

# Subcontracting Processes in Software Service Organisations - An Experience Report

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# Overview

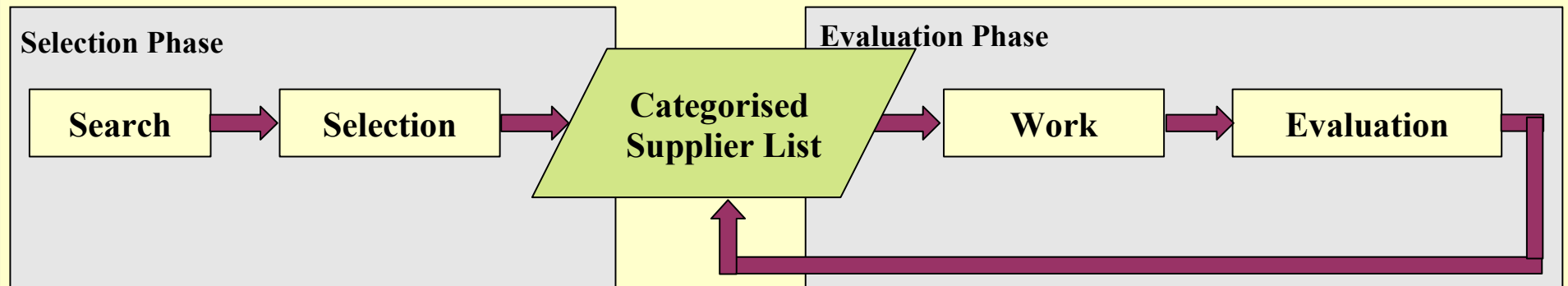
- Introduction
- Process Overview
- Selection Phase
- Evaluation Phase
- Summary

# Introduction

- Need for subcontractors
  - Additional skilled personnel
  - Price differences
  - Flexibility
- Nearshore locations
- Solita decided to use subcontractors
  - Selection process was needed
  - Later also a need for cooperation evaluation was noticed

