

Ukraine Ranks 1 in Central and Eastern Europe By the Number of Software Developers

[IT Sourcing Europe](#) highlights the findings of the 2010 Global Services ITO/BPO industry research in terms of the world's leading IT outsourcing locations.

Global Services (GS), a global outsourcing industry analysis company, has recently completed its List of the world's 100 leading ITO/BPO services providers as well as the List of Top 20 locations for ITO/BPO services. Both vendors and locations were analyzed in terms of the following parameters: management excellence, customer maturity, global delivery maturity, breadth of services portfolio etc.

According to the GS Top 20 Locations List (2010), the world's leading countries by the number of software developers employed are: India (514,157 developers), Philippines (97,740 developers), USA (42,808 developers) and China (34,672 developers). Ukraine ranks 11 globally and 1 in Central and Eastern Europe by the number of employed developers (5,816). By this parameter it leapfrogged Russia (5,113 developers), Belarus (4,534 developers), Poland (1,963 developers) and other Central and Eastern European countries.

This finding supports the previous findings of IT Sourcing Europe's "Central and Eastern European ITO Research 2010", in which we analyzed and compared the 6 leading CEE locations (Ukraine, Russia, Belarus, Poland, Hungary and Romania) in terms of macroeconomic environment, level of innovation, innovative business models, Intellectual Property security, software development costs and availability of IT resources. According to the research, Ukraine ranked 1 in terms of innovation, innovative business models, development costs and availability of IT talent. The points it received in these parameters allowed Ukraine to rank 1 among the CEE most favorable locations for the outsourced software development.

(Source: [Global Services](#))

Ukraine

Ukrainian government support for the ICT industry has been reprioritized, and since late 2008, the government has undertaken a series of emergency measures to stabilize the banking sector.

The government has created the Ukraine Development Gateway Project to promote electronic government (e-government) and support an information economy in the country.

According to Gartner (2009), the telecom services are operated in the country by an estimated 1,300 companies and the country has a very good prospect for Internet access and Internet Protocol (IP) services.

For the first quarter of 2009, the average real monthly wage in the ICT sector declined by almost 17% versus the same quarter for the previous year.

The continuing decentralization of outsourcing industry in Ukraine remains a positive factor for IT services market development. Outsourcing accounts for more than 70% of software development activity in Ukraine. In 2009 UKraine's ITO market value reached EUR 389.6 million.

Affected by the economic stagnation, small outsourcing services providers have to merge with the larger players or discontinue their operations. Leading outsourcing companies have managed to restructure and optimize their business to become more client-centric, which has led to substantial revenue growth and made Ukrainian IT outsourcing market go beyond traditional outsourcing (typical of India and China) and move to a next stage of outsourcing maturity.

Ukraine resides among the lowest-cost destinations for IT outsourcing in Europe, according to Gartner.