

5

Things to Consider when Outsourcing Product Development



So you're ready to build your **product**?

Nice! But...before you dive in head first, save yourself a major headache and consider these things first.

1.

Understand what you want, but also understand that it's going to change

Onshore vs Offshore - How to put your product development in the best hands

2.

3.

Choose a partner that understands you

Prioritize near term targets, but not at the expense of long term

4.

5.

Ask questions early and often

AT A GLANCE

5 Things to Consider When Outsourcing Product Development



IMAGINE THIS...

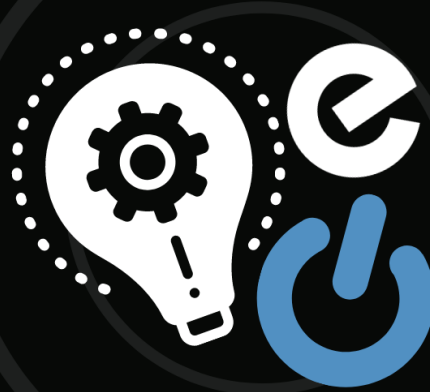
You've got an idea, or maybe you've already got a product in play and are just looking to add features to it, but you don't have the team, the skill sets, or the bandwidth to build out the application yourself. You could hire, but that comes with its own costs of dependence on a sometimes singular resource, a strong likelihood that you'll need to give up equity if you're a startup, and the need to manage a technical resource which may not be something you have experience with nor are comfortable doing.

The decision is made that you need a technology development partner to help get you to your destination. But you've heard the horror stories of missed deadlines, budget overruns, requirements not being met, etc. You're wary of the process and for good reason. At Elevate we've seen this play out far too many times. It's often a catalyst for our clients choosing to partner with us after having had a bad experience. However, we'd prefer to see our clients avoid the pain and as such we've put together some of the top items to consider as you choose a partner to manage your technology build out and maintenance.

SO, WHERE DO YOU START...?

1.

Understand What You Want...



but also Understand that it's Going to Change

START HERE

Software engagements fail at an alarming rate due to a variety of factors, but one very common issue is a failure to account for change. The current vision of your product will almost inevitably not be what eventually hits the market after development. Markets change, environments change, users change, technology changes and your development team needs to be equipped to work through this.

We recommend that as you evaluate your options you look for a partner that is an Agile adherent and furthermore a partner that emphasizes transparency in its processes and actions. At Elevate, we tailor an Agile process to the specific needs and technology aptitude of our clients. We're also highly transparent allowing for the client to understand the successes, but also be aware of the challenges as they come. Our Agile process is built for change and our transparency enables our clients to understand the trade offs associated with those changes.

2.

ONSHORE VS OFFSHORE

How to Put Your Product Development in the Best Hands

Whether or not to offshore or onshore your development will inevitably be a question nearly everyone will need to answer. We all know the obvious perceived benefits of lower rates, but quite often there's more to this decision than initially might meet the eye. We've had numerous clients come to us after struggling with an offshore partner. Though we love new clients, we hope to help inform you so you can make the best decision for your team from the start. Here are a few topics we recommend you consider:

TIME ZONES

We live in a global world with the means to communicate with anyone at virtually any time of day. Which is true on paper, but over a larger amount of time, time zone disparities become real issues. You end your day by asking your offshore partner to complete a task... they begin their day by having questions on the task... and through no one's fault a whole day is lost. These issues become even more magnified in production go live scenarios where fixes may need to be made in a matter of seconds or minutes. Be sure you can tolerate gaps in service if you make the decision to offshore.

**ALTHOUGH TEMPTING,
CHEAP ISN'T ALWAYS
GREAT**

TOTAL COST OF OWNERSHIP

On the surface a cheaper rate feels like a win. However, it's important to think more holistically. If your outsourced partner takes twice as long to complete a task, the rates become irrelevant and your time to market is pushed out. This directly inhibits your ability to make money off of your application. Not only are you spending the same or more, but your revenue streams are shut down while development gets pushed to the right.

YOUR ABILITY TO ENGAGE

Offshore firms often excel at running on their own. In the right situation this can be great, but quite often this presents challenges in that key decisions are made without your input and issues are not brought to your attention at an efficient pace. It will be important to consider the time you have for oversight and whether or not that is the right use of your time.

3.

"TRANSPARENCY IS FUNDAMENTAL TO A SUCCESSFUL PARTNERSHIP"

This is often the most difficult aspect of choosing a partner. To truly be successful you'll need a partner that understands your vision and understands the nuance in your desire to bring a product to market. You also need a partner that can speak to your level of technology experience and vice versa can understand the language of your specific situation.

Transparency is fundamental to a successful partnership. As you go through the feeling out process, make sure that you're getting the level of information you need. Pay attention to how a prospective technology partner adjusts to your needs as you're moving through the process, and look for someone that will tell you when something is wrong. Not from a combative sense, but from a constructive perspective of identifying a potential technology solution that is detrimental to your goals.

