

Global Talent Competitiveness Index (GTCI) 2019 Bulgaria - Country Brief

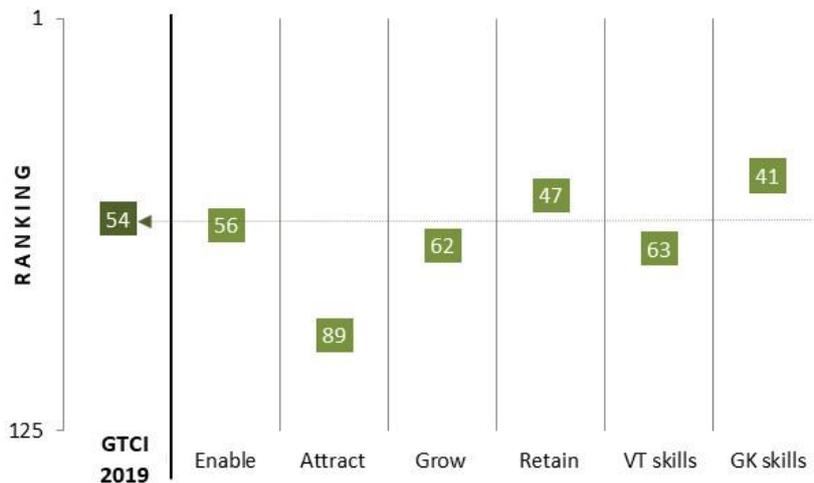


TOTAL POPULATION (MILLIONS)	7.08
GDP:	US \$56.83 BILLION
GDP (PPP) PER CAPITA:	US \$20,329.34 (57 OUT OF 125 COUNTRIES)
COUNTRY INCOME LEVEL:	UPPER-MIDDLE INCOME
GTCI 2019 RANKING:	54 (OUT OF 125)

Global GTCI Position

In GTCI 2019, Bulgaria is ranked 54 out of a sample of 125 countries (Figure 1). The country’s benefits from a relatively good performance in retaining talent and a fairly strong pool of Global Knowledge (GK) skills. Its rank in the pillars related to Enable, Grow, and Vocational and Technical Skills are close to its overall GTCI ranking. Bulgaria’s greatest challenge, meanwhile, remains its ability to attract talent—both in domestic and external terms.

Figure 1: Bulgaria global ranking (GTCI sample of 125 countries)



Comparison with different groups of countries

Bulgaria belongs to the European region and is classified as an upper-middle-income country.¹ As can be seen in Table 1, its relative ranking is better within its income group (78 percent of countries in this group rank lower) than within its region (22 percent of countries rank lower). Also, the score “gap” of Bulgaria is larger when compared at the regional level than at the income-group level (i.e. the difference in score is much larger with respect to Switzerland

¹ The regional categories are based on the United Nations’ sub-regional groups, while the income group categories are based on the World Bank’s 2018 classification.

than with respect to Malaysia). This is not surprising, since GTCI scores vary more within regions than within income groups and there are many high-income and upper-middle-income countries in Europe.

When compared to other regions beyond Europe, Bulgaria only compares relatively favourably against countries in Central and Southern Asia (100 percent of countries rank lower), Sub-Saharan Africa (96 percent of countries rank lower) and, to a lesser extent, Latin America and the Caribbean (72 percent of countries rank lower). As for other income groups, Bulgaria ranks above the top performers of, respectively, the lower-middle-income and low-income countries, but—as would be expected—its GTCI score is close to the bottom within the group of high-income countries.

