

Simplesoft

Creating Ideas.....

Offshore Software Development

some ideas

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Prologue

In the first sense, "IT outsourcing" means hiring somebody outside your company to provide IT services. Outsourcing is most common for companies whose IT needs is well known in advance. Offshore Outsourcing of software is simply software development at another location. Offshore outsourcing means delegating responsibilities to an external overseas organization having a facility connected with the client's location using high-speed data communication links to allow engineers and managers to communicate on a real-time basis. Clients on the other side of the globe can monitor developments and project milestones on an up-to-the-minute basis, ensuring both quality and progress.

Benefits of outsourcing

Offshore outsourcing has a number of benefits to its credit. Some of them are:

- Experience
- Flexibility
- Cost Benefits
- Independence

Business Analysis, Technical Skills and Project Management Skills are three most important parameters for any successful IT project.

It is hard to judge quality of a service provider and the attitude of a client within a short span of time. Some providers are good in all three above-mentioned areas whereas IT outsourcers may also be good at all three or at none of them or vice versa. This relation builds over a span of time and that's how the experience of the both the parties grows.

It is not always the provider's fault in case of a failed project. Frequent change in the job scope in many cases completely changes the project scenario and at the same time costing parameters. If this kind of things happens in the middle of a project then the problems begin.

There is one way to judge someone's skill and attitude. Try with a short project or break a large project into shorter modules. This helps both the parties to scale each other.

Flexibility is another important parameter for offshore software development. Large projects with shorter delivery schedule one can use offshore programming to limit the number of new employees and administrative support personnel.

A good offshore development company always allows you to optimize the number of programmers you have access to and better yet, we are just a phone call away.

For any start-up companies the benefit of using a offshore software development facility is monumental. The costs of offshore development are much lower in compared to hiring programmers onsite.

The value of Indian currency is much lower than that of most developed nations. This introduces a large gap between the cost of resources in India and most developed nations around the world.

The final major advantage of offshore software development is independence. There is no additional cost burden on the outsourcer and he can cease working with any offshore development partner as when required basis. As all the employment liabilities are on the shoulder of the developers the customers are always sitting pretty in an advantageous situation.

Risk sharing

An offshore software-outsourcing project is a partnership between the outsourcer and the development company. It enables risk and responsibility sharing. In this process the entire arrangement improves focusing on core business.

Favorable government policies

The government of India is constantly working in the support of IT companies by developing IT infrastructure and providing various legal benefits. India has a separate IT ministry to ensure growth and welfare of the industry as a whole. India is one of the few nations in the world that has special cyber laws. In many cities of India separate software technology parks have been established.

Service Provider Selection

The first and the most important step towards a software development outsourcing is the vendor selection. The vendor selection process comprises of response to RFP (Request For Proposal), presentation and interview (voice or video).

After short listing a set of vendors from the above processes the client comes into price negotiation and other legal formalities and awards the contract to the best possible one.

The key for the right vendor selection is to prepare a comprehensive RFP (Request For Proposal). In this way you can create competition between potential vendors and at the same time cut your cost.

Finally

If the project is long-term and expensive one, it is always better for you to visit your potential vendor. You might think this as wastage of time and money. But you should take this opportunity to know the offshore service provider's office and know their country and culture.

A face-to-face discussion with the assigned development team from the OSP will help you to communicate and notify about the importance of the project and ensure that it won't get neglected.

Some offshore vendors might even demand additional payment for the expenses they incur due to such visits. You and your offshore partner should understand each other's concerns: you can't let your project develop as it might, while your OSP shouldn't be distracted from work and kept nervous.