



# Five Steps to Outsourcing Your Next Development Project



What do you do when your software development project demands more resources — money, time and human capital — than you currently have?

If you're like most organizations, you need to innovate fast. Your clients, shareholders, or management are pressuring you to complete your ambitious development project on a limited budget and in an unrealistic time frame.

You need to create new and better systems and technology if you want to stay ahead of the competition. You can't afford for your projects to take a long time. Otherwise, you risk losing your market share.

How can you scale your project to meet the resource demands, while staying within budget, meeting your timeline, and avoiding the headache of managing more people?

The solution is to outsource your next development project to an experienced team of foreign developers — known as offshoring.

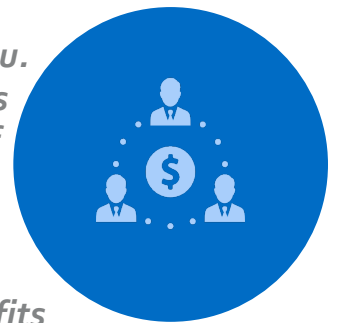
# Why You Should Offshore

When you need more human capital for your project, you really only have three options — hire internal staff, domestic outsourcing, and foreign outsourcing. Let's look at each of these options to understand why offshoring is your best option.

First, hiring internal staff isn't scalable. To bring on a team of qualified developers, you'll invest some serious time and money.

*For example, in the U.S., finding a qualified candidate can be a long and difficult process because of the wide skills gap.*

*If you are lucky enough to find a good hire, they will cost you. Simple economics says, as demand rises while supply remains level, prices will rise. Applying this law to hiring internal staff means you will pay a lot to keep an employee. In the U.S., there are few quality developers, but the demand is high.*



*You are going to have to offer a high salary with strong benefits like health insurance. The average java developer in the U.S. could easily cost over \$100,000 per year.*

When you hire internal staff, you also have to hire staff to support them. You will need a human resource department to cut the checks, manage company benefits, and field internal complaints.

Offshoring is your best option when you need more human capital for your project.

That's why outsourcing is so attractive. You don't have any of those problems. Outsourcing is scalable. It can reduce costs or at least streamline your costs into one payment. You can save yourself the headache managing people so that you can focus on your project more.

But why should you hire an experienced team of foreign developers rather than domestic developers?



With a domestic company, 9 times out of 10 you'll get the same results as hiring a foreign company, but with a more expensive bill.



Domestic companies often outsource your project to specialists from a Russian development company, then charge you a four times markup.



It's better to cut out the middleman and just go to the source. When you hire a team of developers from a foreign country, you will get the same results for a fraction of the cost and the same quality timeline.



I know you're probably hesitating a bit. What if the project goes wrong? How will I keep track and control of my intellectual property? How do I know I can stay within budget? How will we communicate and manage the project while being so far apart?

In this guide, I'm going to give you the five steps to effectively outsourcing your next software development project. You will learn how to:

1. Overcome your fears of offshoring.
2. Find the right potential candidates.
3. Qualify and interview them.
4. Handle any of the challenges that might arise.
5. Improve and iterate.

You can use this strategy to grow and scale as you need. Let's dive into the five step process for offshoring your next project.

# Five Step Process for Offshoring Your Project

## Step 1

### Overcome Your Fear of Outsourcing



As humans, we fear what we don't know or with which we have little experience. There are a lot of risks working with an offshore company, but you can mitigate any risk if you know what you are doing.

*For example, a big fear we hear is that you will hire a team of cheaper developers who will take 5 times as long to do everything and produce lower quality code. So, it ends up costing you more than if you hired an expensive developer who got it right the first time.*

While this can be the case, and it is for a lot of companies, it's only because they don't understand how to offshore and communicate with their team of developers.

We're going to show you how to find offshoring companies and properly vet them. Then, we will talk about how to start working with your outsourcing company and avoid any problems in your first 30 to 60 days. Remember, you can overcome your fear by knowing how to properly outsource.

## Step 2

### Finding Potential Companies



Where you fish is far more important than the tackle box or the boat. In other words, finding the right firm starts with looking in the right places. It's more important than your ability to interview potential candidates.