Table 1: Bulgaria GTCI performance vs. groups of countries

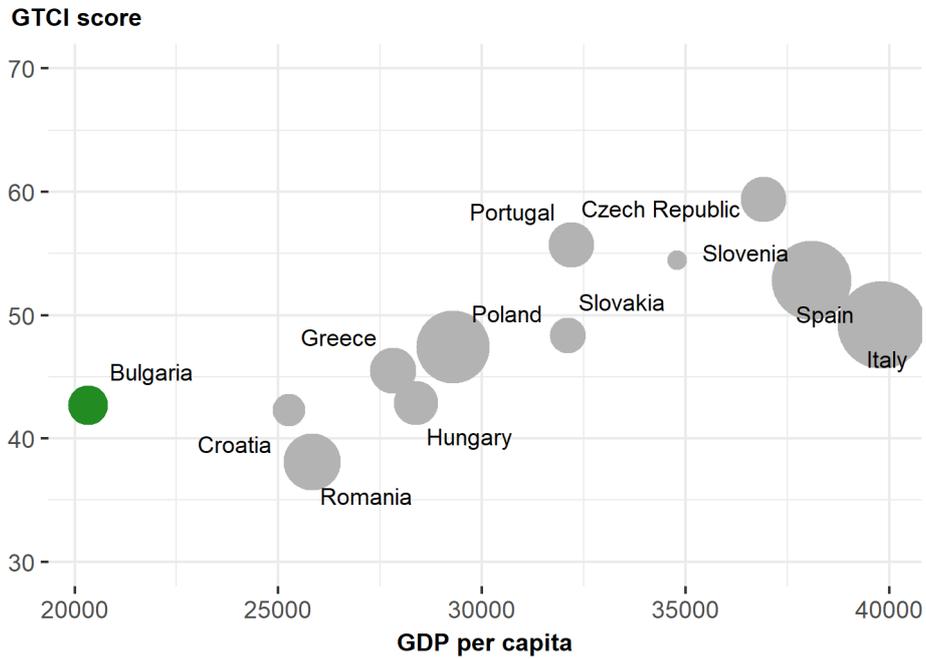
Comparison Group	Top 3 scorers of the group	Score GAP: Bulgaria score minus group highest score	% of countries in the group ranked below Bulgaria
(by Region)			
Central and Southern Asia	Kazakhstan, India, Tajikistan	0.9	100%
Eastern, Southeastern Asia and Oceania	Singapore, New Zealand, Australia	-34.6	47%
Europe	Switzerland, Norway, Denmark	-39.1	22%
Latin America and the Caribbean	Chile, Costa Rica, Uruguay	-9.5	72%
Northern America	United States, Canada	-33.9	0%
Northern Africa and Western Asia	United Arab Emirates, Israel, Qatar	-23.2	58%
Sub-Saharan Africa	Mauritius, Botswana, South Africa	-2.4	96%
(by Income Group)			
High-income countries	Switzerland, Singapore, United States	-39.1	6%
Upper-middle-income countries	Malaysia, Costa Rica, China	-15.9	78%
Lower-middle-income countries	Philippines, Ukraine, Indonesia	1.8	100%
Low-income countries	Rwanda, Tajikistan, Gambia	5.2	100%

The group of competitors

Bulgaria's group of competitors is defined as high-income and upper-middle-income countries located in Eastern and Southern Europe. In all, this group consists of 12 countries and Figure 2 visualises how Bulgaria fares against these countries by plotting their GTCI scores and GDPs per capita.

Bulgaria seems to punch above its weight when it comes to talent competitiveness because although it has the lowest GDP per capita of the group of competitors, it outperforms two countries (Croatia and Romania) and has a GTCI score that is only slightly lower than those of three countries (Greece, Hungary, and Poland). To be sure, there is a considerable gap to the best performing country (the Czech Republic), but even a country as rich as Italy—with a GDP per capita almost twice as high—ranks merely 16 places higher than Bulgaria.

Figure 2: Bulgaria GTCI score vs. the group of “competitors”

