



# Atlanta SPIN

Software Process Improvement Network

The Atlanta SPINaker

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## SPIN Perseveres Despite Flood-Induced Gridlock



Michael Yudanin



Michael Yudanin Opening the Meeting

In spite of the inclement weather and traffic rivaled only by the infamous May 18, 2005 "gravel spill meeting," over 30 die-hard SPIN members attended the November 15 Atlanta SPIN meeting held at the La Quinta Inn on Peachtree-Dunwoody Road. The presentation was entitled "Offshoring Assurance: Making Offshore IT Work" and was given by longtime Atlanta SPIN member Michael Yudanin, founder of Conflair.

Outsourcing is defined as delegation of non-core operations or jobs from internal production within a business to an external entity. Offshoring is a subset of outsourcing; specifically, offshoring is relocation of business processes from one country to another. Michael started the talk by discussing the motivations companies have in embarking in offshoring and outsourcing. The first motivation is lowering costs, e.g., having the same software developed in India for a fraction of the cost. Secondly, tapping into new talent is an incentive for com-

panies. For example, it may be easier to find COBOL programmers offshore. A third reason Michael mentioned is improving timeliness; he gave the example that software can be developed during the day in one country and tested at night in the other country. Finally, a company may have a project that is failing in the U.S. and may thus consider sending it offshore with the hope of improving the project. Michael stated that in spite of these motivations, an estimated 60% of offshoring projects fail.

Michael then delved into the reasons why those in foreign countries participate in offshoring projects. These individuals and countries hope for better wages, improved social status, a wealthier population, and a stronger international position. According to Michael, these motivations should be kept in mind when planning a project. It is important to provide incentives to the offshore team so they will have a vested interest in your project.

Next, Michael discussed the challenges of offshoring. According to his research and experience, all the familiar software development challenges exist in offshoring projects. However, these challenges are multiplied by geography, infrastructure, cultural differences, and onshore staff anxiety. Surprisingly, the number one challenge of those surveyed working in globally dispersed teams was coordination of people's schedules across time zones.

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## Signature Event!!!! - December 13—Holiday Inn

Watts Humphrey

Winning Software Teams

## Michael Yudanin Highlights - continued

In spite of this surprise, Michael noted from experience that cultural differences can be major challenges to a project. For example, saying “no” is difficult in some cultures; thus some may say yes when they mean no; this phenomenon can obviously cause confusion. It is important to understand the culture of the remote team members when embarking on such a project. In spite of these challenges, Michael gave examples of many well-known companies that are highly successful at offshoring.

Michael then shifted to the meat of the talk, namely how to make offshoring successful. Michael said the key to making such a project work is a solid offshoring process that includes clear goals, criteria for success, the right model, thorough planning, and prevention through progress monitoring. A major point Michael made that generated much audience discussion was that the offshoring process must be established before offshoring can take place. One cannot send a project offshore and hope for process. It has been Michael’s experience and the experience of those in the audience that the offshore team will do exactly as told, no more and no less. If goals are set at the beginning, the offshore team will work toward those goals. Otherwise, they will take short cuts.

Examples of goals include cost reduction, shortening time-to-market, and increasing the talent pool. Examples of criteria include reducing development costs by 30%, reducing testing turnaround by 25%, and establishing a new product line in one year. Whatever the goals are, they must be measurable, traceable to business goals, and achievable.

Choosing the right model involves deciding how the onshore and offshore teams will interact and operate. It also involves deciding whether to expand offshore or use a third-party company to help with the endeavor. Michael emphasized that items we take for granted such as transportation, parking, and telecommunications need to be considered carefully because the costs can accumulate.

The next key to success Michael discussed was thorough planning. Expectations must be set. Quality standards and working hours should be made known. Again the offshore team needs close direction. If new ideas are expected from the offshore team, make it known; as discussed earlier, incentives should be given for those ideas. Michael highly recommended involving the offshore team in specification reviews. One risk area that he identified was that requirements management must be formal. Requirements that normally are communicated verbally must be formalized in an offshore project; verbal requirements are not an option. Similarly, test procedures must be formal. Configuration Management is another risk area; solid processes and tools that are easy to configure are important. “Lite” CM tools and branching may not work well. On the verification and validation front, Michael’s experience has been that the change control board and development team must be co-located. Finally, planning considerations must include travel issues such as government regulations, currency exchange, health regulations, etc.

