

THE STATE OF OUTSOURCING SERVICES IN THE POST-PANDEMIC LANDSCAPE



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JAN KAMIŃSKI

Co-Founder and Head of Sales at Applover

Every year outsourcing is becoming more and more popular. Last year is global market for outsourcing was worth a whopping \$92.5 billion - almost \$7 billion more than a year before, according to Statista. Rapid growth is taking place not only in the United States - which continues to outsource the most - but also in other parts of the world. As a full-stack digital agency and outsourcing IT company, we decided to examine facts, trends and make some predictions about changes in the post-pandemic landscape.

Our report aims to illustrate the current state of outsourcing - which industries outsource most often, which services are most often outsourced, and what are the reasons for companies to do so. In addition to all valuable data and forecasts, we have prepared papers on how to make the most of your collaboration with employees outside the office. We explore what the pros and cons of outsourcing are, how to manage a remote development team effectively, and what questions to ask when outsourcing. Among the content provided by our experts, you will find some thoughts and opinions shared by experts from various companies and industries. We've invited leaders from Bee Talents, CUX, Czysta3.vc, Instream, Publicon, and Useme to provide their insights. Moreover, a professional media "Outsourcing Portal" took patronage over our report.

When we started working on the report, the global economic situation was completely different than it is today. Because of the COVID-19 outbreak in early 2020, we have come to many conclusions about what the post-pandemic outsourcing landscape could look like in a few months. It all boils down to the projected increase in outsourcing popularity. We believe that this trend will continue not only in the

INTRODUCTION

largest companies employing over 50 employees, but also in smaller companies that used it less often in the past. Nowadays, our lives and businesses have moved to the internet. Many companies were not prepared to change their business processes to go online and will need help from experienced businesses and software development companies. We think that, thanks to lower costs of outsourcing, they will not be hiring employees on their own. It is just too expensive and not as flexible as other options.

As I mentioned above, you will also find some tips and recommendations that will help you work effectively with the team providing outsourced services. You will find out how we handle matching Applover is developers with our client's projects. Additionally our CEO, Radosław Bułat shared a few words about our new tool - Bench - the vast and detailed database that gathers information about all of our developers, including their technical skills, level of experience, and personal traits. I believe that everyone will find something for themselves. Managers at large organizations can see how they can work with freelancers and outsourcing companies more effectively and reduce costs which is often requested of them, especially nowadays. Decision-makers at small start-ups can see how they can benefit from outsourcing and learn how to outsource to their advantages. All managers and C-level executives can realize how many different services can be outsourced and who can benefit from them. I strongly believe that outsourcing is the future, especially when times demand higher flexibility. I hope this report will give you some insight and provide you with the answers to any question you have regarding outsourcing services.

OUR PARTNERS







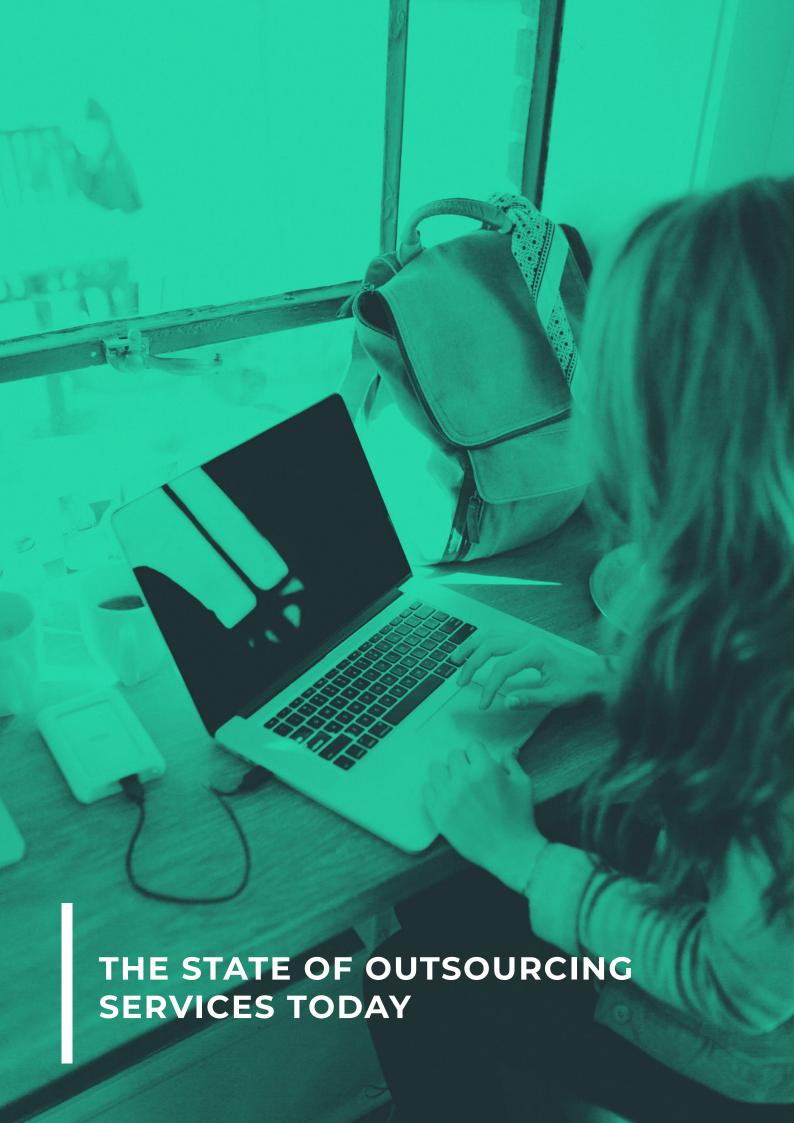














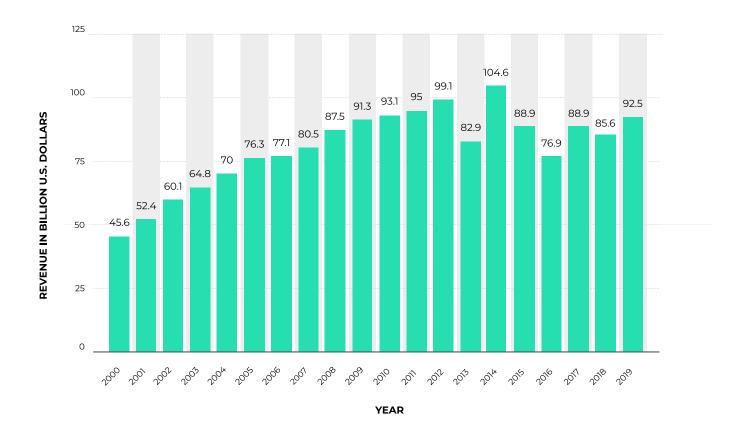
As outsourcing is getting more and more popular around the world, still most jobs get outsourced in the U.S. (approximately 300.000 jobs every year). More than half of American citizens claim that outsourcing is harmful to the national economy meanwhile, it is the country where the idea of outsourcing seems to thrive more than anywhere else in the world.

We collected some data revealing the current state of outsourcing, according to IT and other industries. We believe that due to the outbreak of COVID-19, outsourcing in the pandemic landscape will develop even more over the next few months and years. This happens for a number of reasons, but mainly because it saves the company resources that it would otherwise have to be spent on hiring employees, and allows them to remain flexible if times get tough.

THE GLOBAL MARKET SIZE OF OUTSOURCED SERVICES

Let's see how the global outsourcing market has grown over the years. Take a look at this <u>chart</u>, we can see there that last year is global market for outsourcing was worth \$92.5 billion, \$6.9 billion more than the year before, in 2018. Global market ratings were steadily climbing between 2000 and 2012, then the value

shave fluctuated a bit more in the following years. The highest value of the global market for outsourcing was observed in 2014. It reached an astonishing \$104.6 billion.



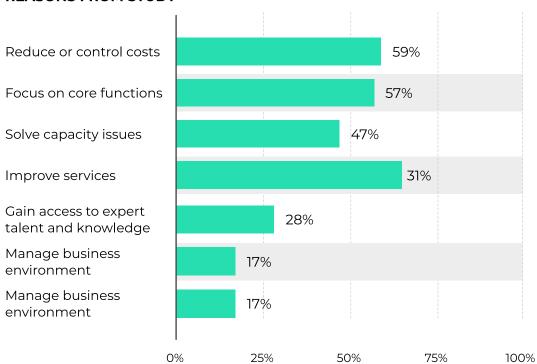
Looking at the current market situation, we can expect that the range of outsourcing services will grow. Due to the pandemic restrictions, many companies had to go remote, which in turn makes them think outside the box in regards to how they can operate productively and promote themselves in a less traditional way.

Companies will have to make a lot of changes, especially due to technological progress, and most of them will need help from outside because they have neither the necessary workforce or the business processes required. That is why we expect significant growth in the outsourcing market in 2020.

REASONS TO OUTSOURCE

In 2016, Deloitte conducted a <u>Global Outsourcing Survey</u>, that thoroughly analyzed the various reasons why companies around the world are deciding to outsource. Most respondents (59% of all participants) say that the reason that motivates them the most is cost reduction. For comparison, 17% of respondents said that their main motivation for outsourcing some tasks is accelerating organizational transformation. Here are the top reasons for outsourcing presented by the Deloitte study:

REASONS FROM STUDY



GLOBAL OUTSOURCING SURVEY IN 206 BY DELOITTE

As cost reduction seems pretty obvious and no one ever doubted it, other reasons prove that various companies in different stages of development and choosing different types of growth strategies, decide to outsource.

WHICH COMPANIES ARE LEANING TOWARDS THE IDEA OF OUTSOURCING?

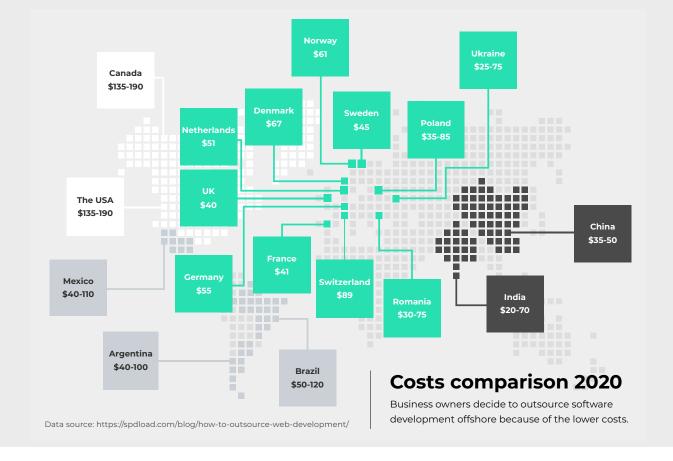
Statistics published on <u>Clutch</u> in 2019 show that 37% of small businesses decided to outsource at least one of their business processes. Moreover, more than half (52%) planned to do so in the future. Companies with less than 50 employees more often outsource technical tasks such as their accounting (37%), IT services (37%), and digital marketing (34%) responsibilities. Small enterprises decide to outsource mainly to increase efficiency (24%) and receive help from an expert (18%).

