

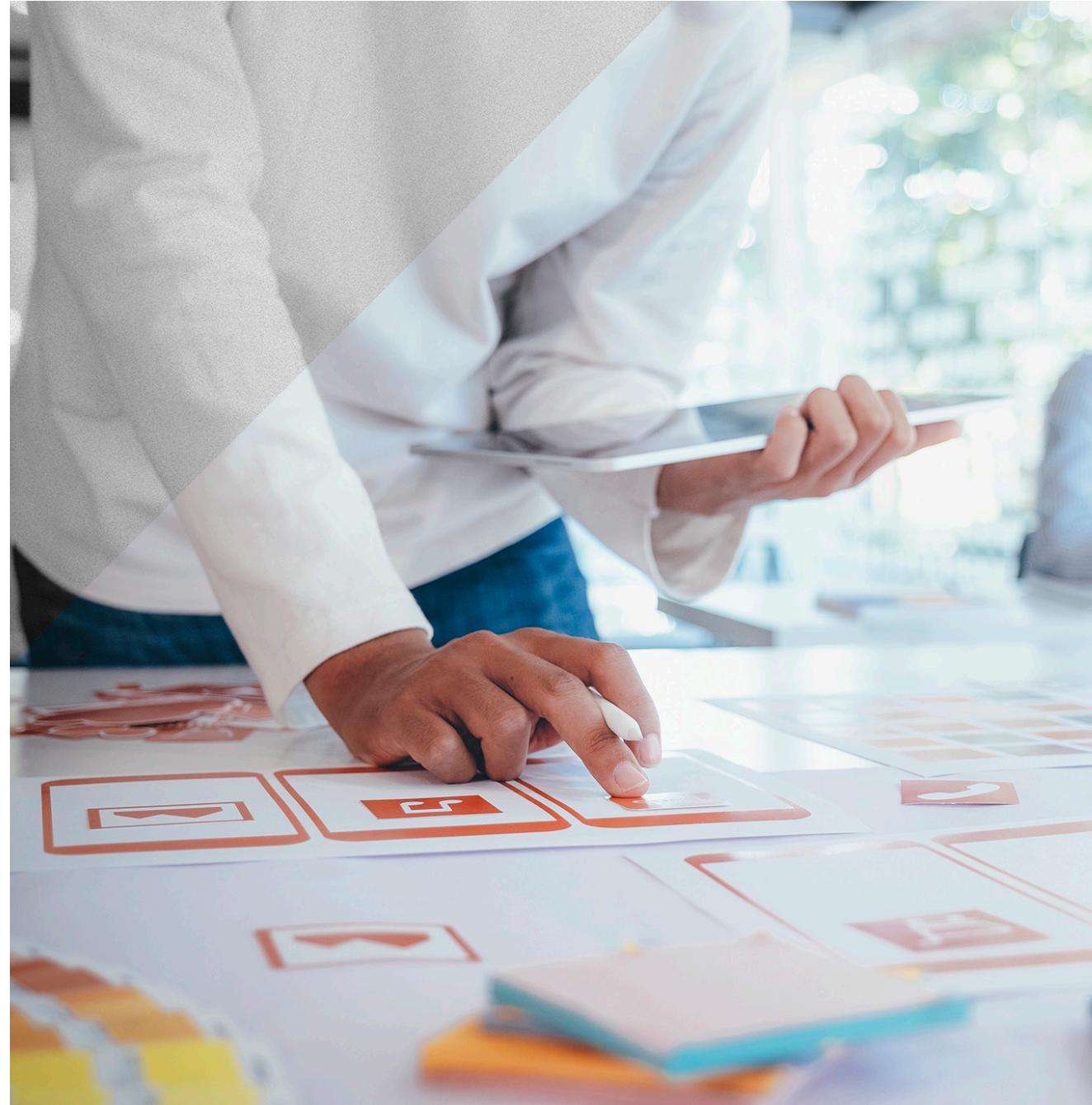
# NORTH HIGHLAND

## DOES 2022 EUROPE

Sourcing in the age of digital business

15-minute mini-presentation

10-12 May 2022



# WHO AM I?

A bit about me professionally and personally and my company

## BEN GRINNELL



**NORTH HIGHLAND  
MANAGING DIRECTOR,  
DIGITAL LEAD**

[Ben.Grinnell@northhighland.com](mailto:Ben.Grinnell@northhighland.com)

