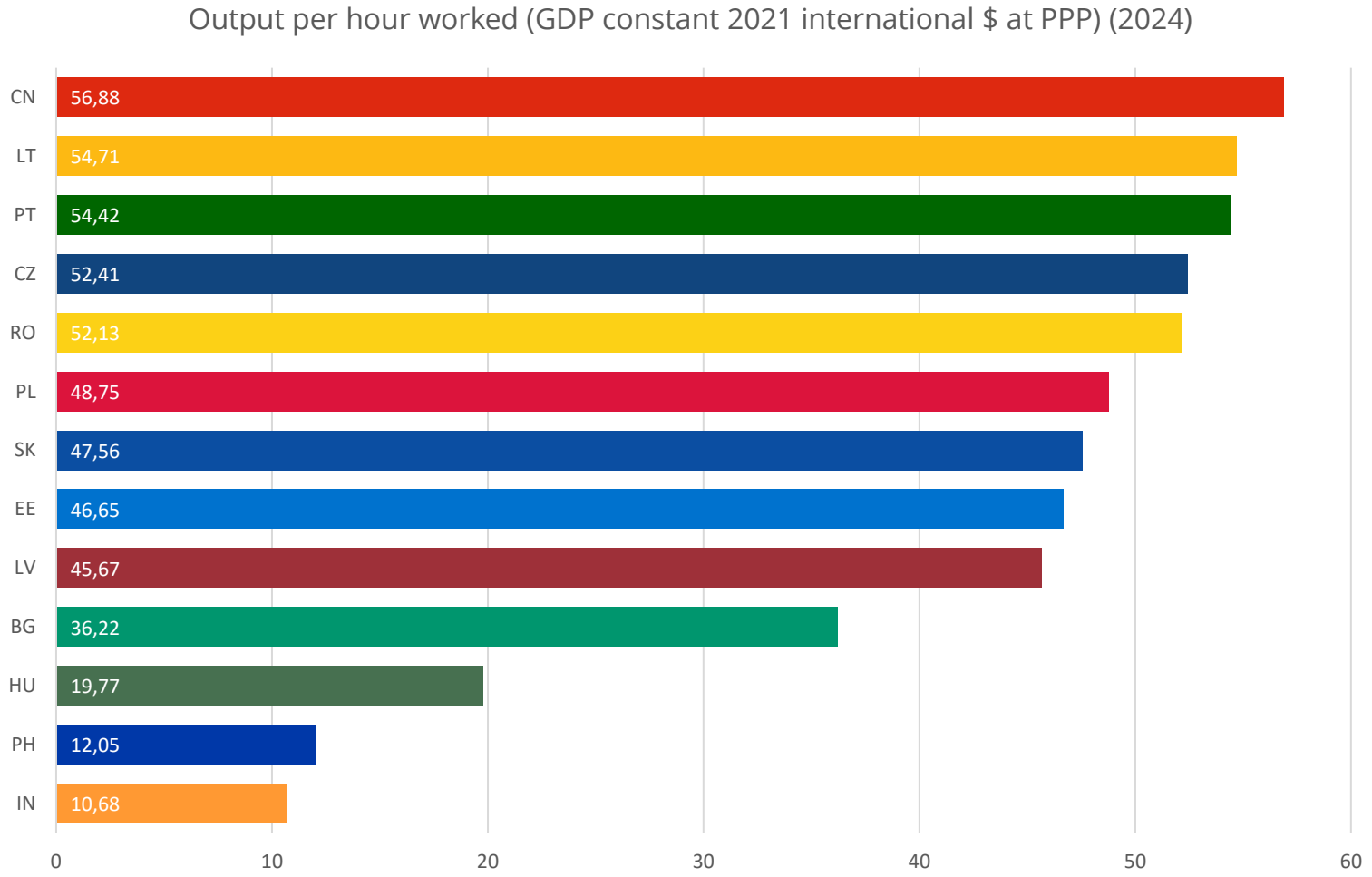
During location analyses it is crucial to consider total employment cost (TEC) rather than gross salary costs. TEC includes both employee and employer salary contributions.

When analyzing the TEC of a mid-level GL accountant, Romania shows the 4th lowest cost level. India and Philippines remain significantly below any European location, with India being at 26% of the cost level in Romania.

Highest cost can be seen in Portugal and Czech Republic, which are 67% and 63% higher than in Romania.

© 2025. Deloitte Central Europe

Labor productivity is highest in China, however, top 4 European countries have comparable productivity. Philippines and India show lowest values.



China has the highest labor productivity out of all the analyzed countries.