Compared to more than one-third of the small businesses listed above, companies with at least 50 employees are more likely to outsource (66%). Some of the largest and well-known brands, including Apple, IBM, Nike and Wal-Mart, are outsourcing to improve their performance and quality. Of course, this is not the end of the list. Thousands of other large companies are using external employees to fulfill their needs.

GLOBAL OUTSOURCING RATES

Research carried out by Deloitte in 2016 showed that 56% of respondents said that the reason they decide to outsource is reducing or controlling costs. And this is not surprising. An hour of software development work in Poland, a country ranked 3rd on the Hacker Rank list of the "10 Top Countries with The Best Programmers,", can be up to five times cheaper than the same work done in the U.S.

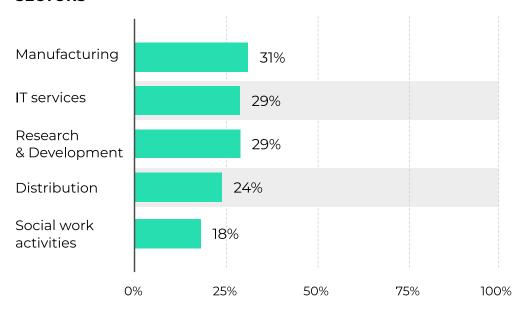
According to all the data mentioned so far, the most popular theme around entrepreneurs, which is to reduce costs while maintaining high quality products, is not surprising. The figure below shows the differences in IT development prices in different countries.



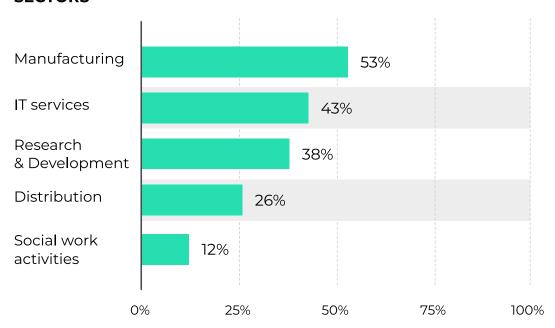
WHAT ARE THE MOST COMMONLY OUTSOURCED SECTORS?

Over the last few years, we have seen change in the most outsourced sectors around the world. This was mainly due to cost and wage differences (similar to those mentioned above). We decided to collect some data and compare the most commonly used outsourced services in the <u>United States</u> and <u>European</u> countries:

SECTORS



SECTORS



THE MOST COMMONLY OUTSOURCED SECTORS IN THE U.S.

The reason why American companies use outsourcing services, such as manufacturing and IT services, significantly more often than in other countries, is lower costs and the ability to maintain high quality end products. However, we assume that this trend will change in the post-pandemic landscape. More companies around the world will rely on the idea of outsourcing because of trade losses caused by the pandemic. Outsourcing is cheaper, yet helps maintain high quality services or products faster and more efficiently than by hiring qualified employees.

pandemic world, the benefits of outsourcing, such as saving time and money, will be most valued by companies that strive to maintain their position on the market by improving their services. It will apply to those located in the United States and also other countries.

As the above-mentioned data includes companies employing more than 50 employees, outsourcing habits <u>differ depending on the size of the enterprise</u>.

Smaller organizations with fewer than 50 employees outsource technical tasks, including accounting (37%), IT services (37%), and digital marketing (34%).

However, due to the economic changes caused by the COVID-19 pandemic, we anticipate that in order to reduce costs, even smaller companies will be more likely to consider outsourcing in the future.

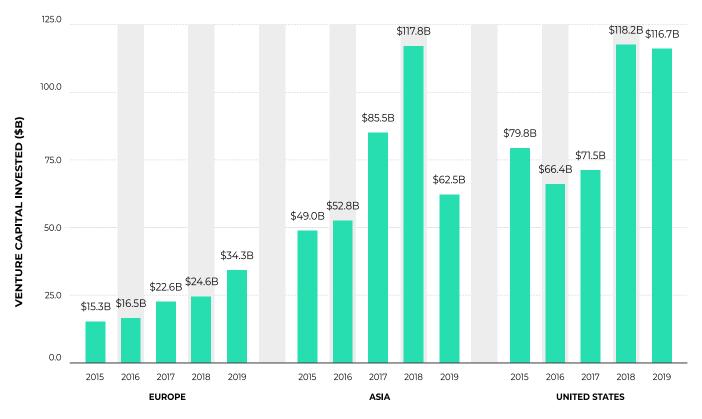
EASTERN EUROPE AS AN IT OUTSOURCING HOTSPOT

There is no doubt that in the next few years India and China will remain the leading outsourcing countries in which the largest share in global outsourcing revenues is generated. However, given the trend, European countries such as Poland and Ukraine will be strong competition for them. The report on software development in the region of Central and Eastern Europe shows that in 2019 European outsourcing grew four or even five times faster than globally (20-25% compared to 5% worldwide). Most customers come from the U.S. and Europe. In addition, unlike North America and Asia, where investors withdrew from record investment levels in 2018, investments in the European technology are still growing.

Looking at the chart below, you will find that venture capital invested in Europe has grown exponentially over the years. Looking at Asia or the United States, we can still see larger amounts have been invested there. However, there has been a clear downward trend over the past few years, especially in Asian countries.

The reason for this may be the fact that the number of qualified IT professionals who charge less than in North America is increasing in European countries. **Prices** are similar to prices set by Asian outsourcing companies, while the quality of final products developed by European developers is very often higher. There are also smaller cultural differences between outsourcing countries and those that provide technology services in Europe. This results in a smoother process and more effective communication.

EXPERTS THE STATE OF OUTSOURCING SERVICES TODAY



SOURCE: THE STATE OF EUROPEAN TECH 2019

SUMMARY

Because cost cutting and cost control are the most frequently mentioned reasons for outsourcing, it is not surprising that the majority of jobs are still outsourced in the United States. However, when it comes to software development, investments in technology in Europe are growing exponentially. Because of the global crisis caused by the COVID-19 pandemic, we can expect this trend to continue. For some North American companies, improving software may be the only way to stay in business. While development in the United States is sometimes 5 times more expensive than in European countries, outsourcing can be an ideal solution.

FOOTNOTES

- https://books.google.pl/books-300.000+jobs+get+outsourced+every+-year+mckinsey
- https://books.google.pl/books-71%+of+americans+outsourcing
- https://www2.deloitte.com/content/dam/Deloitte/nl/Documents/operations/deloitte-nl-s&o-global-outsourcing-survey.pdf
- https://clutch.co/bpo/virtual-assistants/resources/small-business-outsourcing-statistics
- 5 https://blog.hackerrank.com/which-country-would-win-in-the-programmingolympics/
- 6 <u>https://brandongaille.com/26-us-outsourcing-statistics-and-trends/</u>
- 7 https://books.google.pl/books-who-performs-outsourcing+kirchner
- 8 https://software-development-cee-report.com/

ABOUT THE AUTHOR

Co-Founder and Project Manager at Applover, a full-stack digital agency. He has managed teams that delivered the biggest and most complex products at Applover, on time. Full Stack Developer with a drive for project management. Areas of expertise: Agile, Product Analysis, Market Analysis, Blockchain Technology, Web Development.



PIOTR MYSZCZYŃSKI



EASE OF OUTSOURCING WORK TO FREELANCERS

EASE OF OUTSOURCING WORK TO FREELANCERS



Author: NATALIA ZIELIŃSKA, USEME

Optimization is an integral part of business. More and more companies are deciding to outsource services in order to optimize costs. Freelancers make up a large subgroup of contractors for such services. Their activity in Useme further confirms this trend. The variety and the number of authorized specialists as well as the number of invoices in the service keeps on growing.

HOW TO OUTSOURCE WORK TO FREELANCERS?

The first challenge is finding a suitable contractor. One with experience in similar projects, who knows the industry well. We can ask for recommendations, or search on our own. The task is facilitated by websites designed for job offer posting such as Useme. Once you post an offer on the website, contractors are notified. Let's say you found the right person, but what about the payment? Invoicing seems much more convenient than the alternative – a contract, which requires a lot of paperwork regardless of the country in which it is signed, especially in case of offshoring and hiring teams of freelancers.

Unfortunately, not all subcontractors can issue their own invoices. In order to do so, you have to formally own a business, which involves costs too high for most of those who do commissioned work on a casual basis.

EXPERTS EASE OF OUTSOURCING WORK TO FREELANCERS

Unfortunately, not all subcontractors can issue their own invoices. In order to do so, you have to formally own a business, which involves costs too high for most of those who do commissioned work on a casual basis. Useme allows for easy online dealings between freelancers and the commissioning companies, including the transference of copyrights or licensing. The company receives a foreign or domestic invoice, which they clear with an online transfer, and the contractor receives payment automatically. That is how easy it is!

ABOUT THE AUTHOR

Marketing Manager at Useme. Polished her online and offline marketing skills as the Strategy Lead in a creative agency. Now focuses mainly on digital marketing.

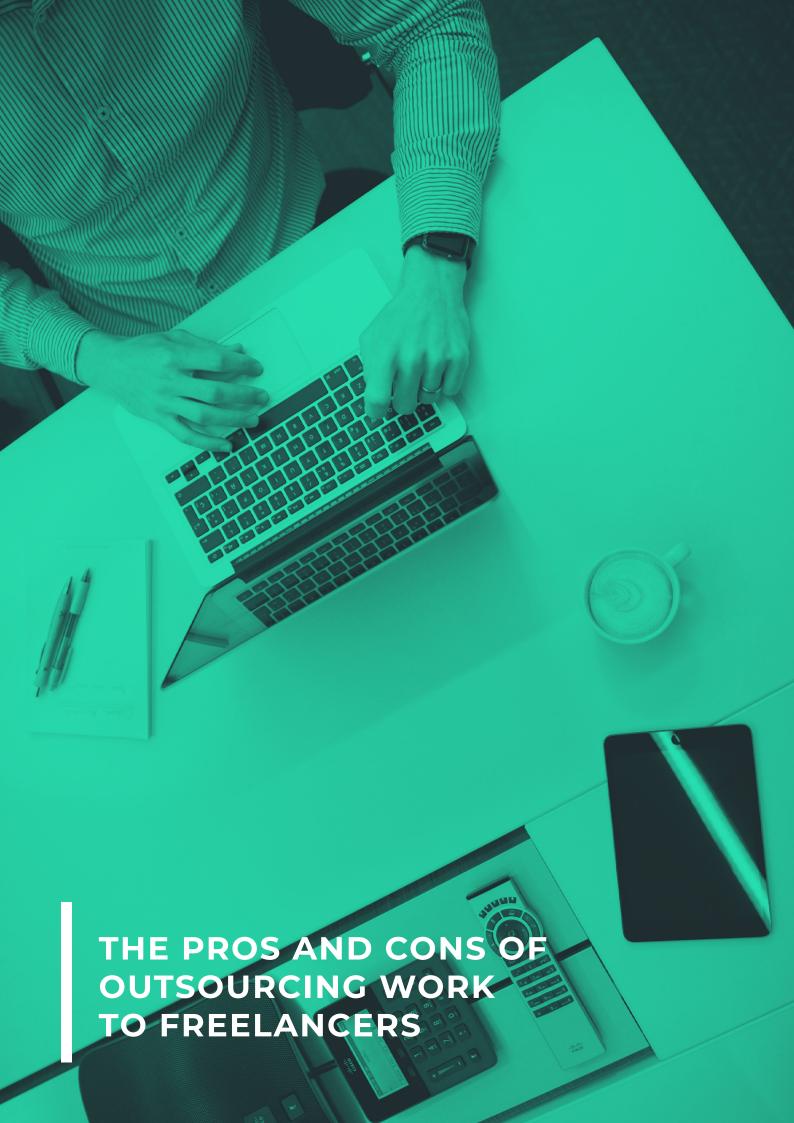
In love with data, statistics and the internet.