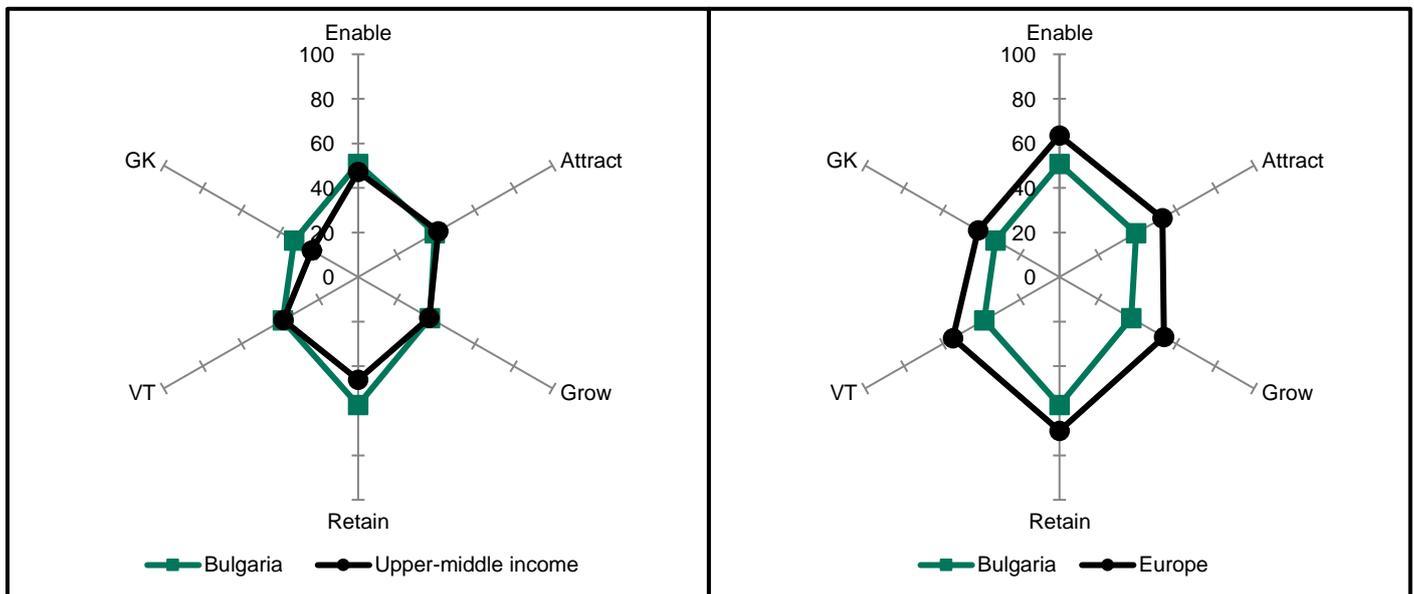


Note: the size of the bubble indicates the size of the country population

Performance across Pillars

Bulgaria does not compare favorably to the average scores of European countries in any of the six pillars (Figure 3). The Global Knowledge Skills pillar apart, the gap between Bulgaria’s and the average European scores are at least 10 points. By contrast, Bulgaria scores above the average of upper-middle-income countries in five of the six pillars; a slightly lower score in the Attract pillar being the exception. The greatest gaps are with respect to the Retain and Global Knowledge Skills pillars, where the former is primarily driven by its lifestyle variables and the latter is boosted by the sub-pillar related to Talent impact.

Figure 3: Bulgaria pillar scores vs. relevant comparison groups



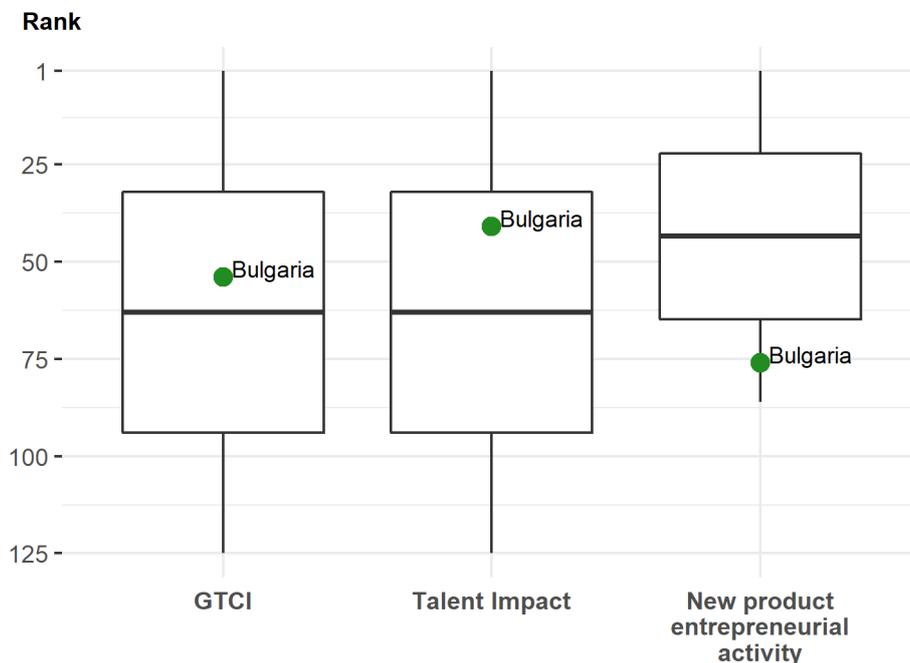
Entrepreneurship and talent

Talent competitiveness refers to the set of policies and practices that enable a country to develop, attract and empower the human capital that contributes to productivity and prosperity. Key attributes of this human capital include mobility, diversity, and a readiness to adapt in a rapidly changing world: in a word, entrepreneurship. Indeed, entrepreneurial talent is a critical component of competitiveness and innovation, and will become even more so in a fast-paced world which continues to combine digitisation and globalisation.

There are several dimensions of the GTCI that have a bearing on how to nurture the kind of entrepreneurship that is required in today’s knowledge economy, i.e. one that has an appetite and ability for mobility, adaptability and innovation. The pillar that best captures entrepreneurial talent is the one related to Global Knowledge Skills. Above all, the Talent Impact sub-pillar and the variable New product entrepreneurial activity are of particular interest because of their relevance for innovation and entrepreneurship (more broadly in the former case and more narrowly in the latter case).²

Figure 4 shows how Bulgaria performs in these two dimensions and in the overall GTCI. As can be seen, it performs well with respect to Talent Impact, but is ranked in the bottom quartile when it comes to New product entrepreneurial activity. The relatively high rank in the Talent Impact sub-pillar is mainly boosted by Bulgaria’s high New business density and, to a lesser extent, by a fairly strong Innovation output. New product entrepreneurial activity, meanwhile, is the lowest-ranked variable within the sub-pillar, which suggests that one of the challenges facing Bulgaria is to develop entrepreneurial talent further.

Figure 4: Performance in variables related to entrepreneurship



² The Talent Impact sub-pillar includes Innovation output, High-value exports, New product entrepreneurial activity, New business density, and Scientific journal articles.

The variable New product entrepreneurial activity refers to the percentage of total early-stage entrepreneurs who indicate that their product or service is new to at least some customers AND that few/no other businesses offer the same product.