The final key to making offshoring work is monitoring of progress. Michael suggested quality gates as the tool for this area. Michael suggested having product and process metrics that are updated daily; metrics must be used because of the inability to knock on team members’ doors and ask. Moreover, these metrics can be linked to the success criteria to find out if offshoring is really working. Finally, Michael suggested a management dashboard as one place where management could view the project status. With such a dispersed team, such a dashboard can provide real-time information to facilitate decision making.

Michael was a passionate and enthusiastic presenter who had no problem holding the audience's interest. There was so much discussion during the Q&A portion of the talk that the questions had to be cut short in the interest of time. Michael also did a good job of using humor to lighten up a topic that often draws strong opinions. A major theme of the talk was that the offshore team is only going to be as effective as the processes that are put in place by the onshore team. If an onshore project is not going well, an offshore team cannot simply be hired to help “fix” the situation. A competent team must be established locally that can work in tandem with the offshore team using the effective software development processes that are already in place.

The slides used for the meeting are available at <http://www.atlantaspin.org/meetinginfo.htm>.



**In January - John DiMaria - BSI Management - Importance of International Standards & Certification in Your Compliance Program**

## On the BOARD walk Bill Reister - Education Committee - Atlanta SPIN

Bill has over 20 years' experience in leveraging technology to drive Process Improvement. Bill has applied his process improvement mentality to the task of securing top-notch speakers for Atlanta SPIN over the past year, and looks forward to "raising the bar" for quality speakers in 2007.



Bill is a PMP and Six Sigma Green Belt. He has received a Bell-South Excellence Award for the first successful conversion of a Mainframe application to Client-Server; and has been featured in the Technology Section of the AJC. In his first career as a Fighter Pilot, Bill taught himself programming skills; he is now President of Thunder Enterprises, Ltd.

### **How did you get involved with Atlanta SPIN?**

Heard about the organization through PMI and attended a meeting. Great speaker!

### **What process improvement-related activities have you personally participated in?**

My entire civilian career has been about process improvement, although not all of it was Model-based. Currently I am wrapping up a CMMI Level 2 implementation and SCAMPI A Appraisal. I have been fascinated throughout my career as to why inefficient processes develop and are perpetuated in organizations simply because "that's the way we've always done things." I personally believe that ignorance of a particular industry is a huge ADVANTAGE that companies today are denying themselves with overly rigid hiring criteria.

### **What benefits have you personally derived from participation in SPIN?**

Great talks, new friends, networking opportunities, and – of course – the pizza!

### **What motivated you to join the Atlanta SPIN Board?**

SPIN has afforded me the opportunity to "help spread the gospel" about the benefits of process improvement. Traditionally, "efficiency experts" have been stereotyped as bean-counting egg-heads (e.g. the movie "Desk Set" with Spencer Tracy and Katherine Hepburn); yet increasingly companies are discovering that adopting process improvement as part of their culture leads not only to better consistency and quality but also happier employees.

### **What do you hope to achieve this year within Atlanta SPIN?**

Attract even better speakers to help ratchet Atlanta SPIN up several more notches!

## Spotlight on our Sponsors: Individual



**Atlanta SPIN**  
Software Process Improvement Network

As we complete the 2006 year, we'd like to recognize those members of Atlanta SPIN who have been generous enough to personally support the efforts of this group.

The Board greatly appreciates this expression of support and looks forward to providing another excellent program of activities in 2007.

Thanks to all!!!

Steve Afnani

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### About Atlanta SPIN

The Atlanta SPIN organization was chartered in 1991. This group has been a force for software process improvement in the Atlanta area since then. The organization has a growing membership list that currently numbers 650+ members.

The group typically meets every third Wednesday of the month. Our meetings typically attract audiences of 40 – 50 people. These meetings provide a forum for like-minded people, interested in learning from others and sharing their own experiences. There is time allowed before and after the meeting for networking among the participants, including a review from the audience of any job openings that are available. The Board, through its work with Sponsors, ensures that food and drinks are also available at no cost to the membership.

The Board has a process for identifying excellent speakers, and provides guidelines and necessary support to help ensure the presentations are top quality. The Board sees these as the cornerstone of its value proposition to the overall group. To this end, the Board conducted surveys last year to gain a better understanding of its members' interests. This analysis has directly influenced the choice of specific presentations during the past six months. The Board continues to seek excellent relevant talks of interest to the membership; please advise us of potential talks and speakers that you think may be of interest; contact us at [education\\_committee@atlantaspin.org](mailto:education_committee@atlantaspin.org).

In future Newsletters, we plan to provide more information about the goals and activities that Atlanta SPIN is pursuing. We welcome your feedback on how to improve this newsletter; contact us at [newsletter@atlantaspin.org](mailto:newsletter@atlantaspin.org).

Ron Wojcik, editor