NATALIA ZIELIŃSKA



we secure and enable easy payments without freelancers having to incur the costs of running a company and guarantee timely commission fulfillment to clients.





Work ethos and office culture are changing all around the world. Not that long ago, working outside of an office was more of a perk rather than a standard that it is becoming today. It is getting more and more popular, especially among software developers. Companies are leaning more to outsource the development of an app or new product to another software house in the country or abroad. They rather do so than hiring a whole development team, which would be working elbow-to-elbow with the rest of the employees right in the office. This is how <u>outsourcing IT</u> is getting more and more popular. One of the most popular destinations when it comes to IT outsourcing is Poland. The country ranked number 3 on the Hacker Rank list of the <u>"10 Top Countries with The Best Programmers"</u>.

We have much more evidence to claim that it works, but of course, one can say, "Easier said than done!". Undoubtedly, this kind of cooperation needs a unique approach. There are various systems and tools that help overcome time zone differences and get regular updates with no possibility to meet the development team in person.

Ok, so how successful <u>development</u> of my app, website, or tool is possible out of office? What to be prepared for, and how to benefit from this situation?

PARTNERSHIP WITH THE OUTSOURCING COMPANY

Finding a reliable technological partner is the only way to victory in both cases whether you choose the work to be completed in your office by leasing a team or outsource the project completely to a specialized company. Finding the right business partner to hire their development team is going to be the most important factor. As the business owner or the leader of this project, you know what your company's goals are, what it needs, the targets it has to reach. And so you should have a team of hard-working specialists who have the knowledge to do it right. You will need an associate who will understand what you are trying to achieve, will aim to deliver it, and present the right solutions that will be suitable for your project (be it a new website, platform, or a mobile app).

Let's say you already have a team of top-notch specialists working for you remotely. They will help you develop a tool that will run like a well-oiled machine. Please do not expect them to nod politely at everything you say—all the ideas of functionalities that you want to have. It is their job to combine your business goals, needs, and desires with technological capacities. That is the only way to sustain the high quality of your product.

The success of a project depends not on geographic proximity, but on choosing motivated and experienced specialists.

BEGINNINGS PACKED WITH INFORMATION

It is incredibly essential to acquaint every member of the development team with what you want from your project. In the beginning, you should take your time with the managers assigned to your project and pass every detail along to them. You would go through an essential workshop — right in the office or online. This meeting will make both sides understand visions and technological possibilities to find the best solutions and options. **The more information you provide at the start, the better.** It will be our team's job to get all the developers

EXPERTS THE PROS AND CONS OF OUTSOURCING WORK TO FREELANCERS

on the same page and provide them with proper information. It is the only way they can kick off and set their shoulders to the wheel, exactly how you want it!

LOSING CONTROL

Probably once you decide to think about the idea of getting in touch with one of IT outsourcing companies, you wonder whether you will not lose control of the project when it drops over your office's walls. Do not worry. There are plenty of ways to deal with long-distance relationships and limited possibilities of meeting face to face. In such situations, it is incredibly important to keep the proper flow of information. How to do it? When working remotely, it is the dev team's job to provide their clients with information and updates on what was done the other day, and what is going on right now. Besides the daily update, everyone, both the development team and clients, should have easy access to a project management tool. It will ensure proper workflow and provide the means for successful cooperation. The place where you can not only easily see what is new and how is the progress. Something that also clarifies or sets the record straight if you find out something is moving in the wrong direction. An example of such a tool is Jira – a software development management tool.



Krzysztof Wujs

Agile Lead / Project Manager

Aptitude and structure are fundamental here. Project managers use the iterative approach in project management, where they make short-term goals every few weeks. It's more accessible for both sides - developers and clients - to control and test every feature of the product, providing valuable feedback.

COMMUNICATION IS KEY

We will not reinvent the wheel if we say that there is nothing more crucial than communication when working with a remote team. The one provided by the outsourcing company such as <u>Applover</u>. Our developers will not start working on the project or going through the details until they have enough information provided by the project manager or client. It applies to both the kick-off of a project and to any adjustment to the work done so far.

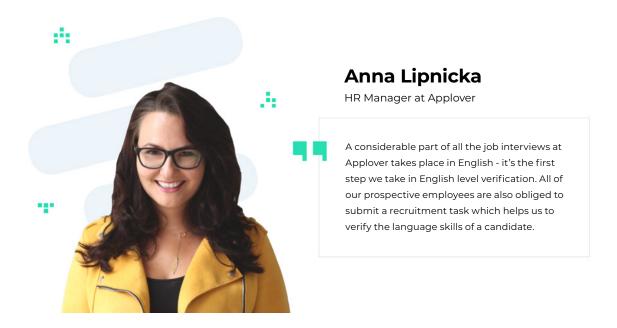
Nowadays, when it is easier than ever to keep in touch with the other side of the globe, it would be silly not to take advantage and improve workflow. Especially when the possibilities of meeting in person are sharply limited.

How to do that? By being open for tools and software that help to manage all the tasks properly. They help to provide people involved in a project with the exact amount of information they need.

One of those tools is <u>Slack</u>. It is undoubtedly more efficient than emails, which can lead to frustration and inefficiency in everyone's work. Emails, of course, do work when it comes to passing important information or planning significant decisions. However, daily it can lead to failure and inability in everyone's job. Many teams that decided to provide services remotely switch from email communication to Slack. It makes the workflow more transparent than ever before. It is the shortest way to reach people involved in the project right away, get updates on the progress, or ask any other mind-boggling questions at any time. There are also video calls that can save your precious time of going through old-fashioned email or any other written conversations to find out what is going on. Even a brief call without losing too much of your time may help you find any critical misunderstandings and issues.

LANGUAGES BARRIERS

Excellent communication is a must. Not only using proper tools that make it more comfortable in this kind of cooperation, but also decent language skills. It is essential to deal with that problem by being very strict during the recruitment process – fluent English is one of the preconditions.



TIME ZONES DIFFERENCES

Speaking of the pros and cons of outsourcing, this one is an undeniable flaw. Having a dev team on the other side of the World may cause a situation that once you start your workday, they might already be out of office. Sometimes you'd probably need to wait until the next day with answers and explanations when something seems not clear and needs clarification.

However, we never say that such very long-distance cooperation is impossible. It just requires the proper attitude and planning. (Once you decide to put your project in the hands of one of the outsourcing companies in Poland, remember that the Warsaw time zone equals the Central European Time zone.)

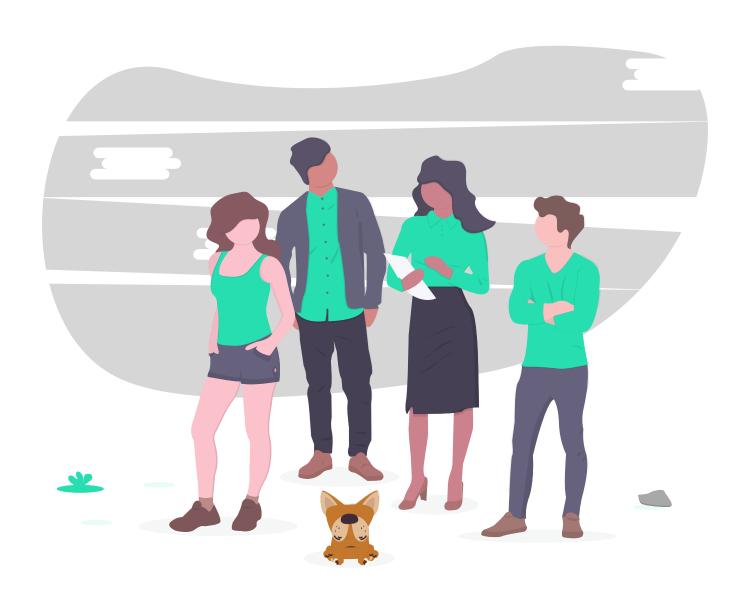
Working on the project with people who are mostly or the whole time out of your office is entirely different than having them just around the corner. It can cause problems such as limited options of face to face meetings. Nevertheless, you can deal with them by setting yourself with a different mindset. Think that the problems you identify this morning will be addressed when you come to the office the next morning. This is where having a transparent and reliable partner comes into play. When you get info and updates frequently, in professional and easy to access manner.

ABOUT THE AUTHOR

Co-Founder and Head of Sales at Applover, a full-stack digital agency, honored in 2019 by Deloitte as the "Rising Star" in the CEE region. Forbes 25 under 25 nominee. Huge Thing Accelerator Mentor. Startup enthusiast. He believes that building long-lasting business relationships is the key to success. Worked with: PKO Bank, Nokia, Callpage, Lettly, Slock.it, ETH Zurich and many more.



JAN KAMIŃSKI



OUTSOURCING AS A PARTNERSHIP TO ENRICH THE KNOW HOW OF ANY BUSINESS

OUTSOURCING AS A PARTNERSHIP TO ENRICH THE KNOW HOW OF ANY BUSINESS



Author: SZYMON SIKORSKI, PUBLICON

Organizations are continuously changing. Disruptive technologies reshaped doing business. We are facing a digital transformation, fake news media landscape, gig economy, technical data & process automation are on CEO is minds. What has only been looming before COVID-19 pandemic, is now becoming a real test for companies and businesses. Approaching these matters with a profound understanding, we offer strategic communication services that rise to the challenge. We focus on delivering tailor-made services with an open and transparent approach. Our strategic insights are far-sighted and empathic. Flexibility is the most significant advantage in business nowadays. We manage projects dynamically, analyzing the company's and industry's needs and images, which allows us to produce made-to-order communication policies. We believe that communication should be implemented real-time. Not only do we take account of your company itself, but also check it's background & benchmarks.

We believe in partnerships and power of cooperation, that is why we support relations with societies, NGOs, cultural organizations, local authorities, and the public sector - to enrich your know-how. We always learn and share our expertise eagerly – we believe outsourcing to be as valuable as the influence it is thought to have made.

