



Seven Myths About Outsourcing Software Development

by Mark Rivers
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Expediting software solutions with an agile development framework in today's digital transformation age

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Introduction



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In this paper, you will learn:

- The barriers to software development success in today's coding explosion
- What outsourcing is and when it is the best strategy
- The top seven myths about outsourcing and why they're misleading
- What a successful agile outsourcing framework looks like



delaPlex
we solve problems

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The Digital Transformation Age

A Paradigm Shift For The Business World

Today, software is a mission-critical component to asset-intensive companies. From manufacturing to finance, no industry remains unchanged by the digital transformation.

As startups continue to launch innovative products into the marketplace, enterprises find themselves investing more and more into software development to stay competitive in an evolving landscape.

User-friendly, cutting-edge software applications are no longer just “cool to have” for the hip startups in the Valley, they are mandatory for every competitive business in each industry. But it’s not as simple as recognizing you need this, and building “something.”

Gartner analyst Darryl Carlton said, “Despite the best advice available, information systems are not being built with the same degree of reliability, integrity and predictability as other engineering disciplines.”

Have you ever wondered why it’s so hard to launch software products?

If having a software application is such a differentiator in today’s digital transformation, why aren’t more companies building them? Let’s face it—software development is challenging in the best of circumstances.

Everyone wants an app, or an enterprise-level software solution to solve their biggest problems, but there are too many barriers to a successful build and not enough affordable resources available to fix this. Add politics in the mix, and you might not see many solutions.

If your user-friendly application requires 6-7 developers minimum, are you prepared to hire resources to find the right talent in the growing pool of wannabes and existing pool of inflated talent costs?

After doing that, are you prepared to hire the developers themselves and pay the premium cost of retaining the talent?

If you’re able to cover the costs, are you able to cover the time it takes to hire, train, build, rebuild, and implement?

Unless you’re a Google or an Oracle, chances are you’re as not fully prepared for the task at hand as you’d like to be. And that’s okay, because staffing software development resources is not simple.

This is why most apps remain stuck in the world of ideas.

Whether you’re competing for talent and need powerful enterprise solutions, or you’re wanting to provide solutions to sell, it’s important to have a solid software play in order to stand out in a saturated market.

And technology is evolving.

Deloitte’s Global Outsourcing Survey interviewed respondents from over 22 industry sectors and 30 countries and found that 69% of companies surveyed were more likely to outsource in some way due to cloud computing technology. Up to 53% of survey respondents outsourced their IT functions.

It’s no wonder so many are looking at offshoring software development resources.



" 69% of companies surveyed were more likely to outsource in some way due to cloud computing technology. Up to 53% of survey respondents outsourced their IT functions."

*Deloitte
Global Outsourcing
Survey*

What Is Outsourcing?

Outsourcing is the business strategy of hiring resources outside a company to perform services that may be less accessible in-house.

Usually done as a cost-cutting measure, it creates opportunities for organizations to allocate resources where they are most effective. Outsourcing helps maintain the nature of free market economies on a global scale, but is still considered controversial by some who argue against it.

Politics aside, outsourcing is growing in popularity in all industries, from manufacturing to finance. Today, there is not one industry left untouched by this competitive business practice.

The extent of outsourcing varies by individual need more than industry or function. For some, outsourcing

non-core activities, such as data entry, can improve efficiency and productivity within an organization. For others, outsourcing an entire IT division is the best strategy to achieve competitive edge, reduce costs, and improve efficiency.

Oftentimes, you need a diverse, varied skillset for an individual project, and outsourcing to acquire the necessary skills starts to make good sense.

Outsourcing is here to stay, and with the right business partner and framework in place, it can be the biggest competitive advantage to any business.