What good is having an excellent interviewing process if all candidates are low quality developers? For example, it's unlikely that you will find qualified and reliable firms by looking on site like Fiverr or Freelancer. Sites like UpWork offer opportunities to find individual developers, but not teams of developers.

It's a great resource for an outsourcing company, but not for your project needs.

**To help you generate a list of possible companies, here are the three best places to look:**

- 1. Review Sites:** On these sites, you will find a database of firms that can help you with your next project. For example, on [clutch.co](https://clutch.co), you can search for companies by topics and needs. Once you find a company, you can read reviews and see projects they have worked on. This will help you to qualify firms, which we get to in the next step.
- 2. Ask Your Network:** This is the most favorable option. You probably have friends or colleagues from [LinkedIn](https://www.linkedin.com), or other networking groups, who recently worked on a project. Reach out and ask them for a recommendation.
- 3. Professional Associations:** You might not know anyone personally who can make a recommendation. If so, you can ask your professional association or other networking groups that you're part of. For example, if you're in an IT manufacturing group on LinkedIn, you can ask group members for a recommendation.



## Step 3

### Qualify Your Potential Candidates



Once you have your list of potential firms, it's time to qualify them. We recommend that you break the process into three steps. A before, during, and after the call.

#### 1 Qualify Before the Call

Before you spend any time talking on to potential firms on Skype, Google Hangouts, or the phone, you should qualify your prospective firms down to a list of five. To do this, you will want to look at multiple source of information and collect various data points about the different companies. This will protect you from hiring a poor development company that is really good at marketing.

For example, the company ranked first in Google isn't necessarily the best. They could just be really good at SEO.

The data points that you collect will be what's important to your business. For example, if your budget is really important, you might qualify by price. If you need a large team, you will qualify potential firms by average team size. A team that has 20 developers won't be able to help if you need 40.

Once you know the data points you need, you can start collecting information by finding a potential firm's customers.

- A.** First, visit a firm's website and look at their portfolio. Who have they worked with?

Take note of these companies. Next, find the contact information for the person who was most likely was the main contact for the project. Send them an email or get on the phone with them.

Ask them what it was like working with the firm, the process, and their experience. Don't skip this step. Every minute spent during this phase will save you thousands of dollars and hours in the future. It will ensure that you work with the right company.

- B.** You can also use sites like [Clutch](#) to see a potential firm's portfolio and reviews from customers. If you can't find a strong portfolio for the company you're considering, that should be a warning sign.

- C.** The next way to qualify firms is to ask your network. [LinkedIn](#) can be a great tool to help you find people within your network that worked with a potential firm. For example, you can ask questions in LinkedIn groups to find if anyone has worked with the firm or knows more about them.

Using LinkedIn's 3rd or 2nd degree connections, you can find someone who knows about the potential firm. Perhaps they worked there, they were a client, or they interviewed the firm. You are always one or two people away from knowing someone who worked with a potential firm.



Is this a lot of work? Yes. That's why few companies do it. They speed through the qualifying process and end up with a lot of problems. It takes time to find and qualify a quality and experienced team of developers.

The place to check before you call is their online credentials. Search the web for projects they have worked on. Look for any certifications they hold or awards they have. Find if they are in industry publications. Check out what their website says.

You are looking for indicators that show this company can solve your problem. Are they a thought leader in their field? Check if they are publishing content. See if they have worked with companies that are like yours.

To protect yourself from hiring a poor development company qualify your prospective firms

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## Qualify When You Call

Hopefully you've narrowed your list down to no more than five potential firms. Begin calling them and asking questions. Here is a list to help you:

Can you describe your process for working with a company like mine? For example, how do you communicate project updates?

What contractual safeguards are in place to keep control over the intellectual property I give you?

What qualifications and experiences do your developers have that are best suited for my project?

Why do you think you can solve my problem?

Don't forget to ask the specific questions, like, "What programming practices do you use? How do you manage and run unit tests and integration testing?"

You want to find a partner that understands your business, not just the technology. A company that can understand the business case for your software or application, and how it will be used on a day-to-day basis, is in a better position to create a superior product.

You can visit review sites and ask questions your network to know more about potential firms.

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## Qualify After the Call

Now that you've had your Skype or Hangouts calls, you have a list of top firms. Next, it's time to test them.

