

Offshore Outsourcing: Myths, Facts, and Opinions

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Presented by:



Software Quality Group
of New England

Introduction

- **Many software companies are looking for ways to reduce costs by considering offshore outsourcing of software development and QA tasks. Unfortunately, information about offshore outsourcing - specifically cost, quality, and productivity data - is not readily available. This panel discussion will address the myths and provide some facts.**
- **Our panelists, all of whom are directly involved in offshore outsourcing, will discuss their experiences and provide answers to the following questions:**
 - **What unexpected challenges have organizations involved in offshore software development and QA work had to address?**
 - **What are the real costs associated with offshore development and QA?**
- **Audience Q&A**

Panelist Bios

- Jerry Cristoforo, Chief Technology Officer, Exec VP State Street Corporation
 - Albert "Jerry" Cristoforo is Chief Technology Officer and Executive Vice President of enterprise information services and global markets technology services, overseeing all aspects of online information technology at State Street in support of Investor Services and Global Markets. Mr. Cristoforo is also responsible for corporate information security and data management services.
 - Mr. Cristoforo has been the driving force behind a number of systems development initiatives aimed at the re-architecture of State Street's information delivery infrastructure and the build-out of Global Markets' electronic execution strategy on Global Link. Additionally, he pioneered State Street's partnership with Zhejiang University's Research and Development Technology Center in Hangzhou, China. Today, he is Chairman of the State Street Hangzhou Technology Center which has grown to more than 350 staff members working on State Street software products.
 - Mr. Cristoforo joined State Street in 1994 from Image Business Systems, where he held the position of Chief Technology Officer. He has also led Fund Technology Services where he drove the development of NAV Alert, an industry-leading product that provides instantaneous access to key fund data in order to automate the validation and reconciliation process when computing a fund's net asset value (NAV). He holds a Bachelor of Arts degree in mathematics from Northeastern University and has served as Master Lecturer in the computer science department of Boston University.

Panelist Bios

- Mike McGonagle, Vice President of Engineering, Deploy Solutions
 - In his role as VP of Engineering, Mike is responsible for both creating Deploy's technical vision as well as developing the company's product offerings in support of the company's near- and long-term goals. Mike brings extensive experience to Deploy, with more than 28 years of experience in commercial software development, including the deployment of mission-critical applications for large organizations such as Tetley Tea, Eli Lilly, Ingersoll-Rand, The Boston Globe, Nissan and Federal Express.

After starting his career in the mainframe, time-sharing environment, Mike spent 10 years developing commercial products for the mini-computer marketplace at several companies before spearheading Cullinet Software's first client-server research project, one of the industry's earliest efforts in this area. This initial client-server exposure was followed by major product development efforts at Atex, Praxis, MarketPulse, Xchange and Exchange Solutions. In 1994, Mike co-founded Xchange and directed the growth of the product family and the R&D organization for over six years of rapid growth as Xchange became an industry leader in the CRM industry.
 - Mike holds a BS in Mathematics from Lowell Tech and a Master's in Mathematics from Brown University.

Panelist Bios

- Matt Pappas, SQA Manager, SAS Global Retail Practice
 - Matt Pappas leads the software quality assurance group for SAS's Global Retail Practice. He has more than a decade of experience in the software industry, and has held management positions at companies including Fidelity Investments, Parametric Technology and PartsDriver.com.
 - While at SAS, he has been responsible for building an offshore test center based on a methodology that emphasizes domain training, infrastructure management, effectiveness metrics, knowledge management and standardized test processes.
 - Matt holds a degree in Economics from the University of Massachusetts at Amherst and is a member of the American Society for Quality.

Panelist Bios

- Charles Rehberg, Chief Technology Office, Trigent Software
 - Charles has over 25 years of successful software product invention, development, and delivery. He currently serves as the CTO of Trigent Software specializing in mission critical software development and legacy migration outsourcing.
 - Prior to Trigent, Mr. Rehberg co-founded Dovetail Software as its VP of Engineering. Two years later, Dovetail was acquired by Ardent Software; now IBM. Previously, Mr. Rehberg has also held various engineering, and managerial roles at Digital Equipment Corporation, R&O, and Cayenne Software, and has been an architect member of the Technology Office at Ardent Software and then Informix. In addition, he has served as Vice-Chair Technical of the CDIF Standards Committee.
 - Mr. Rehberg holds an MS in Computer Science and a BS in Chemistry from the University of New Mexico. He is co-inventor of one US patent with several others pending.

Moderator

- Steven R. Rakitin, President Software Quality Consulting, Inc.
 - Steve has over 30 years experience as a software engineer and software quality manager in a broad range of industries. He has written extensively on the subject of software quality and published a book titled: Software Verification & Validation for Practitioners and Managers.
 - He helped write the first IEEE Software Engineering Standard (for Software Quality Assurance Plans, IEEE-STD-730) and is currently on the IEEE Standard 1012 (Software Verification & Validation) Working Group.
 - He received a BSEE from Northeastern University and an MSCS from Rensselaer Polytechnic Institute. He has earned certifications from the American Society for Quality (ASQ) as a Software Quality Engineer (CSQE) and Quality Auditor (CQA). He is a member of the IEEE Computer Society, the ASQ Software Division, and is on the Editorial Review Board for the ASQ Journal *Software Quality Professional*. He presents papers and workshops at conferences worldwide.
 - He helps companies establish a more predictable software development process. Contact him at steve@swqual.com.

Outsourcing Terms

- Outsourcing
 - Outsourcing is the delegation of non-core operations or jobs from internal production to an external entity (such as a subcontractor) that specializes in that operation. Outsourcing is a business decision that is often made to focus on core competencies. (Source: Wikipedia)
 - Outsourcing is the term originally applied to work sent overseas. Many people still use this term. However, work that is “outsourced” isn’t necessarily sent offshore. Work may be sent to a company located in the US that specializes in some particular aspect of a business process that, as indicated above, is not part of the organization’s core competencies.

Terms

- Offshoring
 - Offshoring is relocating business processes to a lower cost location overseas. (Source: Wikipedia)
- Onshoring or Homeshoring
 - Onshoring or homeshoring is relocating business processes to a lower cost location in the US, usually in smaller cities where workers can work at lower cost than in larger urban areas.
- Nearshoring
 - Nearshoring is a form of outsourcing in which business processes are relocated to locations that are geographically close to the US. (Source: Wikipedia)
- Co-sourcing
 - Co-sourcing relies on a long-term, strategic, and symbiotic relationship between a client and a vendor.