Today, software development jobs are some of the most commonly outsourced among companies looking for a competitive advantage without paying the inflated cost for

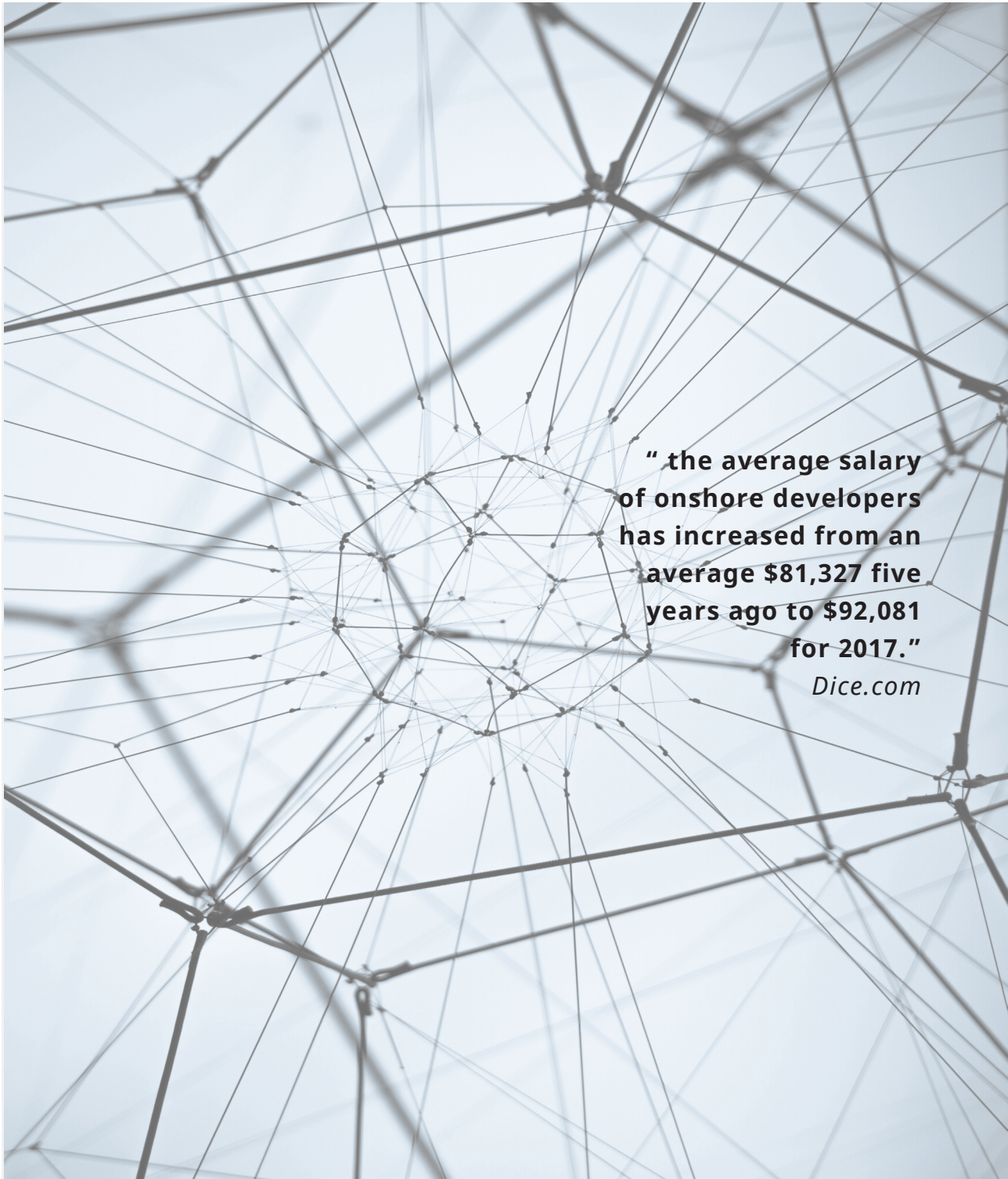
onshore resources.

According to Dice.com, in 2017, the hardest job to fill was software developer, which has grown in demand over the last five years.

Dice.com also reports that the average salary of in-house developers has increased from an average \$81,327 five years ago to \$92,081 for 2017. According to Robert Half Technology, mobile applications developers and front-end developers are the fastest growing salaries on the IT market.

