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# МОЖЛИВОСТІ І ФОРМИ ІНТЕРНАЦІОНАЛІЗАЦІЇ БІЗНЕС-ПОСЛУГ

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У зв'язку з технічним прогресом бізнес-послуги мають велику частку в експорті та імпорті послуг. Близько 30 % постачальників бізнес-послуг надають їх «на відстані», що означає, що прямий контакт з постачальником сервісу для одержувачів цих послуг не є необхідним. Існуюча і краща якість послуг для бізнесу означає, що багато компаній екстерналізують велику частину послуг, які їм доручені, до спільних сервісних центрів.

Ключові слова: бізнес-послуги, інтернаціоналізація послуг, спільні сервісні центри.

## POSSIBILITIES AND FORMS INTERNATIONALISATION OF BUSINESS SERVICES

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Due to technological progress, business services have a significant share in exports and imports of services. About 30% of business service providers provide them off-site location, which means that direct contact with the recipient service provider for these services is not necessary. Availability and better services for business means that many companies are choosing to externalizing large part of the services entrusted them shared service centers.

Key words: business services, internationalization of services, shared services centers.

**Problem formulation.** In developed countries, systematically increasing the share of the services sector both in GDP and in total employment [1, p. 402]. There has also been significant, and in particular the value of services, including business services, international trade. This is due to the growing interest in business externalization of services largely outside the main profile of the company. Processes are conducive to the development of such market participants as Shared Services Centers, whose role in the economy increases also in Poland. Thus it seems important to maximize the benefits of this trend by identifying potential opportunities of internationalization services and choosing the forms for the type of services provided.

Analysis of current research and publications. The question of the possibility and forms of internationalization of business services is an issue of new in the Polish and foreign literature. The achievements of Polish scientific literature can be found a few items on the form of the provision of services on an international scale and the principles of the entities that provide them. However, there are publications indicating the potential for the use of these entities in the process of internationalization of services. The available literature does not indicate also the interactions between the type of services and possibilities of their internationalization. There is also a legacy treats shared service centers globally as one of the group of entities. Such a situation may arise, among others the fact that that the development of service centers in Poland gathered momentum only in the last few years with the development of the knowledge economy and technological progress, which allows you to transfer services through *outsourcing* and *offshoring*. Another explanation is difficult to access secondary data on shared services, which partly has been completed over the past few years through the annual reports published by the ABSL. Thus, in addition fragmentary analyzes based on basic economic indicators such as estimating the impact of shared services on issues of employment and unemployment, tax revenues, there are no studies dealing wider

development of the internationalization of knowledge-based services and shared services as their material of the cell.

**Article objectives.** This article aims to identify potential opportunities and forms of internationalization of business services. This goal will be achieved with the objectives of supporting: 1. Defining the role of services, including business services in international trade.

2. Indication forms of international exchange of business services and entities involved in it.

3. Identyfication market actors supporting the international exchange of business services.

The end result of the article is to determine the prospects for internationalization of business services.

**Presentation of main materials. International trade in services.** International trade in services is a relatively new phenomenon, dating back to the second half of the twentieth century. It is characterized by an upward trend, due to, among others the wealthier societies, administering more and more time off, resulting in increased interest. tourist services and education. Another important factor may be an increase in the production of goods for which act as complementary services exemplified by the transport services, insurance and banking. Another factor intensifying the international trade in services is a modernization of the third sector with the progress of technology, resulting in higher capacity commercial services [2, p. 7-11]. Service interpreted by K. Rogozińskiego as "made to order, provide jobs and benefits designed to enrich personal values or volume of use-values, which the recipient has" [3, p. 14] because it has a feature which is essential in the process of international exchange. One of them is the absence of a material which hinders the ability to capture the moment you cross the boundaries of the country. Other features of services, suitable for the specific nature of trade in services or inability to purchase services on the property [4, p. 18]. Typical features of services affecting their ability to trade, which has particular limitations. Determinants of merchantability services can be divided into three main groups:

1. "Determinants of specifications, such as telecommunications, data processing.

2. Economic determinants, such as the internationalization of markets, business strategies, transportation costs, transaction costs.

3. Political and cultural determinants, such as trade liberalization, confidence, language"[5, p. 3].

Of these factors, from the point of view of business services are particularly important determinants of technology. Innovations in this area because not only affect the marketing of these services but they are also an important part of establishing and maintaining business relationships. The ability of commercial business services can be enhanced through the use of appropriate ways to provide services. The World Trade Organization [6, p. 26] establishes the four modes of supply of services in international trade:

1. "Cross-border provision of services – is when the provider and recipient reside in other countries, and the distance does not matter to provide the service.

