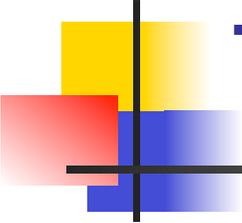


Surviving Outsourcing

Andy Longshaw, Blue Skyline
Eoin Woods, UBS Investment Bank



Timetable

00:00 - 00:10 - Introduction and objectives

00:10 - 00:20 - Presentation: outsourcing models

00:20 - 00:40 – Ex 1: "*Here or There?*"

00:40 - 00:55 - Discussion 1: Collate outputs of Ex 1

00:55 - 01:15 - Ex 2: "*That's Easy For You To Say!*" setup

01:15 - 01:30 - Break

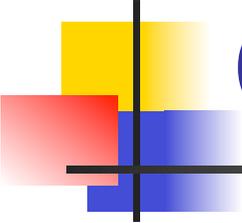
01:30 - 01:45 - Ex 2: "*That's Easy For You To Say!*"

01:45 - 01:55 - Discussion 2: Collate outputs of Ex 2

01:55 - 02:15 - Ex 3: "*Damage Limitation*"

02:15 - 02:35 - Proposed project presentations (5 mins)

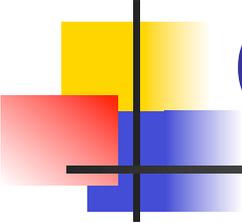
02:35 - 02:45 - Summary and recap



Outsourcing Models

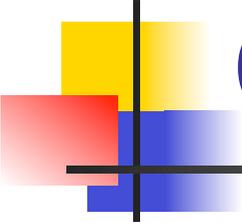
- Outsourcing:

- *Performing some or all of the work related to a project using staff members not employed by the acquiring organisation, possibly on-site with the acquirer, possibly off-site in the same country or possibly off-site in another country*



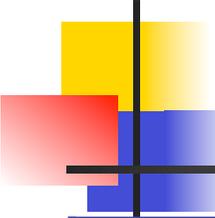
Outsourcing Models

- Employ acceptance or system testers from an external organisation
- Employ acceptance or system testers in another country
- Employ developers from an external organisation
- Employ developers in another country



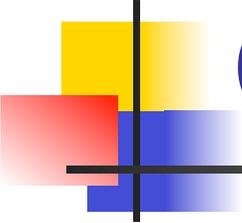
Outsourcing Models

- Possible dimensions of outsourcing
 - Roles to be outsourced?
 - Geographical location of staff?
 - How to manage outsourced staff?
 - local PM or outsource this too?
 - Use of “proxy” staff to represent outsourced staff?
 - Who is responsible for delivery?



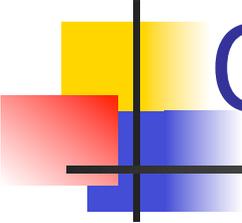
Example Outsourcing Problems

<i>Problem</i>	<i>Possible Cause</i>
Wrong delivery priorities used	Misaligned goals
Wrong software delivered	Poor specification and review
High management overhead	Outsourced tasks too small
Unexpected problems late in project	Lack of day-to-day management
Poor consistency and integration	Poor overall project design integrity
Project costs higher than expected	Focus on day rate not actual costs
No ownership of problems	Lack of clear accountability
Regular problems with communication and reporting	Poor cultural compatibility



Outsourcing Models

- Hundreds of possible variations on the overall theme
- Need to focus on a small subset for this workshop
- We've selected three models to work with



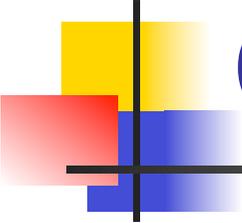
Outsourcing Models for Exercise

- **Remote coding**
 - people who write code and unit tests are remote
 - analysts, managers, architects some testers local
- **Remote software development**
 - Everyone directly developing the software is remote (developers, PMs, architects)
 - Proxy staff on site to talk to local staff
- **Remote project team**
 - The entire project team is remote (including all project management, analysts and testers)
 - Proxy staff on site to talk to local staff

Exercise 1

Here or There?

- Split into groups
- For the 3 types of outsourced project
 - What could be the benefits?
 - What could go wrong?
 - Who wins or loses (developers, project managers, project sponsors, testers, ...)



Outputs of Exercise 1

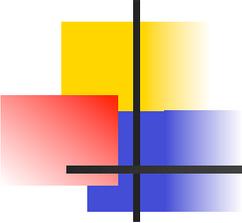
- What did your group think?
 - What are the possible benefits?
 - What are the possible problems and risks?
 - Who wins?
 - Who loses?

Exercise 2

That's Easy For You To Say!

- Preparation

- We aim to simulate some of the problems of outsourcing
- Split groups into “*internal*” and “*outsourced*” halves
- Prepare your position, for a specific (supplied) scenario, for a meeting to negotiate how to run an outsourced project



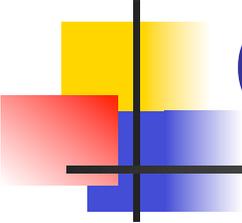
Break

- Back in 15 minutes please!

Exercise 2

That's Easy For You To Say!

- Role play
 - Play out the meetings that you prepared for before the break
 - Take notes as you go to record how the meetings unfold and what you're observing



Outputs of Exercise 2

- How did the role play go?
- Did either side gain more of their goals than the other?
- Was one agenda dominant?
- Do you think the project will now run smoothly?

Exercise 3

Damage Limitation

- You're on an outsourced project ...
what now?
 - What can you do to ensure that the project is successful?

Exercise 3

Damage Limitation

- Practices to consider
 - Conference calls / Video conferences
 - Instant messaging / Email updates
 - Proxy staff members on-site (either site)
 - Rotation of staff between sites
 - Automated testing
 - Continuous integration
 - “Formal” specifications
 - Reviews and inspections

Exercise 3

Damage Limitation

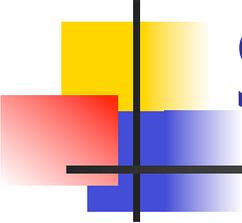
- Which practices will be helpful?
- Which practices will cause problems?
- Do the different practices apply in different situations?

- Prepare a 5 min presentation explaining practices you'd use to run an outsourced project

Exercise 3

Damage Limitation

- Presentations
 - Remember: 5 minutes each!



Summary and Recap

- Outsourcing is common and popular
- Many models to choose from
 - Location / roles / responsibilities / ...
- Conventional wisdom suggests that it can be made to work
 - Video conference, email, IM, travel, ...
 - Mostly technical “fixes” to people problems
- What have we concluded?