Unfortunately, outsourcing has battled a pretty bad reputation despite the countless benefits and success stories. This mainly has to do with politicizing misconceptions. In this paper, we'll discuss the top myths about offshoring IT resources.





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Dice.com

Debunking The Top Outsourcing Myths



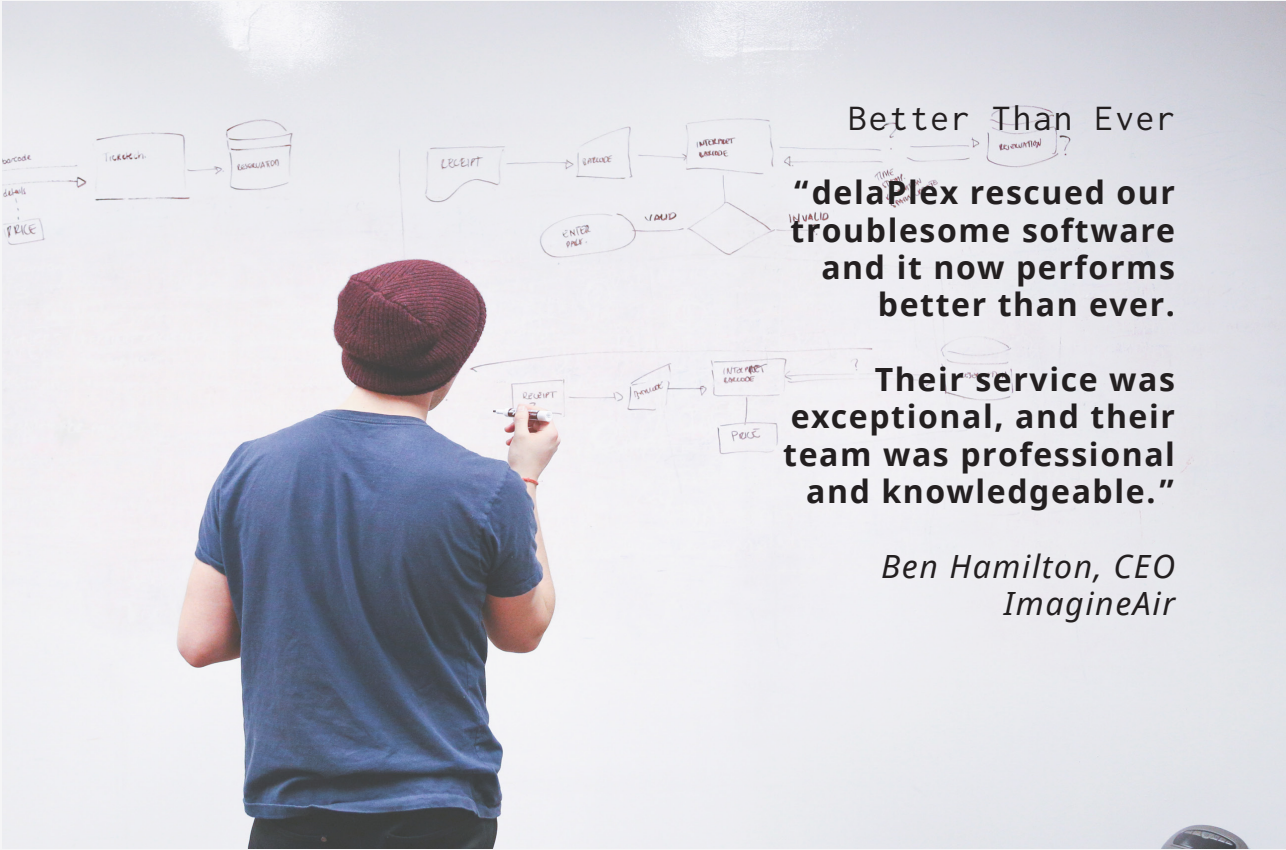
1

YOU GET BAD CODE

This is a common misconception we hear from software developers who believe that their code is unmatched. They usually tell us that they can't trust someone overseas working on or adding to the code, let alone writing a program from scratch. But most IT professionals and recruiters will tell you that there should be no difference in code quality when hiring onsite or offshore.