EXPERTS OUTSOURCING AS A PARTNERSHIP TO ENRICH THE KNOW-HOW OF ANY BUSINESS

Publicon is a company that offers consulting services and helps to implement them. Our partners receive assistance with their promotion campaigns (media relations and media coverage, organization of events, b2b strategies, internal communication, social media guidance), as well as high-quality content marketing (publications, research papers, reports, special projects, interviews with professional pundits; also, we will improve LinkedIn profiles and make sure they are seen where it counts). If you need communication advisory, do not hesitate to contact us.

ABOUT THE AUTHOR

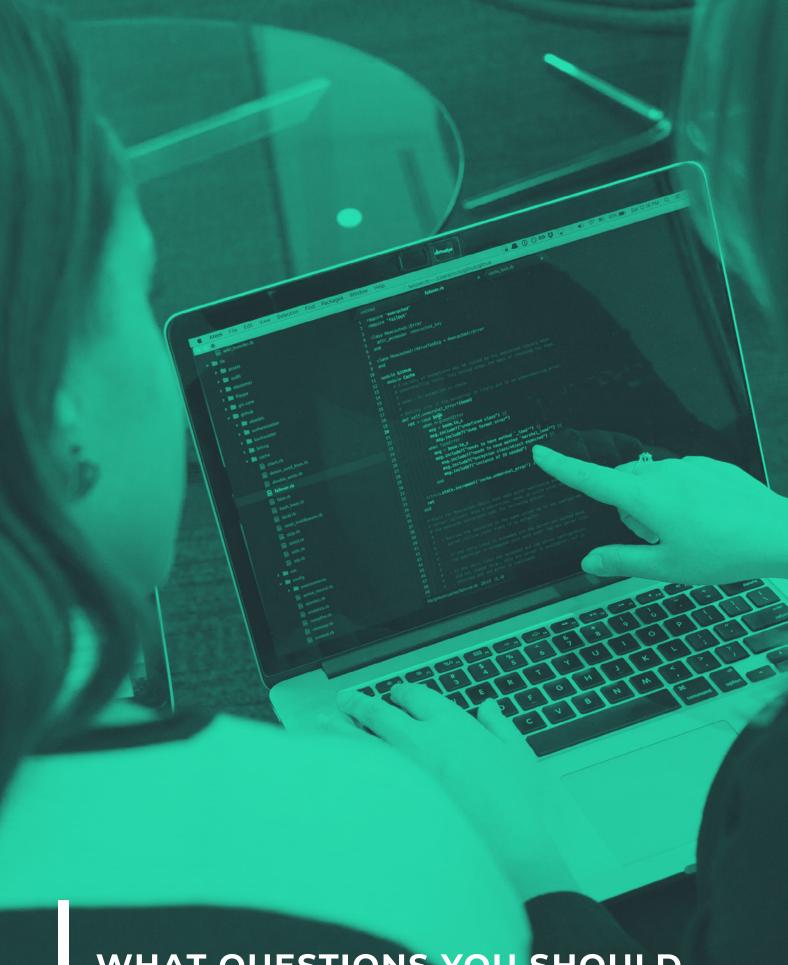
Strategist and CEO at Publicon. He is a former CEO of The Polish Society of PR. He has worked for the financial industry, real estate agencies, FMCG, BPO/BSS, public sector brands, local authorities. Professional speaker, a lecturer at University of Wrocław and SWPS University; co-author of "Turn Your Public On" book.



SZYMON SIKORSKI



Publicon has been operating for 14 years; it made it into TOP 5 of the 30 most-significant non-network agencies in Poland (Press), it was honored staggering twelve times in the "Złote Spinacze" competition, as well it was distinguished in international competitions organized by PR Daily and SABRE Awards.



WHAT QUESTIONS YOU SHOULD ASK WHEN OUTSOURCING IT?



While <u>outsourcing IT</u> is getting more and more popular, there are questions to ask about how to do it properly.

Data about outsourcing from McKinsey Global Institute shows that every year in the United States, over 300,000 jobs get outsourced. Business owners were asked why it is so accessible and appealing for them. The answer was that their main motivation is saving money while sustaining a high quality of product development services.

<u>78% of businesses</u> all over the world feel positive about their outsourcing partners. Want to join them? Answer the questions below.

HOW DOES OUTSOURCING WORK?

You can easily find the full outsourcing definition on our <u>blog</u>. Many businesses decide to go for that idea, especially when it comes to software development. It is because some companies are not capable of having an in-house development team. For them, that is the only option to accomplish the project and make their business thrive. On the other hand, business owners decide to outsource software development offshore because of lower cost.

WHY DO PEOPLE LOOK FOR OUTSOURCING?

One of the most convincing situations to look for software developers outside the city or country is the difficulty of finding them locally. Very often, local software development teams are either occupied by different projects or too expensive to hire.

Another one is limited time. Some projects require rapid implementation due to market development or the next financing round the company is about to receive.

Sometimes when you look for experts who specialize in a specific technology, it may be hard to find them locally because of the limited number of such specialists in the area. If you'd like to do it on your own, which means going through the recruitment process, it may take a lot of financial resources and time. Another advantage of outsourcing is the vast range of developers who are both – acquainted with the technology you have chosen and cheaper than the local ones.

It also applies to the situation when you not only want to go head to head with your competitors but to be one step ahead of them. It is incredibly important to find competent specialists who can do much more than a regular software developer you can hire on your own.

Let's say you are in the blockchain industry. It would be best to look for developers with specific skills who will manage to accomplish your project exactly how you want it.

78% of businesses all over the world feel positive about the idea of outsourcing. 300,000 jobs get outsourced every year in the US.

DOES THE TEAM YOU HIRED DELIVER TASKS ON TIME?

The process of looking for the best in-house development team is expensive. If you are not familiar with IT business – hiring and firing people who, do not

deliver what you need may be extremely expensive. You want to pay just for the results, which is a standard for fixed-price contracts typical for most of the outsourcing companies.

HOW CAN OUTSOURCING BENEFIT AN ENTREPRENEUR?

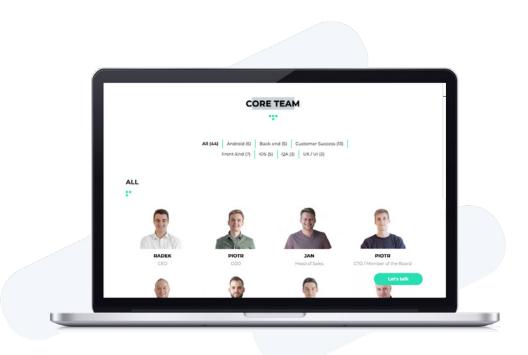
One of the main pros of outsourcing is that as a business owner, you can focus on what is the most important for your company – your core business. **It allows** you as an entrepreneur to shift from peripheral activities toward serving your customers and your staff.

Once you decide to outsource – the development of your website or app will take place in a highly professional environment. It will be led by specialists and project managers who know the team and are highly qualified in the chosen technology. They'll provide you information on how to combine the features you want to have with technological capabilities. And also how to do it in the best possible way. Without you having to focus all of your attention on the project.

HOW TO CHOOSE THE RIGHT TECHNOLOGICAL PARTNER?

Let's say you do not want to look for the programmers on your own. You decided to find a remote development team out of your country. While looking for a technological partner, we highly recommend you to check out the <u>company's</u> structure.

Many IT companies look professional at first glance. Once you check out their team and experience, you find out that it is their first year on the market, and it consists of few friends who run a business after hours. You need to check how many people work in the company and find out what their experience is.



Whenever it is possible to make a stationary visit, go for it. Try to get to know the developers and the management team working on your project in person. If it is not possible – because of a long-distance, schedule a video conference, meet the team and ask for an office tour to see the infrastructure.

Don't be afraid to ask questions about specialists' experience and working culture. Find out whether they are interested in your business and goals.

If so, find out if they have enough experience and capabilities to help you reach your objectives.

WHAT DOES THE PROCESS OF SOFTWARE DEVELOPMENT LOOK LIKE IN AN OUTSOURCING COMPANY?

No doubts you would like to get into the process, understand it, and verify whether it seems legit and accurate to your plans and needs. Once you contact a software house from abroad or an outsourcing agency, ask them what is their process. Highly qualified and experienced software houses or outsourcing

EXPERTS WHAT QUESTIONS YOU SHOULD ASK WHEN OUTSOURCING IT?

agencies have an established structure that can be easily applied to the project. Those will probably provide you a copy of a document such as a well-organized process book, like ours.

At Applover, the development process consists of five steps:

Step 1 – Brief. It is a list of questions about the product, which, after you answer them, will give us an idea of the desired functionality.

Step 2 - Initial valuation. At this stage, we determine the time and costs of the project in a very rough fashion based on the brief you sent us.

Step 3 – First workshop. Its goal is to collect the information and materials needed to create the initial technical specification and mockups, including business and functional analysis of the product (it can take place at our office yours or we can perform it remotely if long-distance makes it difficult to meet in person.)

Step 4 – Second workshop. It aims to clarify any doubts or issues. It helps to create the final versions of your product's specification and the basic look of your app, website, or tool.

Step 5 - Kickoff. At this stage everyone is familiar with the project, a start date is set, and the team starts working right after.

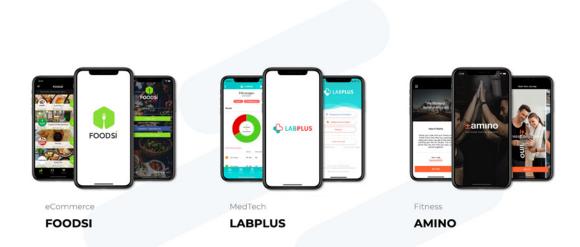


To find out more about our process, download Applover is process book here.

HAS THE OUTSOURCING COMPANY WORKED ON A SIMILAR PROJECT TO MINE?

Consider technology (if you have already chosen one), sector, industry, and features. When it comes to the industry – examine <u>case studies</u> shared on the company's website. If they already worked on the project in your industry, they probably know it well and will understand your ideas or needs way better. It is also a good idea to check the reviews. Clients often post their experience with outsourcing companies on platforms such as <u>Clutch</u>, which is a great piece of knowledge for someone who looks for the best outsourcing partner.

In a situation when the company does not have experience in the industry, find out whether the projects they established contain similar features you need. If so, they probably will not have any problems with adapting them to your project.



HOW DO YOU COMMUNICATE DURING THE PROJECT?

In all of our blog posts on outsourcing, we emphasized that communication is key in such a relationship. At the beginning of the cooperation, ask your outsourcing partner how often they will be contacting you. Of course, it is up to you whether you want to have a phone call or video conference scheduled every day, once a week or once every two weeks.

It is also crucial to establish which tools they are using when it comes to project management. Management boards such as JIRA, instant messengers like Slack, Skype, or Google Hangouts (as for our team, remote contact is perfectly fine, it is convenient and safe taking into account what is happening nowadays). If you are not meeting the team personally or scheduling video calls regularly, it might be hard to react when something goes wrong. On the other hand, these tools will be incredibly helpful for the development team when it needs clarification or answers to business-related questions that only you can provide. Direct and straightforward contact may prevent many misunderstandings. Therefore try to establish which tools to use to discuss crucial aspects of your project.