2. Consumption abroad – occurs when either the consumer is in a country other than their own, or the execution of the service takes place there, even without the physical movement of the consumer for the border.

3. Commercial presence service company in the country in which the service will be provided (Foreign Direct Investment).

4. The movement of natural persons to perform the services "[7, p. 65].

These modes of supply of services is an expression of the internationalization of the third sector, which is gaining in importance due to the use of information and communication technologies. The evolution of the international trade of commercial services are shown in table 1.

The largest share of international trade in services to other commercial services, including, among others telecommunications, information technology and other business services. Their share in exports in 2011 amounted to 53.7%, while in 2000 only 44.8%. Increasing the share of other commercial services

imports. In 2011 it amounted to 47.1%, while in 2000 - 41.4%. Despite the adverse cyclical conditions most likely delay the implementation of dynamic growth scenario, the share of modern services in international trade. Way to restore high growth in importance of services in international trade can be a modern form of the provision of services such as *outsourcing* and *offshoring*.

Table 1

Specyfication	Value	Share					
	(billion						
	dollars)						
	2011	2000	2005	2009	2010	2011	
Exports							
All commercial services	4170	100,00	100,00	100,00	100,00	100,00	
Transportation services	860	23,0	22,7	20,0	21,0	20,6	
Travel	1065	32,1	27,7	25,5	25,2	25,6	
Other commercial services	2240	44,8	49,6	54,4	53,7	53,7	
Imports							
All commercial services	3955	100,00	100,00	100,00	100,00	100,00	
Transportation services	1100	28,7	28,8	25,4	27,3	27,9	
Travel	950	29,9	27,0	24,4	24,1	24,0	
Other commercial services	1860	41,4	44,2	48,9	47,5	47,1	

World trade In commercial services in selected years (billion dollars and percentage)

Source: Own calculations based on: [8].

**Forms of international trade in services.** The main forms of international trade in services are outsourcing and offshoring. *Outsourcing (Using Resource Outsider)* linked to the acquisition of services previously produced by the company of other contractors (established in the country or abroad). The *offshoring* is "the process of production services in the territory of another state. It can be carried out by the company on the basis of internal operations or by outsourcing from foreign customer "[9, p. 147]. This definition allows us to distinguish two types of *offshoring* interpreted by E. Carmel and P. Tjia, as follows:

1. "Captive offshoring involves activities within the enterprise will involve the creation of a branch or subsidiary in terms of capital in another country. The relationship capital enables a company to control the manufacturing process services.

2. Offshore outsourcing is a project for a separation from the organizational structure of the parent company's performance, and the order of operators in another country "[10, p. 10].

Outsourcing means moving the selected parts of the business process to a third party, and offshoring refers to the location of production. Both in the case of outsourcing and offshoring can talk about its various types, as exemplified by the statement made by S. Gupta, P. Puranam and K. Srikanth and modified for the purposes of this article (see table 2).

Table 2

Property scope	Location unchanged	Location in slightly distance	Location abroad, often in a large	
			distance	
Full ownership	-	Captive nearshoring	Captive offshoring	
Fractional ownership	Joint venture outsourcing	Joint venture nearshoring	Joint venture offshoring	
Lack of ownership	Outsourcing (insourcing)	Nearshoring	Offshoring	

Types of *outsourcing* and *offshoring* of business services

Source: Own study based on: [11, p. 14].

*Offshoring* and *outsourcing* may take various forms, which are related to the areas of their application. The most common (and likely to be used in the case of business services) are as follows:

• "networking meaning business strategy services, which provides flexible access to specialized resources on a global scale, allowing you to engage a specialized company (often a network of companies) at any stage of the business process,

• outsourcer understood as a company giving up the performance of the services themselves and transferring them to another entity,

• outsourcing vendor relating to the firm over the implementation of service processes from other companies, sourcing input indicating a vendor outsourcing to outsourcer, learning about its business processes and optimize their acquisition of their execution,

• multisourcing, indicating a strategy that outsourcing and insourcing are used for the simultaneous transfer of business processes or parts to various locations,

• homesourcing defined as a strategy in which the services are rendered to the company by its employees or co-workers in their place of residence" [12, p. 48].

Internationalization of business services is possible through education in various different forms of exchange but also due to market conducive to the exchange.

