



Piers Hogarth-Scott
strategic consultant to the digital,
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Having worked with various offshore software development companies (ODC) of varying nationalities, Piers Hogarth-Scott is more than familiar with the ins and outs of this type of engagement. Piers is an accomplished business leader with 20 years' experience in key senior management roles with digital agencies and technology services firms, in Europe, Australia, and Asia-Pacific. He has been involved in different types of dedicated team engagement models and in his experience; there are steps to be taken to optimize the usage of dedicated teams, especially for a blended onshore/offshore team.

There are many advantages to offshore development. Cost effectiveness for one. With the lower cost of labor for overseas software engineers, especially in countries like India, ODCs can afford to offer their services at a much lower price. Engaging in offshore dedicated teams also reduces overheads involved in hiring people, freeing the company from responsibilities such as superannuation, payroll tax, office space, utilities, and training, etc.

However it is also not without its disadvantages. Enlisting ODC's services means working with people in a different time zone, who may not speak English well, and have different work ethics, not to mention the issue of protecting intellectual property (IP) and proximity to the onshore team.

The challenges Piers encountered when working with ODCs in India and Eastern Europe were primarily connected to the geographical proximity and language barrier, which he did not encounter during his engagement with Mitrais. "Working with Mitrais has transformed my outlook of 'how to' successfully engage with ODCs. The advantages of the near shore ODC in Bali provided by Mitrais, versus an ODC in India, are considerable: same/similar time zone, proximity to Australia, English speaking staff, and Australian management," he explained.

An ODC's proximity to Australia significantly affects the project's efficiency. Aside from the high cost incurred with required face-to-face meetings with offshore teams based in India, Australian companies have to face different working hours resulting from the different time zones. "The offshore resources have been half a world away in a completely different time zone which means when we're working, they're sleeping. In my experience, in order for collaborative teams to be most efficient and effective they need to be working broadly similar hours as onshore resources during the working day," Piers said.

With most of its software engineers concentrated in Bali, having the same time zone as Western Australia, Mitrais' teams are able to work mostly in unison with their customers' teams, give or take 2 to 3 hours when dealing with the states in Australia's East Coast. The proximity also makes face-to-face meeting easier for everyone involved. "It takes between 3 and 6 hours flight time to Bali, depending on where you're travelling from in Australia. That means you can visit the team in Bali, hold a series of meetings, and be back in Australia the following day," Piers explained.



Lack of English proficiency, according to Piers, is a significant barrier to producing high-quality work, on time and on budget. "With ODCs in India and Eastern Europe, it is often the case that not all members of the ODC's team can speak a proficient level of English," he said. One of the benefits working with Mitrais is their staff are required to maintain a high level of business English competency and they have an in-house English training program to ease communication as much as possible.

The Mitrais management team (Australian and Indonesian) have worked with or for Australian companies for over a decade, meaning they understand what it means to do business in Australia, sharing common values makes it easier to do business, and have high levels of trust. It includes the protection of IP that follows Australian law. As Piers mentioned, "Mitrais has robust systems, processes and commercial frameworks based on best practices, and Australian law, to ensure that IP is fully protected and ownership is never in doubt."

Piers' experience working with Mitrais is using a blended onshore/offshore dedicated teams, a format that is most commonly used in Mitrais' dedicated teams services. To optimize such engagements, Piers recommends choosing the team members carefully. "Interview several candidates until you find the best fit," Piers advised, saying that he had reviewed lots of CVs from Mitrais before making his decision. "Have regular reviews and feedback loops from both the onshore and offshore resources."

According to Piers, a blended onshore/offshore team is the most effective mechanism for this manner of engagement. "The key to success is to treat the offshore team as though they are full-time members of the team," he explained. "Induct the offshore resources onshore, introduce them to your processes and people, build personal relationships with the team, and put a name to the face."

However, having a team with members working remotely is not without its challenges. Members of the team who are offshore are at a natural disadvantage because there is no built informal communication network to foster understanding or warn them of issues with their project's progress. Teams can mitigate against this as much as possible by the smart use of technology and the Internet - for example use video conferencing (Skype) instead of phone calls, use applications such as Lync for instant messaging, GoToMeeting for screen-sharing, Basecamp or JIRA for online project collaboration.

"I recommend the solution architecting is handled by the onshore resources, whilst utilizing the offshore resources to deliver scale; that way the onshore resources are owning and directing the overall solution," Piers concluded. "Overall, Mitrais has transformed my outlook on using ODCs. It's especially pleasing to see onshore resources specifically request to work with some of the offshore resources they have come to know and trust at Mitrais - it demonstrates that they view them on par with their onshore resources, and that the onshore/offshore model works."

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