Not only will you be faster and better informed about your project development progress. You'll also be able to make sure whether any changes or arrangements you have discussed have been implemented or what is the progress. A properly established communication channel will help you make sure that you and your development team are on the same page. As simple as that. Adequate communication will help you to head towards the same goal.

SHOULD I STAY IN-HOUSE OR OUTSOURCE?

There is no straight answer to that question. Everything depends on your inhouse capacities, needs, and resources that you are ready to invest – both financial and time.

Outsourcing is an idea worth considering, especially in terms of software development. It needs experienced specialists who know precisely what to do and who have a vast background on similar projects. Knowing that so

EXPERTS WHAT QUESTIONS YOU SHOULD ASK WHEN OUTSOURCING IT?

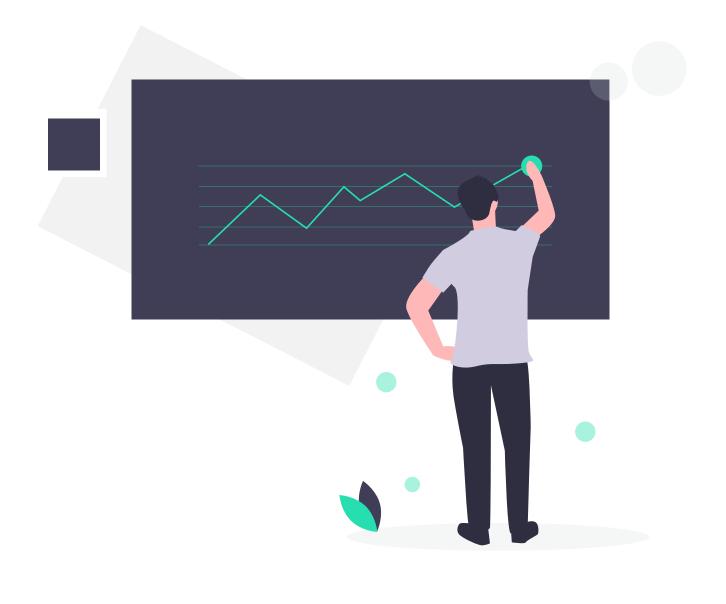
business owners are happy about their cooperation with their outsourced development teams, it might be worth considering the pros and cons of outsourcing and answering the questions mentioned above.

ABOUT THE AUTHOR

Co-Founder and Head of Sales at Applover, a full-stack digital agency, honored in 2019 by Deloitte as the "Rising Star" in the CEE region. Forbes 25 under 25 nominee. Huge Thing Accelerator Mentor. Startup enthusiast. He believes that building long-lasting business relationships is the key to success. Worked with: PKO Bank, Nokia, Callpage, Lettly, Slock.it, ETH Zurich and many more.



JAN KAMIŃSKI



OUTSOURCING BEHAVIOR
ANALYTICS AS A WAY TO BUILD
A SIGNIFICANT MARKET ADVANTAGE

OUTSOURCING BEHAVIOR ANALYTICS AS A WAY TO BUILD A SIGNIFICANT MARKET ADVANTAGE



Author: PAULINA WALKOWIAK, CUX.IO

We may spend a fortune on advertising and media presence, but without knowledge of customer behavior and optimization of users' paths, a large part of that money will be thrown down the drain. Often investment in marketing campaigns seems to be the best solution, but their success is largely dependent on subsequent interactions between users and the website/application/online store.

The market for behavioral analytics in the digital world is very narrow, and hiring someone qualified nowadays can be quite a stunt. We often notice that many people declare they use certain tools because it is fashionable, not because they know how to draw valuable conclusions from them. We realize that there is a conviction that analytics can be complicated and therefore intimidating. Many companies also cannot afford an analyst. Fortunately for them (and also for us:)), activities related to user behavior analytics can be outsourced without unnecessary stress.

Here at CUX we gather a group of experts who provide support and assistance at every stage of familiarization with the tool and its subsequent use. There is no need for additional employees or even skillsets.

EXPERTS OUTSOURCING BEHAVIOR ANALYTICS AS A WAY TO BUILD A SIGNIFICANT MARKET ADVANTAGE

Thanks to outsourcing, our clients can actually reduce costs while learning how much business value comes from analytics.

From our perspective, outsourcing of analytical processes gives companies another benefit – they can refer their business to the experience of experts in similar industries. Thanks to years of experience and analyses made for many clients, our experts offer knowledge unavailable anywhere else. The range of services we offer to our clients includes auditing current processes as well as setting up analytical strategies, implementing tools, and also generating cyclical reports and recommendations of changes.

In order to ensure that analytics work properly and respond to the needs of the business, our specialists work closely with our clients. They know that they need to focus on the data layer itself, without being too attached to the product. This is the only approach that allows us to precisely determine the real needs of our users.

Remember - every company is in possession of powerful "small data" resources which - if properly arranged and used - can become instrumental in building a significant market advantage.

ABOUT THE AUTHOR

CEO of <u>cux.io</u>, user behavior & experience analyst, author of the Data-driven Design bootcamp, TEDx speaker, one of the Strong Women in IT 2019, #mompreneur, guest university lecturer, trainer, and public speaker.



PAULINA WALKOWIAK



cux.io - the one-stop-shop for understanding your users' experiences online, trusted by clients in over 40 countries so far. CUX allows you to uncover users' frustration online, build the conversion funnel based on the auto-captured events and combine qualitative and quantitative data to make data-driven decisions. CUX was listed by TechCrunch as TopPick Startup for Disrupt Berlin 2019.





What is the <u>outsourcing definition</u>, and why many companies around the world decide to cooperate with remote development teams?

Let's imagine a situation where you and your team decide that the best thing you can do to make your company thrive is to build an app or a tool that will help you place yourself ahead of your competitors. Perhaps you do not have enough knowledge and human resources to take care of software development on your own. If so, your company should find the best specialists or development teams that have enough capacity to build your product exactly how you need it.

One can say – you do not need to look very far to find them. But looking further or even offshore for a dev team might save you time and money while maintaining the top-notch quality of your product. Outsourcing may be an option here. Find out how to take the best advantage of it while saving time and money!

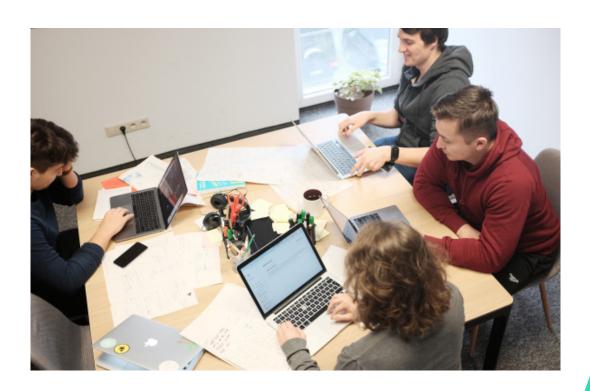
1. WHAT TO DO TO MAKE THE REMOTE TEAM FOCUS ON THE MAIN GOAL?

In such a cooperation you need to be very precise regarding communication. Be very specific about what your expectations are and what your product should look like when it is done. At the same time do not forget to listen and get to know your offshore team ideas. It is their job to combine your business goals, needs, and desires with technological capacities.

What is incredibly important in terms of working with a remote development team is to share the big picture of your idea. It is especially crucial at the beginning and will help you keep all the team members on the same page.

2. HOW TO MANAGE COMMUNICATION WITH OFFSHORE TEAMS?

Speak up! Make sure the team is aware of all your needs and the features you want your product to have. This rule applies not just to when you start working with a remote development team. It is also crucial at the time after kickoff and during further development phases.



Please do share your feedback exhaustively and make sure that everyone understood it. Do not rush the meetings. Take your time to share all of the remarks along with the work you liked.

Remember that in this kind of relationship – where daily, face to face sessions are not possible – you should share everything. It does not matter if it goes as expected or you want to make a remark. Keep in mind that sincere communication is vital and keeps the partnership comfortable and convenient.

3. HOW TO TAKE ADVANTAGE OF TIME ZONE DIFFERENCES?

One of the biggest challenges of outsourcing and cooperating with an offshore development team is working across time zones. Let's imagine the situation that the headquarters location of your company is in the US. Your outsourcing partner and the development team are based in Poland (country ranked number three on the Hacker Rank list of the "10 Top Countries with The Best Programmers"). Warsaw is 6 hours ahead of New York City time zone. It means that you would probably have just two or three overlapping work hours during the day, but do not give up, ther is an easy solution.

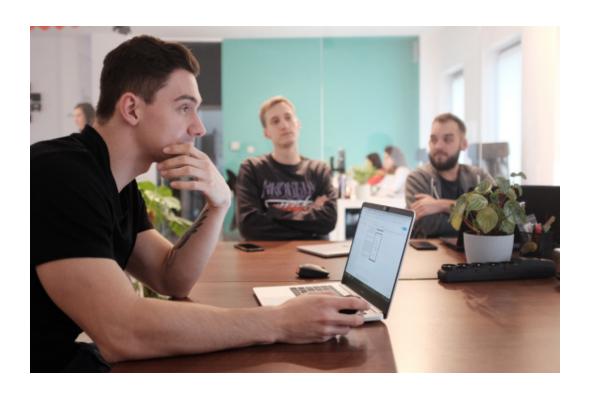
Try to schedule a phone or video call with your offshore team members early in the morning. You'll catch them working on your project. Honestly speaking, unless it is your preference, then you will not have to speak every day with the development team. You are leaving work in experts' hands. The team will contact you if they need answers. Say, you have a team working on your project in 2 weeks sprints. You will have to be present at organizational meetings once every week or two weeks. Just schedule a regular rolling meeting with the team and make sure to look up updates every day at your convenience.

Different time zones will not make your product any less successful! What is more, whenever you find something is wrong and needs verification, write a message to the manager assigned to your project. No matter what time it is on the other side of the globe. If you do so, the problems you reported will be fixed when you come back to the office early in the morning.

4. HOW TO ALLOW DEVELOPERS TO UNDERSTAND WHAT I AM SAYING?

Every organization needs someone at the top continually over-communicating what is important so that there is clarity of purpose, focus, and alignment. But also do remember to make what you say as clear and straightforward as possible. Most of the software developers working for outsourcing companies speak English fluently, but there is a high likeability that it is not their mother tongue. Of course, it does not make them any less professional when it comes to their work. We will get to that part in a minute.

Be very precise and direct, do not beat around the bush and do not leave room for speculations. Whenever you are not sure whether the things you said were clear for your remote development team, ask them to summarize what you said to ensure that they got all the nuances. You can also try to show examples, make a screenshot, point out your remark, or show a benchmark on the other website – it will be much easier to confront the challenges when you prepare comprehensive feedback.