AT ELEVATE WE TAKE THIS A STEP FURTHER

directly engaging our
clients on what we call
**Conditions of
Satisfaction (CoS).**



Choose a Partner that Understands You

These can be very basic things such as a preference of emails over phone calls, but go a long way in ensuring that you're getting what you want done in the way you would like to see it done. As with all things in an Agile process, the CoS change too, so we make it a priority to regularly review them to ensure they are up to date.

4.

Prioritize Near Term Targets, but **Not at the Expense of Long Term**

Quite often clients come to us with a very specific short term goal of having something ready for a conference or an investor pitch, etc. The timelines are often unrealistic with highly constrained budgets attached. The wrong partner will use that to their advantage focusing entirely on the near term targets while setting you up for a less than desirable bill in the long term.

PRO TIP: IT'S NOT ALWAYS AS SHINY AS IT SEEMS.

It's not unheard of to scrap things in producing an MVP, however a conversation should be had as to whether or not that's the right path for you. More often than not, it's not. A partner like Elevate can rapidly walk you through the trade offs allowing you to understand where some targeted budget can save you big time in the long run and shift your market entry to the left

It's important to note that this isn't just for the initial stages of development.



Features are going to be requested and an urgency will be there to make your users happy. However, you do not want that at the expense of your ability to scale and add new features later on down the road. When appropriate, the best technology partner will tell you “no... and here's why...”

Lastly, make sure you identify a partner that can maintain your solution over the long haul. It's possible to make a switch in technology partners, but that process is often painful and undesirable. As you choose a partner, dig into their past performance and find a partner that has a track record of long term relationships with their clients.

AND LASTLY...

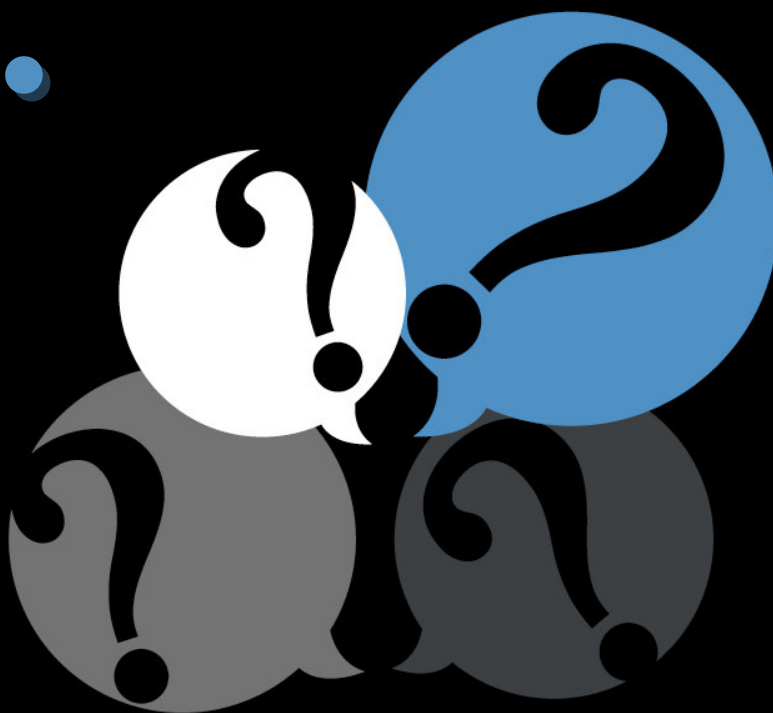
Technology as a whole is very complex and can be quite difficult to grasp especially for those without a background in it. Because of this and other factors, there can be a tendency of product owners to not ask questions. A desire to not be perceived as incompetent or simply the risk of asking a “dumb question” can inhibit the asking of questions and impede your ability to accurately assess the abilities of the technology partner you’re looking at.

Especially early on, ask tough and probing questions. If you don’t understand something, speak up. You’ll find that this will allow you to gauge this partner’s willingness

to embrace your vision as well as adapt to your culture and method of communication. And this runs two ways. For a partner like Elevate, questions early in the process allow us to understand your needs and motivations and subsequently tailor our process to be the perfect fit for your company.

**REMEMBER...
THERE'S NO SUCH
THING AS A DUMB
QUESTION!**

5.



Ask Questions Early and Often

IT'S A LOT TO CONSIDER...

The right technology partner can quite literally make or break your product so we understand that the process by which you arrive at selecting a partner can be daunting to say the least. With the steps we've outlined above and some due diligence you can arrive at a partnership that meets all your technology needs while allowing you to focus on running your business. Should you be in the market for an onshore technology partner that truly cares about your vision and success, or have any questions regarding our processes, please reach out to us.

**ELEVATE IS HERE WHEN
YOU'RE READY**

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