The companies that have a bad experience with offshoring are the ones that jump right into a project after interviewing. There should be a trial phase or small test project with the intent to build a larger project in the future — assuming the company is a good fit.

Interviewing a firm doesn't provide enough information. It doesn't tell you how a potential firm works in reality and with your team, which is most important.

From your list, pick the company that you want to work with and give them a small project to start. The project shouldn't take longer than a month. A week is ideal. Once the offshoring firm has proven their value, you can expand into larger projects or give them more projects that you are working on.





## Step 4

### Face the Challenges



No matter how well you prepare, you're going to face some challenges as you work out the kinks. Good project managers know to expect failure and plan for it in any project.

The companies that have problems with offshoring have unrealistic expectations. They want to hand the project over without any clear guidelines, standards or deadlines.

You have to make your expectations explicit. If your technical staff can't read your mind about what you want in the product, how can a geographically distant, non-native English speaker understand your requirements?

On a regular and ongoing basis you should develop and discuss a detailed plan with your outsourcing company. It should include key target, milestones, deliverables, timeframes, and overall business objectives.

Your outsourcing company, no matter how good, can't deliver you the desirable results if they don't know what you want.

Make your expectations clear and you avoid **99%** of problems that come from outsourcing.

Hiring an offshore company you need to constantly evaluate and make your service providers better.

## Step 5

### Improve and Iterate

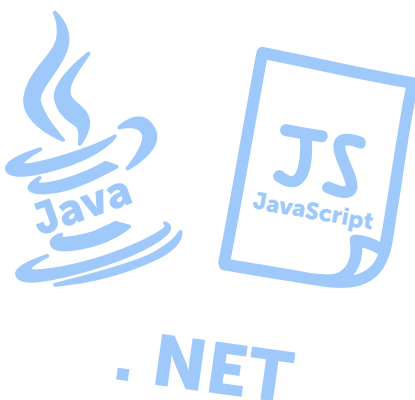


The last step is to measure (evaluate) the benefits of working with an offshore company.

- A.** Every quarter or semi-annually, you should schedule a review to make sure your offshore company is still providing benefits. As your company changes, so will your needs.
- B.** As you work with your offshore company, you will need to find ways to analyze them and make your service providers better. That's why it's important to have regular and ongoing discussions about the project.

Hiring an offshore company isn't a one time project. Just like hiring internal staff, you need to constantly evaluate and make them better. It's a never ending project.

A good offshore company will allow you to complete your project under budget and on a good timeframe. You'll be able to give more attention to your project rather than trying to hire developers.



***Have a Java, JavaScript, .NET, or maybe Python development project you're working on or need to start?*** Let us know. We can help you develop your next project.

We're offering a free audit to those who have an existing project. During the audit, we will analyze your program's code and point out an inconsistencies, false logic, or inefficiencies in your code.

For those who need to start a project, we're offering a trial period where you can test what it's like to work with us.

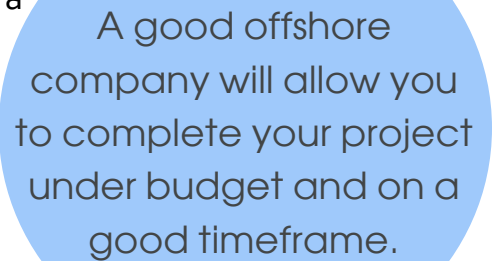
This way you can get a sense of our experience and what it's like to work with us without any risk. You don't have to worry about your intellectual property. We include a NDA, use a dedicated server and protected addresses, and have a tight privacy policy.

We do this because we're a software development firm in Russia. We work with a lot of industries like, manufacturing, startups, and IT companies, so there's a good possibility that we can help you.

With that said, please understand we're not offering a sales pitch in disguise. We promise not to pressure you in any way. In fact, we will do an analysis of your code and send you a detailed report that explains our findings. Then, we will extend an opportunity to move forward.

If you take advantage of our trial period, then we will assign a worker to you. After the trial period, we will extend an opportunity to continue working with our team.

Here's what to do next. Go to <https://issart.com> and hit SEND A REQUEST button. When you send a request, we will contact you at a later date to make sure you're a good fit for us. Then, we'll create a schedule and plan for getting you your free audit and testing project.



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