 [linkedin.com/in/BenGrinnell/](https://linkedin.com/in/BenGrinnell/)

 [@Ben\\_Grinnell](https://twitter.com/Ben_Grinnell)

## MY COMPANY

### NORTH HIGHLAND

HELPING BUSINESSES TRANSFORM,  
WITH PEOPLE AT THE HEART OF EVERY DECISION

We work for  
**30%**  Fortune  
**500**

Retail & consumer products companies

OVER THE LAST 7 YEARS

**130** Healthcare clients    **1K** Healthcare Projects    **225** Public sector clients

**3,500+**  
CONSULTANTS

In 50+ offices around the world

**94%** of our work is with repeat clients



OUR LOCATIONS

## ME

Enjoying my 15<sup>th</sup> DevOps Enterprise Summit

Keen Squash Player and Ironman AWA

Painfully building my own eco-home and enjoying a vegan diet

Dad to 4 kids with 2 already in their 30s & bank of Mum&Dad closed 😊



# LETS TALK ABOUT SOURCING OF THE IT WORKFORCE

Most organisations want to move away from traditional enterprise Application Development and Application Maintenance contracts... but to what?



What **Build and Run capabilities** do we have today, and where are they resourced from?



What are our **ongoing needs** for these capabilities?



What **sourcing options** do we have:  
Employ, Contract, Outsource, Managed service?



**What can we expect** from each source and how do we make sure we get what we expect?

## LETS TALK ABOUT THE SOURCING OF THE IT WORKFORCE

A question I'm frequently asked by my large enterprise clients is...

**“Do I have to insource to accelerate my DevOps Goals?”**



# THERE IS A LOT OF EVIDENCE TO SUPPORT A ‘YES’ ANSWER

Some quotes from a study of 14 enterprise project to product transformation journeys

**Most companies went from 70% outsourced/30% insourced to 30% outsourced/70% insourced.**

---

“To maintain an innovative critical edge, it is recommended that the product team members be employed engineers (insourced) and not temporary contracted resources(outsourced).”

---

“The quality of code will inherently improve if engineers have long-lived experience with the product they own.”

---

“Internal intellectual property will accelerate innovation and speed to market...”

---

“In-house engineers will have a better understanding of the overall architecture and ecosystem...”

---

“The most innovative ideas that will drive your business forward come from motivated individuals who feel ownership and a sense of personal connection to the solutions they create and the problems they solve for their customers.”

---

“An insourced team of engineers who own a product end-to-end will generally have passion, motivation, and creativity to innovate quality solutions...”

---

“You need your teams to have an owner, not renter, mindset. This is very difficult with outsourced teams.”

## GLOBAL SYSTEMS INTEGRATORS

Have their own challenges...

1. Internal transformation
2. Contracts for cost reduction and risk transfer
3. Customer mis-alignment
4. Driving shareholder value
  - Grow revenue
  - Grow margin
  - Increase security of revenue pipeline

...But their DevOps enlightened customers want

1. Help growing their internal capability and reducing the dependency
2. Increased automation to reduce delivery/maintenance effort and time
3. Collaboration with competitors in multi-supplier engagements to help everyone bring their 'A' game

## BUT INSOURCING ISN'T WITHOUT ITS CHALLENGES EITHER

Most enterprises with aspirations to grow their internal IT capability are falling short of their goals, why?