There are good and bad developers everywhere. You face more risks and challenges hiring a developer in-house, and you will find them harder to replace.

When working with a reputable outsourcing firm (as opposed to trying to find individual offshore resources yourself), bad developers are usually already screened out, or can be swapped out if they don't meet your on-going expectations.



2

GOOD PROJECT MANAGEMENT IS IMPOSSIBLE

This is simply not true. If you’ve experienced this barrier to a successful software development strategy using outsourcing or outsourced resources, then maybe you had the wrong partner in place. After hundreds of offshoring engagements, this is something we’ve never encountered - but according to our consumer research, this remains a top concern.

Having the proper framework in place might mean having dedicated resources onshore and offshore working together, with project management experts in the mix. This is another benefit of outsourcing - you can benefit from multiple skillsets and proficiencies on a project without having to hire full time staff to do the work.

3

THE TECHNOLOGY WILL BE OUTDATED

This might be true, whether the work is outsourced or not. Because this is a generalization that can apply to many development projects, and outsourcing is not a predictor. For example, you can have a team working on a build locally or in house, but that team might choose antiquated methods or technologies to build a product that lacks functionality in tomorrow's world.

The fact is, developers can get wedded to doing things the way they feel comfortable – and those with a cushy in-house job might be more likely to become complacent when it comes to keeping their skills up to date with the cutting-edge of their field.

On the other hand, you might have a team overseas that is hyper-focused on innovation. It really depends, and offshoring doesn't guarantee state-of-the-art any more than onshoring does.

Round-The-Clock Work Cycle

“With the ability to plan, review and test during daytime hours here in the states then have our team in India produce overnight creates a round-the-clock work cycle. It is efficient and effective.”

*Beryl Mokros,
VP Client Relations Ovation
Management Solutions*





4

OUTSOURCED TEAMS WORK AGAINST YOU, NOT WITH YOU

This myth is another example of what a bad partnership looks like, not necessarily outsourcing in general.

Some teams may be less focused on collaboration than others. It's why selecting the right framework and partnership for your software development hiring needs is mission critical.

5

THIS STRATEGY DESTROYS DOMESTIC JOBS

While this may be happening in other industries such as manual labor manufacturing, in IT, outsourcing actually creates jobs.

Yes, some of the work is sent overseas, but those resources for the company don't just disappear.

Chances are, companies outsourcing work are allocating those resources more wisely within their organizations, hiring for different functions, and saving costs to create jobs that may not exist otherwise.