5. HOW TO AVOID WASTING TIME AND MONEY?

Whenever it is possible, try sitting down with the project manager regularly to make a backlog of tasks and verify existing ones if they still apply to the current situation. That way whenever there is a need for you to address an issue within a task in progress, team members, before continuing work on it, can just move on to a different assignment in the meantime.

As you may already know, there are multiple reasons why developers get stuck on certain tasks. It is typically not their fault, so try to be understanding. They may be unable to continue their work on a task because of a compilation error being fixed by someone else or have business-related questions only you can answer. This is why we recommend an Agile way of scheduling tasks. When developers need to stop for a moment with one of them, they can move to a different part of the project that needs to be done anyway.

6. HOW TO DEAL WITH LONG DISTANCE?

Conference calls are the solution. This one might seem pretty obvious, but it is worth stressing. Sometimes it might be hard to make room in your daily schedule for a video chat, but it is definitely a good step towards good productivity of your offshore development team.

It is a great substitute to face to face meetings because without them it is going to be hard to find out what is the team's attitude towards the changes you want to implement in their work.

7. HOW TO SQUEEZE MAXIMUM PRODUCTIVITY OUT OF AN OFFSHORE TEAM?

Give them the real work to do. It is true that one of the cut-and-dried pros of outsourcing is savings, though lower wage does not mean that you should give easier tasks to an offshore team. True enough a simple and quick assignment can be used to verify how the team will perform.

The fact that you pay Polish developers much less than those hired in the US does not mean you should not give them the real job to do. Remember that their cost of living is a fraction of Silicon Valley. Their wage is lower not because they are junior developers and do not have enough knowledge to meet your expectations. It is just the fact that the place they live in is much cheaper.

8. HOW TO MANAGE A REMOTE TEAM WORKING ON YOUR SOFTWARE DEVELOPMENT?

Try to get familiar with their management structure and systems – every project has an assigned manager to it, and their job is to make everything go exactly how you want it with maximum productivity.

Understanding that micromanaging from afar might not be a good idea is crucial.

Although whenever you find out something is moving in the wrong direction, contact the project manager, and set the record straight.

It is in the best interest of both – you and your offshore partner – to make sure that the team can be self-managing and successful.

9. WHAT IS THE BEST WAY TO EXPLAIN WHAT YOU NEED?

Provide examples – this also applies in case of limited options for face to face meetings. Whenever you do not like something, it needs a change, or you want to show an example, go for it. Literally! Be very specific. Explain and depict everything via screenshots, or short video footage.

Use the features available on your phone or computer. Make short videos or photos, write comments to given examples and discuss them over a phone call or video conference. Flowcharts, charts, graphic representation of what you want to achieve do the job.

10. HOW TO IMPROVE RELATIONS BETWEEN THE OFFSHORE TEAM AND THE ONE WORKING IN YOUR OFFICE?

The worst thing to do is to differentiate between your team in the office and the one working offshore. It can become unhealthy for both sides – they can create an "us vs. them" mentality where real cooperation will not be possible, and people won't feel that they are on the same team.

The solution for you here is to treat your offshore programmers as a part of your team, just working remotely. Please include them in the in-house communication whenever it is possible.

TAKE THE BEST ADVANTAGES OF IT OUTSOURCING AND MAKE YOUR COMPANY THRIVE

Outsourcing and working with a remote development team will be much more manageable when you decide to follow the 10 tips mentioned above. Do not forget about the proper communication and cooperation with the manager assigned to your project – it will make working with the offshore team easier than you anticipated.

If you still have doubts about whether it is an option for you, consider how much time and in-house resources, you will save once you decide to outsource the software development of your product abroad. Find a reliable and professional technological partner and focus on what is most important here – your core business.

ABOUT THE AUTHOR

COO and Co-founder of Applover, a full-stack digital agency, honored in 2019 by Deloitte as the "Rising Star" in the CEE region. Finalist of Forbes 25 under 25 in 2018. CEO of Smart Citizen, a company that studies urban agglomerations to improve the quality of life of their citizens. A graduate of the Warsaw School of Economics.



PIOTR SĘDZIK



COST-OPTIMAL OUTSOURCING OF RECRUITMENT PROCESS

COST-OPTIMAL OUTSOURCING OF RECRUITMENT PROCESS



Author: OLA PSZCZOŁA, BEE TALENTS

Companies that enter new markets often wonder if the use of outsourcing is cost-optimal. Over a year ago, we introduced the RPO model, i.e. Recruitment Process Outsourcing, which is an alternative to the project model operating on a success fee. Our example shows that hiring a recruiter or exclusive recruitment team is not only cheaper but also much more effective. We have noticed over 43% savings and three times faster employment rate of candidates for our clients. The recruiter at RPO not only has access to company resources but above all is fully focused on one organization. The company receives a specialist equipped with both knowledge and access to tools. Most outsourcing companies also ensure continuity of projects in the event of holidays or in case of long absences. The key to good cooperation is to build a partnership based on good communication and a clear definition of needs, opportunities and goals. I think that this model of building products or product teams can be widely used, not only in the IT industry. Assuming that both parties treat each other as equal partners, outsourcing cooperation brings many benefits to both sides.

ABOUT THE AUTHOR

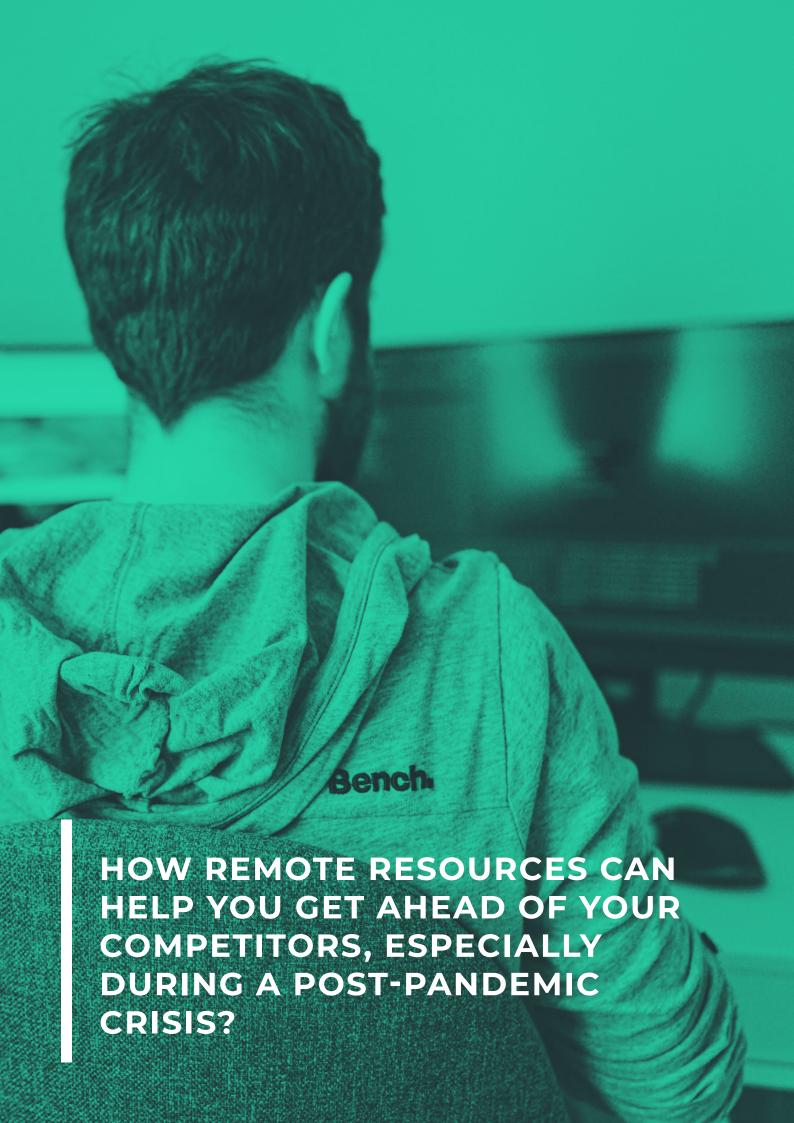
Ola Pszczoła is the founder and the CEO of Bee Talents. Being present in the IT industry since 2010 she underwent the path from building a simple mobile app to creating a recruitment and consulting agency. Together with her team on daily basis Ola finds the best IT talents in Poland and abroad, trains future IT recruiters and shows clients how they can achieve their business goals by paying bigger attention to an organisational culture. She was awarded the prize of "Szef HR" in 2014. Ola is a great fan of Sheryl Sandberg and Patty McCordi's methodology. Featured in competitions Strong Women in IT 2019 and Poznań Leader of Entrepreneurship 2019.



OLA PSZCZOŁA



Bee Talents - we believe that valuable HR and recruitment processes make a huge difference. Our team connects the best candidates and IT specialists and provides expert support for HR processes. We do not have any superpowers, but we do get involved in every project, using our specialized technical knowledge.



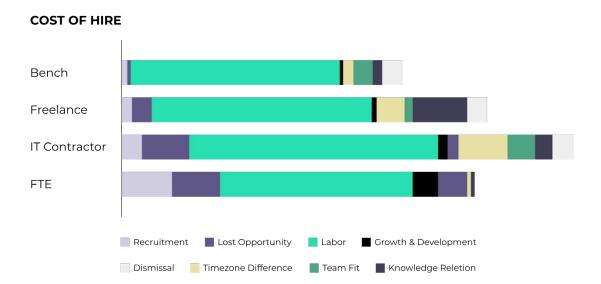


The immediate effect of the pandemic was a very fast response by lockdown in many industries. Which resulted in massive layoffs across companies affected by the epidemic. It was a chain reaction - many companies fired large numbers of candidates (from job positions they sometimes recruited for years). This approach is caused by a constant requirement for in-house employees caused by a false sense of security and misinterpretation of costs involved in the process.

COSTS OF RECRUITING

A talent recruitment process does not only consist of remuneration, but there are also other costs that employers are not aware of. As you can see below, there are costs associated with recruitment itself, lost opportunities you can understand as a missed possibility to hire a great candidate. The biggest spending is on labor and although we can reduce it much more than our competitors, it still remains high. Then we need to look into growth & development associated with the

recruitment process, as well as subjects like dismissal, time zone differences, team fit and knowledge retention.



There is a lot of factors associated with costs of hiring employees. It differs between different types of models - when you hire a freelancer some of your costs are lower in comparison to hiring an IT Contractor and there is a lot to consider. But you need to think about your costs especially when the times and market situation challenges you and your business. Think about it. It is your time, time to reach the right candidates, the time you need to give to interest them in your offer, the time you need to select the candidates that seem to be a fit for your company, then time to assess their technical skills, soft skills, experience, engagement, attitude. And time is an incredibly precious commodity these days, and it seems there is always a shortage of it. That is your first and most important reason to use outsourcing services when it comes to recruitment.

WHAT ARE THE ADVANTAGES OF USING REMOTE RESOURCES?

