

Go east for expertise

Eastern Europe is an attractive alternative to traditional offshoring, with cultural compatibility playing a major part in that shift. Sergei Levteev, right, CEO of software and services supplier **IBA Group**, explains to Rhian Owen how a high-quality workforce and lower costs drive clients to the company.



Rhian Owen: With organisations now looking at alternatives to traditional outsourcing hotspots, what are the advantages of Eastern Europe?

Sergei Levteev: Eastern Europe offers numerous benefits. IT companies here are able to implement complex and innovative projects because their programmers are educated in mathematics, physics, and other sciences. Software engineers show better understanding of clients' business needs in contrast to traditional outsourcing centres.

Countries of the region are characterised by political and economic stability, and prices are very competitive, even compared with traditional outsourcing destinations. Eastern European teams provide better project management because of their cultural affinity with Western customers.

IT companies in Eastern Europe like IBA Group have accumulated extensive experience in outsourcing. They have highly qualified IT resources, low employee turnover, a well-developed education system, and a favourable geographic location very close to Western European clients. Outsourcing or, in the case of Eastern Europe, nearshoring is poised to grow in the region.

You began as a small software development company, but what's business like today?

IBA Group is now one of the largest IT service providers in Eastern Europe. The company employs more than 2,500 IT and business professionals, and has offices in eight countries: Belarus, Czech Republic, the US, Germany, Cyprus, Bulgaria, Russia, and Kazakhstan. The company's service portfolio ranges from mainframe software, enterprise applications and web solutions to SAP consulting and implementation, and business intelligence. IBA Group serves clients in more than 30 countries across diverse markets and industries including banking, railways, telecommunications, manufacturing, healthcare, trade, and public.

IBA Group was founded 18 years ago in Eastern Europe. How do you see your position, as a mature company in this emerging market?

IBA Group has rich experience in the implementation of complex multiplatform projects and an excellent staff training system. The company's expertise in mainframe software and in legacy systems migration is second to none. We have complemented these benefits with advanced technologies, a solid knowledge of users' business processes, good understanding of the local Eastern European markets and new management methodologies.

Our competitive advantages include a proven ability to implement large-scale projects both in terms of size and longevity,

a strong reputation resulting from years of successful cooperation with clients and hundreds of completed projects, and a refined project management system.

What are the advantages for clients choosing IBA Group rather than a Western outsourcing company?

Cost efficiency. In many cases, IBA works in cooperation with Western IT vendors to combine our cost efficiency with their understanding of the Western market. IBA Group is on a par with Western outsourcing companies with regard to technical expertise, talent and creativity of IT experts, optimisation of business processes and infrastructure development. We are geographically close to Western outsourcing companies, and speak the same languages.

IBA Group recently won a European IT Excellence Award in the Relationship Management category. What is required from both sides to make such relationships work?

I would describe the company's relationships with clients as partnerships. We have been working with a number of customers for years, including IBM, Goodyear and Rockwell Automation. We came to understand each other, established personal relations and are looking to achieve win-win results. Both sides are required to be patient, to have good communication skills, and to understand each other's concerns and business needs. Trust is a must in client relationships. Our customers can be sure that we are always there to help them, however complicated or challenging the task is.

How do you see the Eastern European market developing in the next five years and what challenges still need to be overcome?

The Eastern European market has recently undergone a dramatic change. New laws were enacted to protect IP rights, the next step being their practical enforcement. A new generation of managers is assuming leadership. The growth is expected to speed up significantly in the next five years. The Eastern European market will move towards maturity and eventually reach the level of developed economies. I personally believe that young economies led by young people have a brilliant future. ■

Further information

IBA Group
www.ibagroup.eu