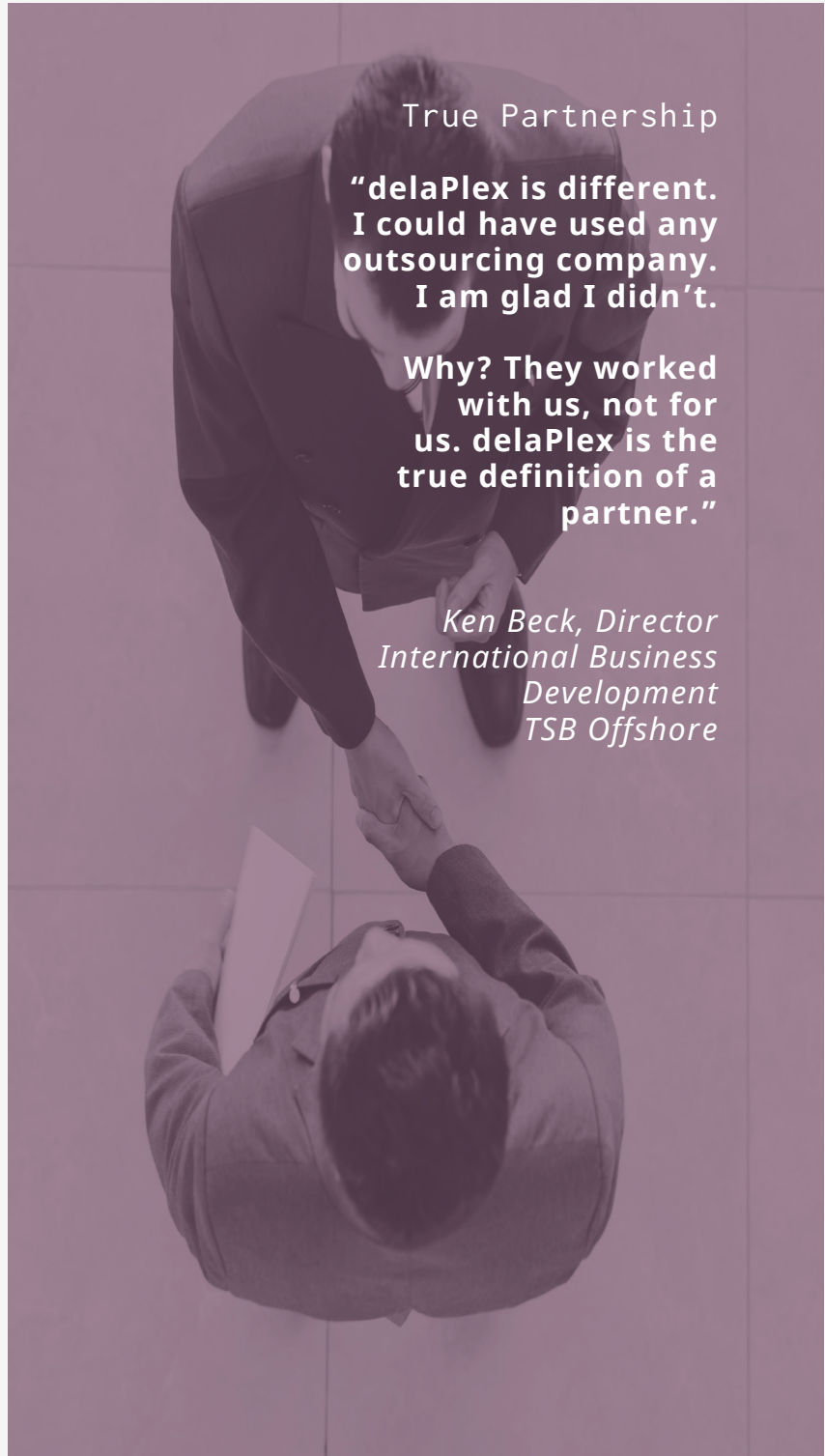
Also, given that as we stated above, Dice.com has reported that software development jobs in the U.S. remain the hardest to fill after 5 years, there is no imminent shortage of demand for domestic resources in the field.

6

IT'S A SECURITY RISK

Today, we hear a lot more about this than we did five years ago. Security is top of mind, and we understand why. That's why having the right partner on an outsourcing project makes all the difference.

- **Maybe you got some bad code; you can fix that.**
- **Maybe you didn't have the smoothest project management experience; that frustration will fade.**
- **But security has no wiggle room.**





Every single development hire can be a security risk, whether he or she is in your office every single day, or working in an office in India.

The difference is, outsourcing partners should be committed to providing the most safe and secure solutions for your needs.

Truth is, outsourcing is even more secure because there is an extra bodyguard watching over your project that wouldn't be there otherwise.

7

POOR CUSTOMER SERVICE AND INTERNAL COMMUNICATION

Even though we discuss all these myths regularly with our clients and industry leaders, this is the one we hear about most often and is of most concern with executives.

Customer acquisition and retention are arguably the most important resources for a business, and the success of a good customer experience lies in the right outsourcing partnership.