1. It's just an aspiration
2. Leadership alignment
3. HR aren't on-board
4. Under-estimating what it takes
5. Can't attract people
6. What do you think? (in slack)



# PROCURING HELP INTO CAPABILITY CENTRES OF EXCELLENCE

Aiming to increase their capacity and inject fresh thinking to improve the practices of these communities

Things for buyers to think about:

1. Commercial mis-alignment
2. Optimising assignments
3. One team not competing organisations
4. Sustainable 'learning' workforce
5. CofE vs Product Teams – balance of power

## Examples

Procurement	Description
3 <a href="https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16782">https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16782</a>	<b>Birmingham City Council: Data Engineering Delivery Capability</b> – Issued 10 <sup>th</sup> Feb, start 22 <sup>nd</sup> Mar. £1.3m 2year <ul style="list-style-type: none"><li>• Supplier to deliver work packages to achieve continuous improvement of current services</li><li>• Designing and delivering new digital use cases</li><li>• Act as development partner who will be able to provide the software engineering capability on digital and technical projects</li></ul>
4 <a href="https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16666">https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16666</a>	<b>DfE: Data Engineering Delivery Capability</b> – Issued 31 <sup>st</sup> Jan, start 11 <sup>th</sup> Apr. £4.5m 2year <ul style="list-style-type: none"><li>• Development partner who will be able to provide the technical capability on digital and technical projects</li><li>• Provide expertise and specialism to boost capacity and enhance capability, working alongside our in-house digital and data teams</li></ul>

# PROCURE A MANAGED SERVICE FOR READY-MADE CROSS FUNCTIONAL TEAMS

This model also has its own challenges

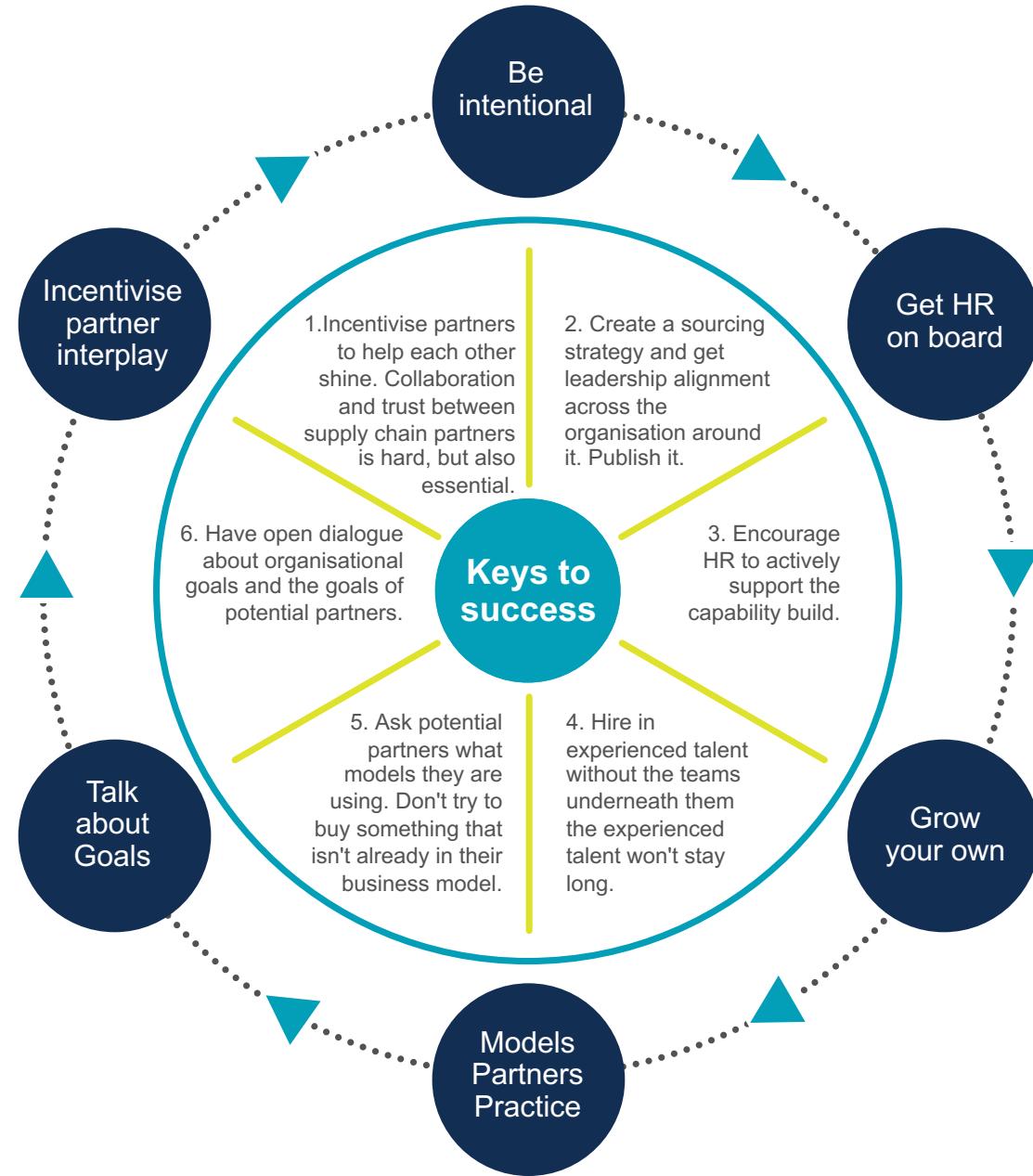
1. Commercials – T&M or Outcomes?
2. Building internal capability
3. Others?