In Europe, productivity is comparable to China among the top 4 countries, with the highest productivity in Lithuania.

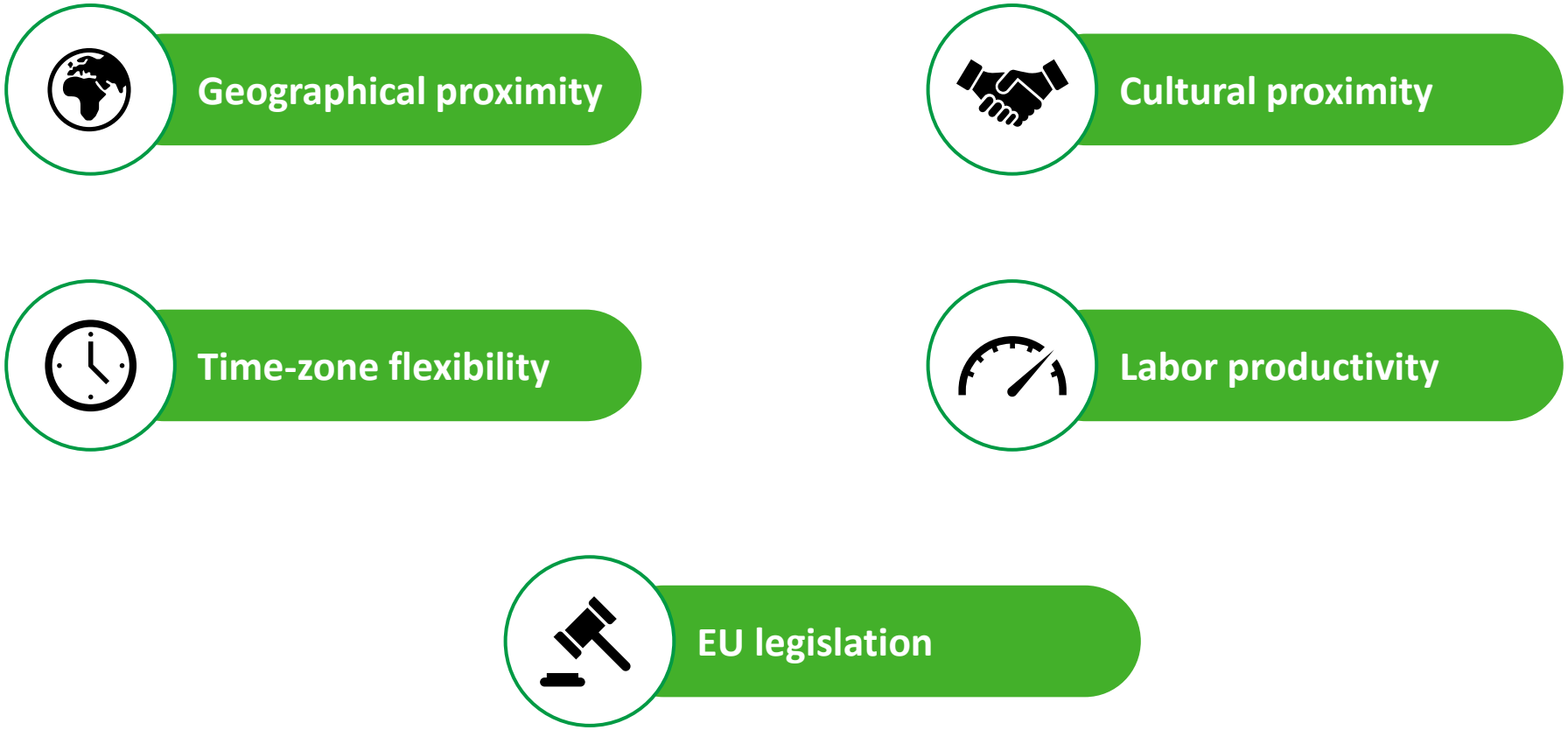
Romania is ranked 5th across all countries and 4th in Europe.

Lowest productivity is seen in India and Philippines, which are also the lowest cost locations.