Your partner needs to have this at the core of everything they do.

deLaPlex Debunks These Myths With A Business Methodology That Stands Out From All The Others

deLaPlex created a new business methodology that is the soul of their company - The deLaPlex Agile Business Framework™

deLaPlex recognized that to be competitive and build the best products in the industry, they had to have a business methodology that ensures constant communication and collaboration between stakeholders and providers. They also had to have the ability to quickly adapt resources and technology as client's needs change.

They created the deLaPlex Agile Business Framework that is client centric and delivers exceptional results – software built better, tested smarter, and released faster. **This is the deLaPlex difference.**



What makes it great?

- It's adaptable and secure
- Exclusive processes that improve productivity and deliver results
- Produces excellent code
- Leverages the newest technologies
- Creates transparency and on-going status communication
- Fosters collaboration

This is outsourcing software development done the right way.



DEDICATED TEAM MEMBERS FOR YOUR ACCOUNT

Each delaplex build has its own team, blending a US-based onshore and offshore workforce, assembled from the get-go with the best member(s) uniquely poised to succeed with the software development needs of the project.

These members are slated for the long haul, with states-side management, to ensure consistency throughout the development lifecycle.



A CORE OF STRENGTH AND KNOWLEDGE THAT REMAINS CONSTANT

The first component is the **delaplex Core Team™** where dedicated resources remain constant yet affordable to ensure valuable domain knowledge is retained during minimal development periods.

In other words, we don't have to start from scratch to staff up for every new project.

When development demands increase as new products or product iterations ramp up, our delaplex Core Team is on hand to minimize learning curves and pass on prior knowledge to newly added resources.

This greatly reduces the time and expense associated with research and decision making, allowing production to move at a faster pace.



FLEXIBILITY TO ADD RESOURCES AND SKILLS AS NEEDED

An expert available workforce, the delaplex Tech Bench™, is the second component. By strategically retaining top talent with a wide variety of skills on our bench, delaplex always stands ready to pivot with a client's ongoing business needs.

Three key components make this methodology a highly competitive to advantage for any business looking increase productivity and implement best practices in developing custom software through outsourcing.

We can quickly scale Client Teams in size, or transform them with the exact skills that are needed at any time. With this “larger-than-most” pool of available talent, Client Teams can quickly add developer expertise or simply access technical consultants who act as in-house advisors. The delaPlex Tech Bench provides a unique value proposition with highly productive and uninterrupted service for all clients.

Sometimes, projects change.

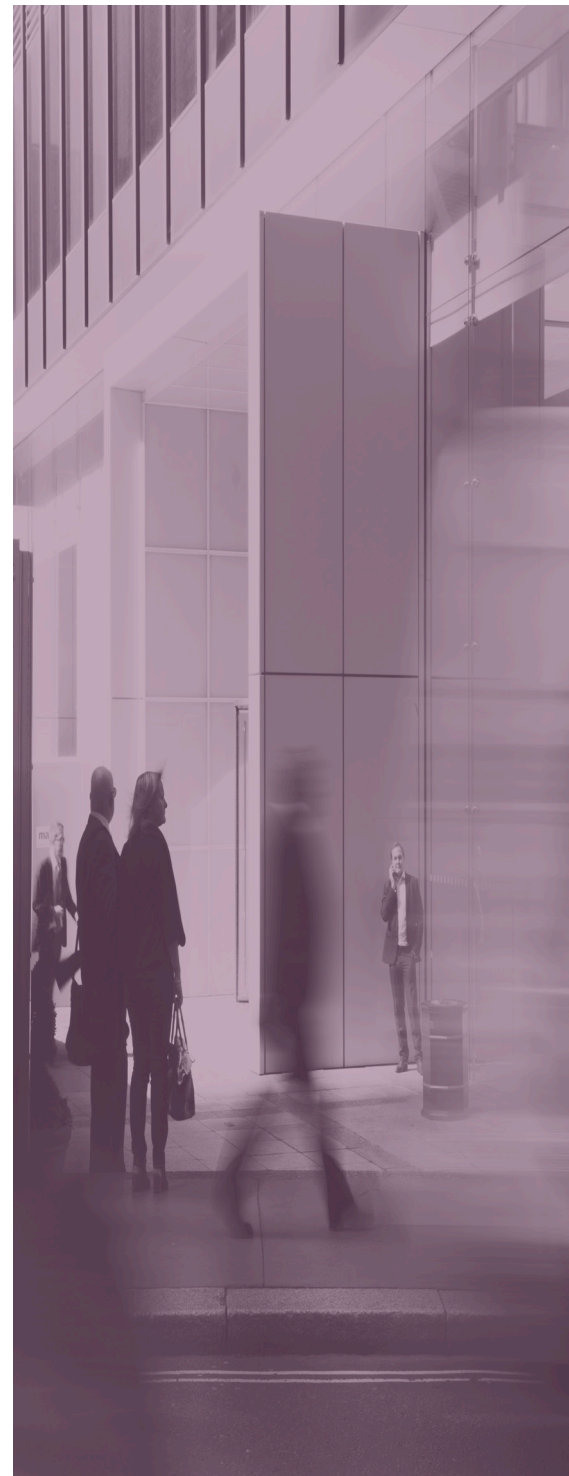
- Maybe it’s adding Bootstrap at the last minute for your analytics software’s launch,
- Maybe you are considering an iOS mobile app to pair with your enterprise HR software build.
- Maybe you saw what D3 can do at a conference and need to consult with experts before launching your product next month.