# Process Overview

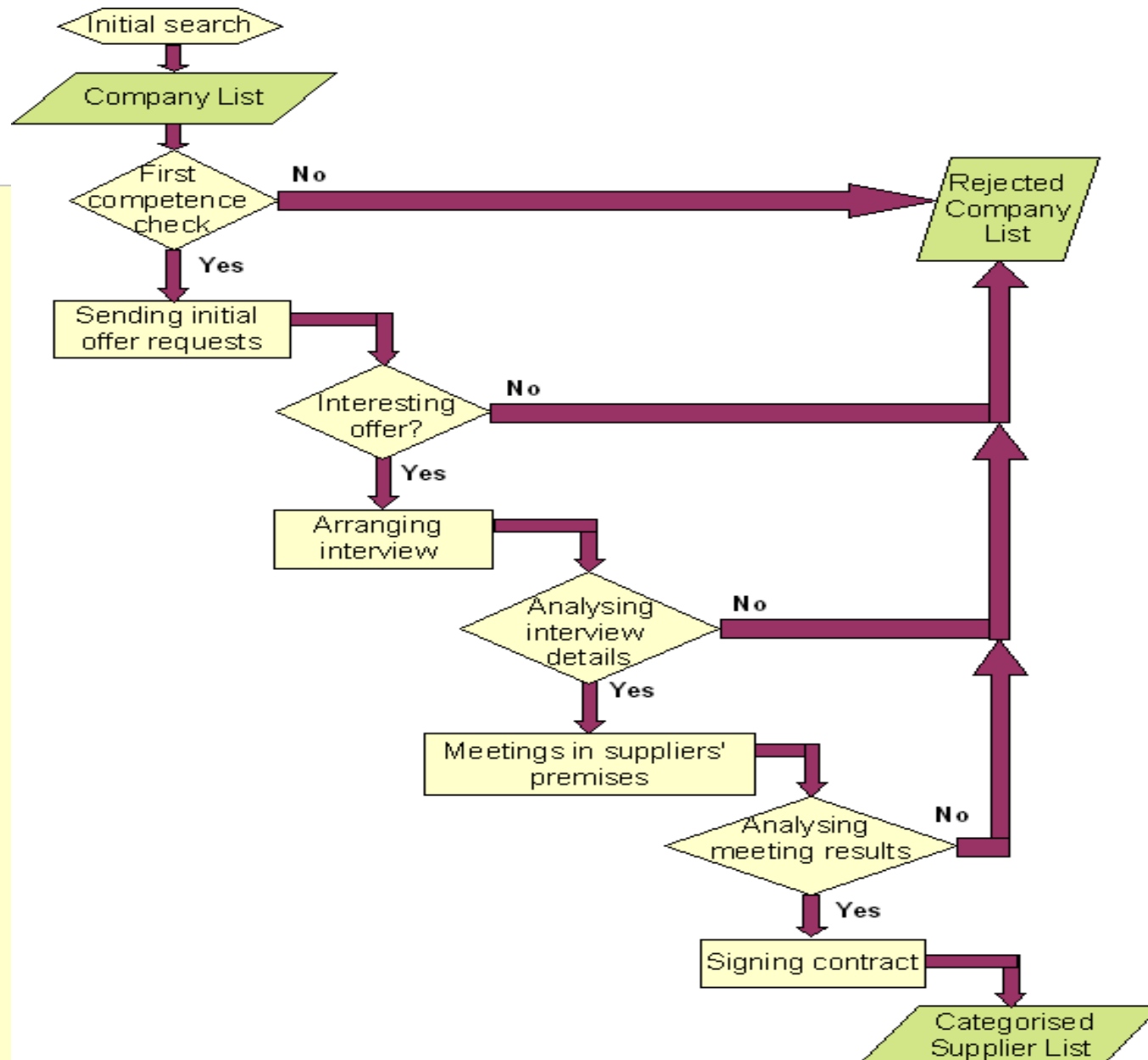
- Two-phase process



# Selection Phase 1/2

- Goal
  - To select the most suitable subcontracting partner
- Selection based on good practices and own experience (at Solita)
- Two full selection 'rounds' done at Solita
- Selection process attuned to a software solution provider's needs – specific skill sets and potential partner profiles

# Selection Phase 2/2



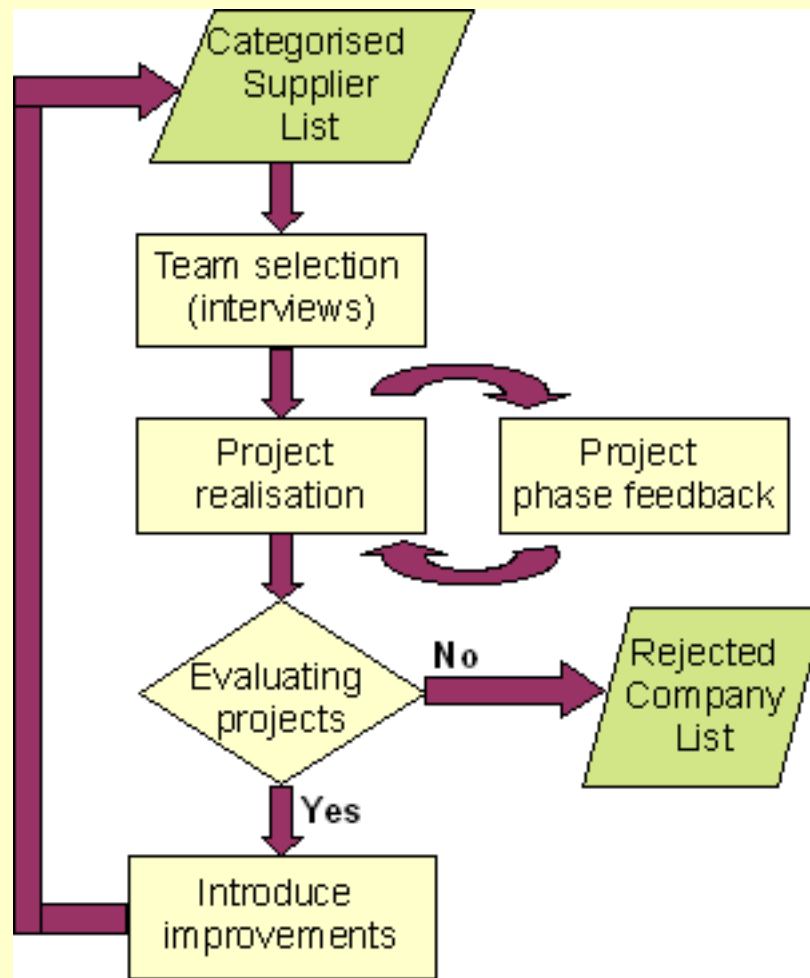
# Selection Results

- First selection round
  - Initially selected 26 companies out of 200 (in total)
  - 12 companies were contacted, and 5 interviewed and visited
  - Two subcontracting partners selected
- Second selection round (different region)
  - Initially selected 77 companies out of 150 (in total)
  - 38 companies were contacted and 8 were interviewed
  - 6 companies were visited

# Evaluation Phase 1/2

- A way to monitor how the cooperation with subcontractors develops
- Possible adjustment to changing conditions (e.g. price changes)
- Communication ratio (*communication time in a project to all project time*) as one possible criterion
- Ongoing work
  - New results not published yet

# Evaluation Phase 2/2



# Summary

- We presented two-phase process for selection and evaluation of subcontractors
  - Good practices and experience based
  - Focusing on a specific company type
- Selection phase seems to be mature but naturally may be adjusted to changing needs
- Evaluation phase is being refined and more feedback is needed
  - Proposed criteria may still be adjusted
- Future work will focus on the evaluation phase and possibly tool improvements

# Questions

Thank you!