By using outsourcing services you can not only save time so you can react faster than your competitors, but you can also gain much more. Using remote resources gives such advantages as:

EXPERTS HOW REMOTE RESOURCES CAN HELP YOU GET AHEAD OF YOUR COMPETITORS, ESPECIALLY DURING A POST-PANDEMIC CRISIS?

- 1. Flexibility;
- Possibility of quick and emotionless contract termination avoiding problems associated with other employment models;
- **3.** Access to top talent from around the world, not limited to the area your business is seated in:
- 4. Lower salary costs for companies operating in the most expensive locations.

These pros of using remote resources for the recruitment process are crucial. But what is more for many projects and within many companies, we are turning towards an even more different approach. We know that there are many hard skills we can train someone with quickly, but soft skills are much harder to learn. We want to cooperate with people whom we can get along with, who understand our vision and way of communication easily without an effort. Who can laugh at similar jokes and know or feel where the boundary is. That is why soft skills assessment is so important now and it is the reason behind our unique approach to outsourcing, some even call it outsourcing 2.0.

With our new tool, which we will introduce soon to the world - "the Bench", we can take outsourcing IT to another level. It is a vast and detailed database of developers created in cooperation with psychologists and which help to assess their skills - both technical and soft. Moreover, it uses machine learning mechanisms to ease it is work even more!

Thanks to it, with Bench, we are able to conduct a **recruitment process in 5 days.** That is first and foremost the biggest saving in your time, resources and money. You can have great, skilled and tested devs in 5 days. How long did it take to recruit your developer last time? 3 weeks? Oh, you were looking for a senior with experience in Flutter and mobile applications for an English-speaking team, so it took 6 or even 8 weeks? So, let me repeat, you can have them in 5 days when you choose the right outsourcing partner.

Ok, let's say you have your developer, now you need to organize a place in your office for them, the equipment they can work on, contract, monthly payment, probably some onboarding package, private healthcare, sports package - a bunch of benefits that became a standard in the IT world. A lot of work and arrangements. When you outsource you just do not need to worry about any of that. The outsourcing firm takes care of collecting all the side obligations and

support your developer in getting to know your project or product as good as it is possible.

RIGHT ASSESSMENT = RIGHT CANDIDATE FOR YOUR PROJECT

Moreover, Bench can provide you with recommendations for the most suitable candidates for your projects. Our new tool analyzes soft skills, their experience and personality traits and matches them using machine learning. Thanks to that, we can provide you with an objective and reliable assessment of candidates for you and the other way around - for them. They know they can trust us because we provide them with information about your company and project.



The proposed candidates, who are previously tested by us, are characterized by high commitment, not only because they know everything they should, but also because of the specific project framework. They are obliged to keep the deadlines to us, you do not have to worry about it and keep checking them.

WE ARE NOT AT SCHOOL ANYMORE BUT WE LIKE TESTS

We interview every candidate we introduce to our Bench database, we test their technical skills, soft skills and we talk to them. It allows us to match them perfectly to the specifics of your project. So we know who can work in a small team and who is a pro-active developer with start-up and agile attitude. After all, you need someone to understand and develop your new product for your industry and within a tight budget. Yes, it is possible but we also know that it is hard to believe. That is why we offer our clients a **7-day trial** so you can test the selected developers. Then you can see whether you enjoy working with them, if they get along with your existing team or understand your needs. If you are somehow not happy with our choice, there are no hard feelings and no strings attached. You can just resign from our services. That is the beauty of outsourcing - we are much more flexible. And that is why more and more companies will rely on using remote resources and outsourcing services. You of outsourcing - we are much more flexible. And that is why more and more companies will rely on using remote resources and outsourcing services. You can follow the example

EXPERTS HOW REMOTE RESOURCES CAN HELP YOU GET AHEAD OF YOUR COMPETITORS, ESPECIALLY DURING A POST-PANDEMIC CRISIS?

of Airbnb, Axel Springer, Gucci, Shopify, Zendesk and many more, and see how your business can do better with reduced costs and best talents onboard even during the most challenging times!

I cannot say more about our new tool Bench for now, but the release date is the 1st of July, so keep an eye out for it!

ABOUT THE AUTHOR

CEO & Co-Founder of Applover, technology enthusiast and amateur triathlete.

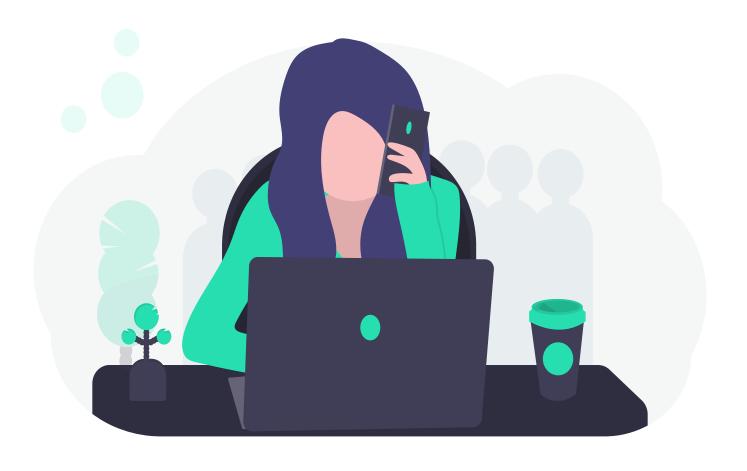
He helps companies build & scale their digital products.



RADOSŁAW BUŁAT



Bench by Applover - a new tool based on machine learning which allows matching developers to your project not only by their technical expertise but also by their soft skills and personality traits. Developed in cooperation with psychologists and HR professionals.



OUTSOURCING SALES SUPPORT

OUTSOURCING SALES SUPPORT



Author: FILIP DUSZCZAK, INSTREAM GROUP

The current situation is a huge challenge for sales directors and their teams. A real test if their processes, structure and sales culture are adapted to work in a remote model. Many organizations have just decided to implement a CRM system or acquire clients using modern methods such as Cold Email or Linkedin Automation. But without resources in-house they cannot count on results they can expect from their business offer. That is when outsourcing services can help them. We operate like that and offer full support to such companies. A well-designed sales process, supported by appropriate solutions and automated Lead Generation activities, allows for stable operation and further development of the business. You should select partners for sales operations carefully as it is an essential part of every company. Look for the partner that has the experience, is open to consultations and personalized workshops tailored to your needs. At InStream Group, we provide you with these services, and our clients can confirm that they work and help their companies to operate better even during such challenging times we now live in.

ABOUT THE AUTHOR

President and Co-founder of the InStream Group. Sales and modern Sales Enablement tools enthusiast, lecturer and business trainer.



FILIP DUSZCZAK



InStream Group - provider of the Instream CRM system, Sales and Lead Generation agency. Works with over 600 clients in 50 markets.





Lately, remote work became everyday life for most of us. Many companies were forced to switch from an onsite working mode to a fully remote one overnight. It all happened due to the pandemic COVID-19. Reorganizing the whole office, along with its structures and habits for some of them, was a challenge. Others were perfectly prepared. Our processes and long experience of outsourcing Applover is developers to other companies made us perfectly prepared for those #stayathome times.

We know that some of you are not convinced that it is possible to work with remote developers and lean on the idea of outsourcing IT. For those who still are not sure and are considering the <u>pros and cons of outsourcing</u>, trying to find reasons to work with remote developers, here are some strong arguments in favor of doing so.

WHAT IS OUTSOURCING?

First of all, for those of you who are not familiar with the idea – here is the outsourcing definition. In a nutshell, it is a business practice of hiring employees outside of the company to perform services that traditionally were performed

in-house. What motivates companies to go for outsourcing IT? It is a practice usually undertaken as a cost-cutting measure. It is not the only reason to do so! Let's take a look at what are the reasons why outsourcing is a choice you should consider.

THE 10 REASONS WHY SHOULD YOU CONSIDER OUTSOURCING IT

1. HIGHER PRODUCTIVITY

A report published by IEEE on "What Predicts Software Developer's Productivity?" claims that developers' productivity is strongly related to task variety and ability to work remotely. Another research showed a 13% increase in productivity while working away from the office. Employees working remotely had many more options to choose from. It applied to work hours and a possibility to find the most suitable workflow.

Remote work gives developers more freedom and the opportunity to work when they are most productive during the day. Let's imagine that a developer is most productive between 10 PM and 1 AM. You may never be able to make the most of their talents once you require them to do a 9-5 workday. Outsourced developers are mainly working from homes. They know what and when to do to make it exactly how you want it.

Moreover, they are outside people. They can bring a lot of value to your already existing team, bringing them new ideas to develop your product easier or better.

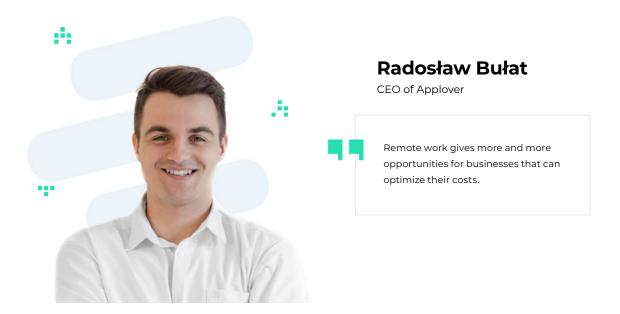
There is often the case when we sit on something too long to see the simplest solution that is in front of us.



2. LOWER INFRASTRUCTURE COSTS

A few years ago, people were talking about <u>NVIDIA headquarters</u>. It took 370 million dollars to design and build construction that reflects the unique personalities of company employees. One can say that the high costs of designing and building modern buildings are not surprising, but let's take every employer's point of view.

Hiring a developer on your own means, you need to spend money on a physical workspace designed to attract talent and keep them fully engaged. We are not even talking about necessities such as fast internet connection, stationery supplies, or coffee. Let's consider the last one. According to the research site <u>Cost Owl</u>, the average American company spends for coffee anywhere from \$50 to even \$125 per employee annually. As Radosław, our CEO, mentioned in his article on <u>Medium</u> – remote work gives more and more opportunities for businesses that can optimize their costs. So instead of hiring developers to work right at your office, think of hiring remote programmers. They will choose a place that makes them happy and productive. Whatever it is – their home, co-working place, coffee shop, or the office of the outsourcing company that hires them. You can focus on the project without thinking about anything else.



3. BEST TALENTS FOR YOUR NICHE

Developer Skills Report prepared by Hacker Rank last year shows that many companies – which, to be exact, makes 41% of employers – struggle with a talent shortage while hiring developers. It is harder to succeed in the hiring process while recruiting a programmer than in any other business. Right now, great developers are in high demand. So it is very difficult to find a person who will meet your needs. Especially when you look for particular full-stack skills or niche technology. Once you open yourself to outsourcing and remote developers applicants, you expand the range of available talent significantly. It broadens your recruitment scope and allows you to look for developers anywhere. Including those who would not be eager to relocate for the position you are offering or who value the possibility of working remotely. It also brings greater diversity into your company. They can show you the solutions and ideas that your existing team couldn't see.