**International service centers.** For decades, the world, and for several years in Poland created Shared Service Centre (SSC). SSC is the first phase of outsourcing activities on an international scale, which results in or may be moving its services to external Serving Center Business Processes (BPO). Service centers, due to the mode of operation of the principals, can be divided into:

• Shared Services Centers (common service centers) relating to the facilities involved, in addition to customer service, wide activities in the field of administration, such as accounting and human resources services, including support for transactions, supplier invoices, payment of wages, as well as legal advice [13, p. 21],

• Business Process Outsourcing (BPO) to denote the business process outsourcing or parts thereof. As it is, as a criterion for the type of service include, inter alia:

• knowledge process outsourcing (KPO) defining business process outsourcing, implementation of which requires high skills and knowledge "[14, p. 172],

• call / contact centers (call centers) to denote the centers providing these types of services, which is crucial to the flow and processing of information, eg. in the field of business services are different forms of aid information, advice or to carry out market research,

• offshore financial center (OFC) related to financial services centers, including accounting, human resources and insurance. These types of centers initially focused on the core financial processes (including contingent liabilities, receivables,'s assets, pay) and is currently expanding its formula of HR processes and reporting.

In Poland in 2012, there were 337 service centers with foreign capital. Most were centers BPO / ITO (131) and SSC (113). The rest (93) are the R & D centers. Half of this investment has been placed in the four largest cities: Warszawa (66 service centers), Kraków (55 service centers), Wrocław (42 service centers) and Łódz (37 service centers). An important part, because more than 20 service centers have their locations in the Silesia Metropolis, Gdańsk and Poznań [15, p. 17].

Shared Service Centers may be highly specialized or to operate in several areas. Narrow specialization may include process management financial and accounting processes, customer service, human resources, research and development, human resources and information technology processes and adopt if such a form of outsourcing or off-shoring:

• IT services consisting in the implementation of the company or the use of modern technologies, such as access to a common network of many companies ready to hire memory management systems for servers, creating and updating websites,

• CRM activities including written communication, telephone and electronic with current and potential customers,

• processing and information management designed to receive, organize and store information, written, oral and electronic,

• accounting and payroll involving the transfer of any third party actions accounting, human resources, social security, and many others such as the creation of applications for financing from EU funds or business,

• marketing relating to the commission to carry out market research or creating advertising campaign.

Analysis of the structure of services in service centers in Poland indicates that most of them provide financial and accounting services (108 centers), IT (107 centers), and research and development (106 centers). The cities also have their specialization (see table 3).

Table 3

Location	Specialization of centre		
Warszawa	1. Finance and Accounting		
Kraków	1. IT services.		
	2. Finance and Accounting		
Wrocław	1. Research and development (including software development)		
Łódź	Without specialization		
Silesia Metropolis	1. Customer Service.		
	2. Human Resource Management.		
	3. IT services.		
Trójmiasto	1. Research and development (including software development)		
	2. IT services.		
Poznań	1. Finance and Accounting		
Szczecin	Without specialization		

### **Specialization of Service Centers in Poland**

Source: [16, s. 33].

Employment in service centers in Poland is estimated at a total of 85,000 people. Average service center in 2012, employing 252 people. For BPO / ITO value is 289 people for SSC – 264 people, and for research and development centers 183 persons. The vast majority of employees are people with higher education, which account for 90% of all employees. The average age of the employee sector is 29-30 years old and is growing. Average length of service is three years and there is also a noticeable trend. The lowest monthly gross salary in service centers, including bonuses and allowances amounted in 2011– 2266 PLN (Junior Specialist) and the highest stood at 41 200 PLN (SSC / BPO Director) [17, p. 27].

Rising powers of Polish workers may help in the coming years, each new service centers in Poland.

**Conclusions and prospects for future research.** Business services due to their specificity especially vulnerable to globalization and the need for change in order to adapt to new conditions. With advances in technology emerged, as new markets and new rules for their organization. In addition, the development of communication and the liberalization of international trade in services conducive to the emergence of new forms of benefits, among which an important place is outsourcing and offshoring services. Element supporting the deepening of the international trade in services are Shared Service Centre for the ideal location for many years were India, China, Malaysia and Thailand. The gain will also be important countries of Central and Eastern Europe, including Poland. The reason for that is not only the ability to deliver a quality service at an affordable cost as well as access to a skilled workforce, ICT and energy security, and access to modern office space. Limitations in the development of the business services are located of the scientific community with businesses, rising labor costs and lack of flexibility in labor laws and poor knowledge of the industry among officials in some cities. Maintaining a strong position in the region by Poland will be made possible by conducting investor-

friendly policies, to implement measures to strengthen cooperation between business and universities and to better prepare staff to meet the needs of foreign investors.

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