© 2025. Deloitte Central Europe

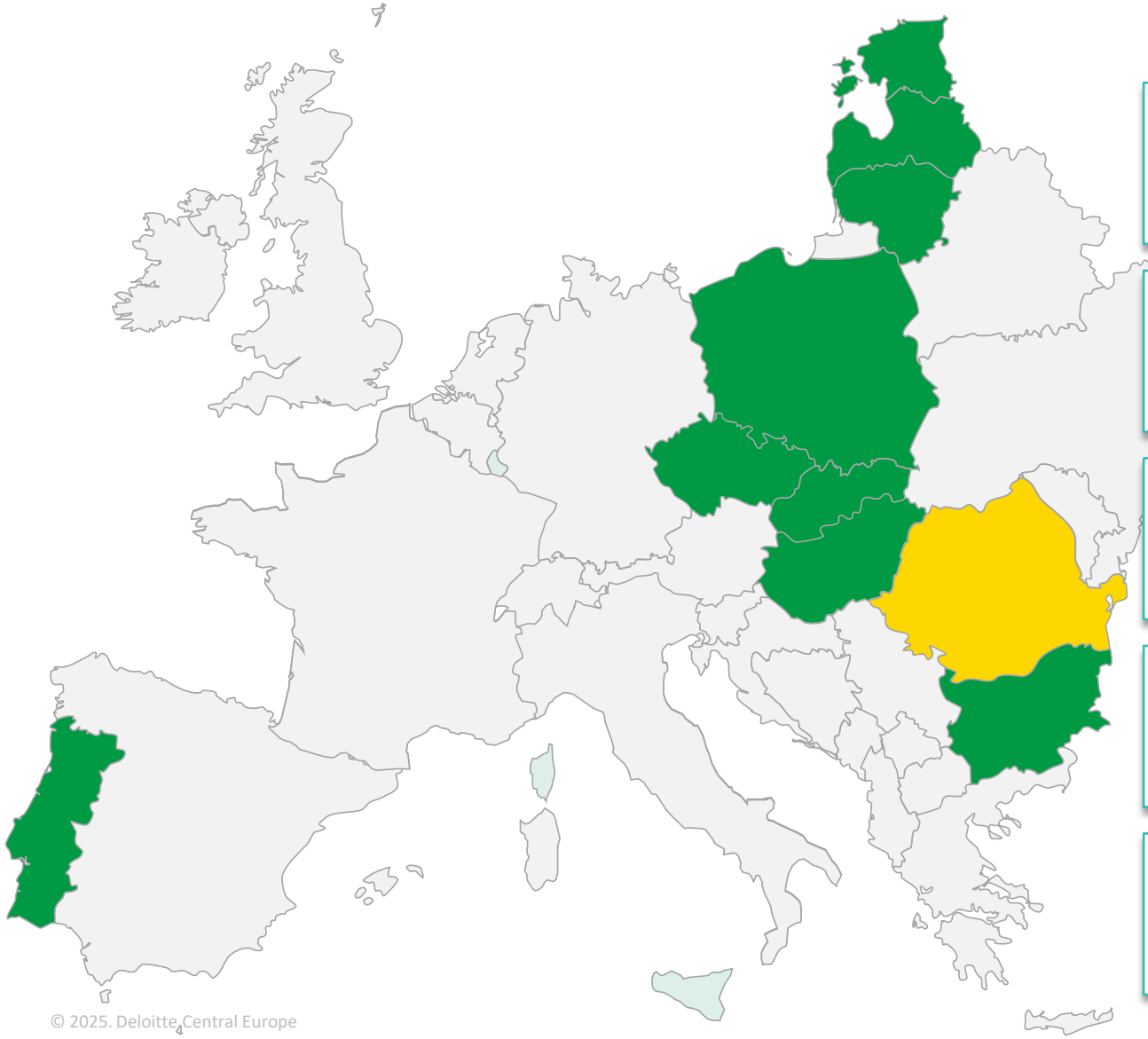
WHAT DOES THIS MEAN FOR EUROPE AND ROMANIA?

Although the BS market in Asia offers a larger talent pool size at often a significantly better price, Europe needs to focus on its key competitive advantages



© 2025. Deloitte Central Europe

Romania is a highly competitive business services location, offering a unique mix of cost efficiency, a significant talent pool and strong language capabilities



In Top 3 in terms of **business services sector size in Europe** with **over 280 000 employees***. The talent market is not fully saturated and offers significant room for growth.

Second largest labor force from European BS locations (8,2m) lacking only behind Poland. One of the largest **labor force with tertiary education** (1,8m).

Second largest foreign language pool in European business service locations with strong language capabilities in **English, French, German, Spanish, Italian and Russian**.

Total employment costs are **on average 4th lowest** from all analyzed locations and **2nd lowest in European** locations. Romania's **Tier 2 and Tier 3 cities** (10 cities with 200k+ population) offer **even lower costs** and **better opportunities** for growth.

Second largest output of university graduates among European locations and fifth largest from all analyzed countries. Universities are present in every business services location in Romania.

*Source: International Labour Organization (United Nations)

© 2025. Deloitte Central Europe

Q&A