4. LOWER EMPLOYMENT COSTS

When you decide to hire a full-time developer, who will be working just for you at the office, you need to take into account not only their salary but also some legally required benefits. There is quite a lot of them. For example health insurance, unemployment insurance, and special bonuses such as gym membership or Christmas gift vouchers. When you decide to outsource, all of the costs

mentioned above are in the domain of an <u>outsourcing company</u>. It is also easier for you, when you have a little restaurant and want to have a simple system for your clients to order food online. You do not need a developer full-time, you need someone who will understand your business, develop a website or an app that will be so easy for you to work with that you will not need an IT guy all the time.

5. SAVING MONEY

Companies go for IT outsourcing to reduce the need to invest in non-essential functions. In return, saved means are available for more important services. So another advantage. Thanks to it, you could get the maximum possible benefit. It can be crucial especially if you are at the beginning of running your business. Let's say you just founded your startup that connects great trainers with your clients online. You need a simple solution that will allow your trainees to schedule online training. Your main development besides the app should be expansion, seeking new clients, and great trainers to hire.

6. HIGHER MOTIVATION

Findings from the American Psychological Association show that employees who can control their work and working habits can easier reduce stress, enhance motivation and growth. Workers who have control over their schedules, which is commonly attributed to remote work, report finding time for further education, exercising more, and eating better. What is more important in terms of project development success, people who work remotely have a better outlook and attitude toward their work in general. They stay passionate, involved, and motivated much longer. You can ask: "How will I know if remote developers I hire are motivated enough to do their job exactly how I want it?".

Finding reliable, experienced, and highly motivated IT developers might be hard. In such a situation, it is a good idea to get in touch with an experienced technological partner. The one that knows its developers and has recruitment tools at its command, which help to choose developers who – according to their experience, habits, and even personal traits – will be most suitable for your project. At Applover we have our own expended and detailed database.

It gathers information about all of our developers, including their technical skills, level of experience and personal traits. Hence, we know exactly what kind of projects will keep them the most motivated according to their skill set, experience, and attitude.

How will I know if remote developers I hire are motivated enough to do their job exactly how I want it?

We would never choose a programmer who does not have a clue about a business you are into. When we select a team for a food delivery service, we make sure that our candidates are "heavy-users" of such kinds of services. So they know what users need because they do not only get your unique business perspective but also the one from your potential clients.

7. AVAILABILITY AROUND-THE-CLOCK

According to the <u>remote team trends</u>, users expect an immediate reaction to anything that is not working correctly. To make it work, tech companies need to track consumers' feedback all the time to fix bugs very fast and to keep the best quality of products.

Let's take the simplest example. If Facebook is down, people expect to be notified as soon as possible on any other services such as Facebook's Twitter feed. They want to hear that it'll be back just in a minute, not an hour or more. When something is not working, if there is a bug in the software we are using, we need it fixed right now!

Traditional workday makes it impossible to happen unless you have teams working the night shift. In a situation like that, it is worth considering cooperation with remote developers. In such teams, it is much easier to have an around-the-clock team with overlapping schedules and changeover meetings. It also works great once you consider hiring developers from the other side of the globe. Let's imagine that you are from New York and hire developers from Poland. Once you report that something is not working at the end of your workday, it will be done when you come into office the next day. It is because Poland (Central European Time Zone) is 6 hours ahead of New York.

8. IMPROVING COMPANY FOCUS

Let's imagine that you are in a publishing or events business. You know that what your business needs is a mobile app that makes your products or services more accessible to your customers. You decided to keep all of your business functions housed together, so you hire a development team. You need to organize the whole recruitment process. It is not that easy in the IT business, trust me! After weeks of interviews, you have your team. And it is just the beginning of the project!

As you see, there is a long way to go from the idea to the final product. In such a situation, things will get busy, and your core function will be overwhelmed by outside issues. If you outsource those parts that you are not familiar with, it allows you to focus all of your attention and resources on more essential parts of your business.

Outsourcing IT works best, especially in situations when the pace of your actions is crucial. Let's think about the current situation and business struggle with the COVID-19 pandemic. Stores and restaurants need to act fast due to building an online store or adding an ecommerce module. The actions that such enterprises take now are their to be or not to be on the market. Outsourcing here is the best option.

9. CUSTOMER SATISFACTION

The next one applies to your software development project as well as the core business functions of your company. Once you decide to develop a mobile application, tool, or platform, you need to make sure that it will fulfill its role. According to that, you need experienced developers who will make your project nailed and polish so your customers will be satisfied with the services you provide. It is incredibly important at the moment. According to many restrictions connected with the COVID-19 pandemic, the only way for customers to get what they need now is to shop online.

Here come our developers. Cautiously selected for your project, experienced, with the right scope of tech and soft skills, who not only see your product as a next project but also as a product they will probably use themselves. They know how many times they were frustrated by the unfunctional service, they

EXPERTS 10 REASONS TO WORK WITH REMOTE DEVELOPERS

know what to pay attention to. And they are the best possible people to seek an easy solution to solve the most complicated problem.

10. REDUCED RISK

Every business investment carries a certain amount of risk. Without having experience with software development, you cannot be sure whether developers you hire on your own are experienced enough to deliver the project exactly how you want it. When you decide to outsource IT development and make your technological partner choose the best programmer for your project, it is their responsibility to deliver a perfectly working project fulfilling your needs and expectations.



Once you decide to lean on an outsourcing company that provides you a transparent process at the beginning, showing its developers experience, there is no risk that your project fails.

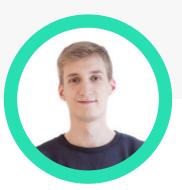
What is more, at Applover you can go for a risk-free trial of the cooperation with the team. So if you do not feel confident about the developers we chose for you, that is ok we can stop just like that. Although, thanks to our experience and data about each of our specialists, it actually never happens.

IS OUTSOURCING IT A GOOD IDEA FOR ME?

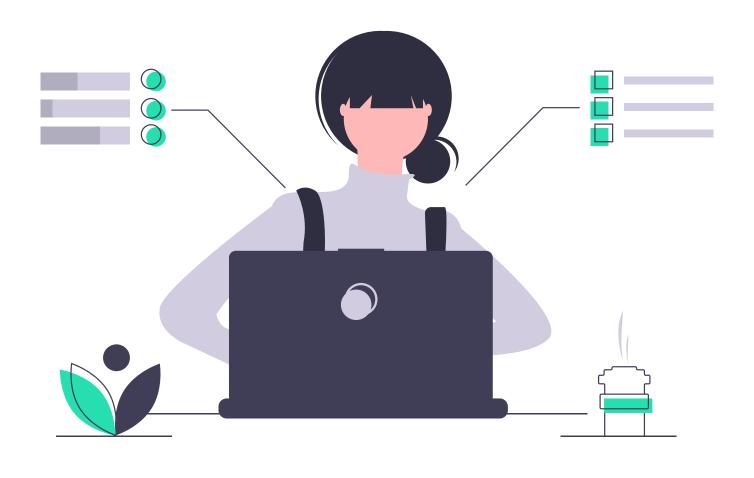
Try to think about the reasons mentioned above. If you consider them and realize that outsourcing and hiring remote software developers might be an excellent option to make your company thrive, go for it. You will be able to focus on what matters the most, your core business.

ABOUT THE AUTHOR

CTO of Applover, a full-stack digital agency. Full Stack Developer with 6 years of experience and more than 30 completed projects. He can help you with optimizing your work process and finding the best way to get the job done.



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FOCUS ON YOUR CORE BUSINESS, OUTSOURCE LESS CRUCIAL WORK

FOCUS ON YOUR CORE BUSINESS, OUTSOURCE LESS CRUCIAL WORK



Author: RADEK TADEJEWSKI, CZYSTA3.VC

By investing in companies from various industries and countries, we invariably appreciate their use of outsourcing those services that are not a part of their core business. Thanks to this, the management team can devote their full attention to business development, instead of getting lost in the complexities of HR and payroll services or IT systems.

Currently, almost any function in the organization can be outsourced. This is a particularly attractive option for innovative companies in the early stages of development that do not want or do not have the opportunity to have an extensive team. Outsourcing allows them to flexibly use specialized services - usually high quality, based on the latest technologies. They often use the opportunities offered by cost-reducing process automation, saving time and reducing the likelihood of errors. At the same time, companies that build their value on innovation value cooperation with partners whose technology offers additional value for their business.

Outsourcing services can be provided by suppliers from various geographical locations, which of course often allows you to get a price advantage. The role of the venture capital fund is to support the portfolio company in maximizing it's

EXPERTS FOCUS ON YOUR CORE BUSINESS, OUTSOURCE LESS CRUCIAL WORK

potential, which often means helping to identify those non-key functions of the organization that other companies will do better, faster and cheaper.

ABOUT THE AUTHOR

CEO at Czysta3.vc. Venture Capitalist, Tech geek & serial entrepreneur. Founded and developed a few successful companies and VC funds. MBA graduate at the European University Viadrina Frankfurt as well as one of the first Polish scholars at the Haniel Foundation.



RADEK TADAJEWSKI



<u>Czysta3.vc</u> - Polish Venture Capital fund with a capitalization of PLN 50 million, focused on new technologies - mainly software and martech.



OUTSOURCING FAQ

WHAT ABOUT RESPONSIBILITY? WHO IS RESPONSIBLE FOR THE DEVELOPER AND THE SUCCESS OF THE PROJECT?

When it comes to this form of cooperation, where you are "hiring" a developer or other specialist, the responsibility for the project and its management is on you. However, if you are not comfortable with taking responsibility for the project like that, we encourage you to use company's project managers, most outsourcing firms offer such services.

WHAT IF, ALL OF A SUDDEN A FREELANCER DECIDES TO LEAVE THE PROJECT?

Every case is different but most often the agreement foresees such an event with a notice period and a penalty for breaking the contract. If that happens analyze the situation, gather feedback from the specialist and ask your outsourcing company to provide another employee in exchange.

WHAT SAVINGS CAN I EXPECT WHEN OUTSOURCING INSTEAD OF HIRING A NEW EMPLOYEE?

It depends on the project, industry and niche, but most of the time you can save from 5 to 45% while outsourcing and not hiring. Moreover, you can start to work on the project faster, so you are saving also some time.

WHAT ARE THE TYPES OF OUTSOURCING?

There are various types of outsourcing. Sometimes company offers you someone in a team extension model, which means an outsourcing company provide you with a needed expert who joins your already existing team. There is also team-model, when outsourcing firm recruits the whole team for you. At Applover, we are flexible to your needs and provide you our services with every model mentioned above.

THANK YOU FOR TAKING THE TIME TO READ OUR REPORT!



JAN KAMIŃSKICo-Founder and Head of Sales at Applover

jan@applover.pl

IF YOU HAVE ANY QUESTIONS,

GET IN TOUCH WITH US!

Contact us

















