

"The most important factor in a remote development scenario is effective reporting and communications between the outsource team and the client team," Mitrais vice president Mike Page raises the key issues of outsourcing software development.

Outsourcing software development has changed. Once it was "let's replace my guys with your guys and save some money", a strategy that doesn't acknowledge the investment that a software house has already made in its own intellectual property.

Now the sentiment is "let's outsource the development and move my guys into client facing and strategic roles that add more value to the organisation".



Mike Page - Mitrais VP Software Development

This leverages the experience within the client's team and simplifies getting buy-in from its members since they don't feel threatened and their jobs get richer and more interesting. By preserving the intellectual capital that is its staff, the business enhances its intellectual property.

Outsourced software development is not really too different from insourcing, except that the challenges can be magnified by physical distance. Essentially however it remains the need to balance the triangle of people, technology and process.

One of Mitrais' key ingredients for successful project execution is solid development and management processes. These reduce fear, uncertainty and doubt by codifying strategy and providing transparency to clients at every stage.

Mitrais invests heavily in accreditation of its processes against the industry standard, the Software Engineering Institute's Capability Maturity Model (or CMMi). This is the global gold standard of software engineering processes and its adoption has yielded great improvements in Mitrais' ability to execute and deliver projects for clients around the world.

Mitrais highlights three factors –the 3 Rs - as essential to successful project execution:

- Requirements
- Risk Management
- Reporting

Requirements analysis involves gathering and agreeing with the client the aim of the work and the outcomes of the project at the outset. Everyone involved in the project must have a clear understanding on what is being done and how it is being done, to ensure its success.

Risk management is about understanding and acknowledging what might go wrong before it happens. Like other types of engineering, software engineering has risks but taking the time to assess their likelihood, impact and mitigation strategies, minimises surprises.

The risk may be owned by the outsource provider in a fixed price engagement, shared between outsourcer and client in a time and materials project or shouldered entirely by the client in a seat outsource or captive team arrangement.

The degree of risk assumed by the client will directly influence the price the client pays for the service – lower risk comes at a premium.



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Undoubtedly the most important factor in a remote development scenario is effective reporting and communications between the outsource team and the client team. The single greatest difference that clients note with outsourcing over internal development is the sense that they are disconnected from the team.

It is unusual not being able to walk next door to the development team and see what it is doing. The informal, unstructured methods of checking on project progress, are not as easily available.

The best outsource clients manage their teams as though they were in the same building using the spectrum of communications tools. Email, messaging, video and VOIP telephony mean that a remote team can be almost completely integrated into the onsite team.

Formal project reporting is a must to keep everyone on the same page and ensure that expectations remain aligned across the entire team.