At delaPlex, we have a host of resources with various skillsets that we can pull from any time.

EVOLVING PROJECTS REQUIRE MANY BRAINS

The third component is the **delaPlex Resource Alliance™**, which spans geographical and cultural boundaries to create a culture of collaboration to make your business more efficient and agile, no matter where development team members reside. Trust is the foundation for any successful collaboration.

By using our onshore project managers, vigilant communication protocols, and strategic collaboration tools, delaPlex blends talented peers to work together regardless of location or affiliation while providing world-class customer service.



INFORMATION SECURITY

At delaPlex we recognize our inherent responsibility to protect your intellectual capital as well as all the physical assets of our company your information may use. We safeguard these critical assets and mitigate any potential negative impact.

At delaPlex information security is serious. We incorporated policies and protection in every aspect of our operations. To achieve this objective, delaPlex implements policies, procedures, and standards into every company business function, including planning, development, operations, administration, sales and marketing.

WORLD-CLASS CUSTOMER SERVICE

delaPlex clients enjoy a dedicated team of US-based onshore and offshore resources.

But what many people don't expect is that clients get the same team that they can shrink or grow as needed. Instead of having to retrain an endless array of names and faces, our clients train their team once and keep it for as long as needed.

This approach is unique in the business, and amounts for maximum efficiency.



“Hearing from customers about how efficient their teams have become is really encouraging. Our experience proves our unique framework is sustainable and works across all industries.

Long-term relationships are very important to us. We take client feedback into account at all levels of the delaPlex ecosystem.”

*Chris Kilkelly,
President Outsourcing
delaPlex*

Conclusion

As we've discussed in this white paper, the key to any technical success is having the right expert partner in place to break the barriers to outsourcing. Because outsourcing/offshoring benefits of cost and time outweigh the uncertainties that come with it, having the right team in place will make or break a project.

The thing about having a knowledgeable partner in something as difficult as software development is someone is there

to plan for the contingencies and hiccups. They've been there before so many times, it's going to ensure a smoother process. And that's really all we want in the end: No headaches for our teams and a great user experience for everyone else.

Explore your opportunities today. You can be one step closer to your software development dreams. Contact delaPlex now to learn more about outsourcing and their proven agile development framework.



About delaPlex



delaPlex is a global software development and business solutions provider helping companies drive growth, revenue and marketplace value. Since 2008, our objective has been to be a trusted advisor to our clients. By redefining the outsourcing industry's business model, the innovative delaPlex Agile Business Framework brings an alliance of industry experts, across functional skillsets and industries, to clients around the world to shape winning strategies, rally for change, and drive results.





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