## Examples

Procurement	Description
1 <a href="https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16952">https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16952</a>	<b>Home Office: EBSA Evolution and Business Services</b> - Issued 22 <sup>nd</sup> Mar, start 23 <sup>rd</sup> May. £37m Roles to include DevOps Engineer, Infrastructure Engineer, Infrastructure Architect, Delivery Manager/Scrum Master, Tech writers, Tech Business Analysis, User researchers, Product O/Ms <ul style="list-style-type: none"><li>• Deliver strategic platform initiatives to enable enterprise cloud platform</li><li>• Continued support of EBSA Platform services, including monitoring, logging, Onboarding of new services and support for new demand from existing tenants</li><li>• Technical Design authority, driving ongoing tooling, process innovation,</li></ul>
2 <a href="https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16941">https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/16941</a>	<b>Home Office: Product Lifecycle Management and Transformation Partner</b> – Issued 4 <sup>th</sup> Mar, start 3 <sup>rd</sup> May. £2m 2year <ul style="list-style-type: none"><li>• Chief Technology Office, is leading a programme of work to embed PLM across the organization</li><li>• Implementation partner is required to work alongside the project team to help deliver the education and transformation needed to embed PLM across the department.</li></ul>
5 <a href="https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/11908">https://www.digitalmarketplace.service.gov.uk/digital-outcomes-and-specialists/opportunities/11908</a>	<b>HMLR: Technical Delivery Partner</b> – Issued 9 <sup>th</sup> Mar, Start 11 <sup>th</sup> May. £8m – 12 months <ul style="list-style-type: none"><li>• Partnership on a range of digital and technical programmes</li><li>• Provide expertise and specialism to boost capacity and enhance capability</li><li>• Working alongside in-house digital teams supporting DDaT capability</li></ul>

## TO SUMMARISE

Whichever model you choose, I think some of the keys to success include...



## WHAT I'M LOOKING FOR HELP WITH

I'm looking for more stories this community can share where these models, or others, are working.

Where has the service provider enabled the growth of the internal capability and reduced the client's dependency on them?

How have they been rewarded for that?

**Thank you!**



# **APPENDIX OF USEFUL SLIDES**