



Software Development Outsourcing

A 10-checkmark Guide for Making
The Right Choice When Choosing an
IT partner

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Choosing the best software development partner

The industry today

The recent global events reminded us, almost instantly, of the fact that we exist in a social and business global ecosystem that must be hyper-connected in a new and stronger way. The connection is either digital or it is too weak to survive.

We, at **AROBS**, think that all businesses must transform towards complete digitization, because the present teaches us, the hard way, a lesson that now no one can ignore.

Deloitte recently published four scenarios for the world remade after **COVID-19** pandemics: The passing storm, Good company, Sunrise in the east and Lone wolves. **AROBS** stands by the Good company scenario, the scenario of reinvention and digital acceleration. We will continue to provide better digital services and better products, optimal customer service. We will continue to think about our customers as our partners.

From the trials the global economy is facing today, we all must learn important lessons: partnership, digitization, automation, efficiency, flexibility.

This whitepaper is intended as a guide to assist companies looking for stronger partnerships in software development outsourcing. The focus should be, today more than ever, finding the best possible partner in **IT outsourcing**.



Automotive



Travel
& Hospitality



Life Sciences
& IoT



Enterprise
Applications

Outsourcing becoming a market on its own has radically changed the economies of certain countries.

Outsourcing has become an industry of its own that now globally amounts to over **\$93 billion**.¹ One of the main reasons companies outsource is to be able to focus on their main activity. Hence, outsourcing helps businesses perform better by unloading them important business activities.

The main business activities that are being outsourced in **2020** are **Accounting, IT services, Digital Marketing, Development, Human Resources, and Customer support**, in this order.²



BPO

Business process outsourcing as a concept has been around since WW2. With BPO the company that is looking for outsourcing enjoys **unloading a certain activity** plus **gains access to expertise**.

- ✓ **Unloading a certain activity** - very efficient with cost reduction. Cuts the cost of offices, personnel, taxes and other benefits employees benefit from. Besides that, the company that outsources can save on a whole management structure that is necessary for organizational purposes.
- ✓ **Access expertise** - Outsourcing companies focus on specific business processes, developing a natural expertise in the field. Processes are optimized, the cost is cut, and the best talent is hired.

IT Outsourcing

IT has the biggest share of the outsourcing industry



Information technology outsourcing (Revenue in billion US dollars)
Source: Statista

Within the last decade, Romania has been **one of the main IT outsourcing countries** in Eastern Europe and it is the home of top outsourcing software development companies. No global business can ignore the benefits related to **outsourcing in Romania**.

There are three types of IT outsourcing:

National outsourcing - working with a local (in the same country) service provider for the IT-related work needed.

Nearshore outsourcing - to improve communication and travel, companies choose to utilize IT outsourcing companies' services located in countries that share a border with their own.

Offshore outsourcing - working with businesses located in politically and economically stable countries, outside their own.



More about IT outsourcing – [here](#).

Digital readiness in modern times

“IT outsourcing fuels change and creates the future.”

The **COVID-19** pandemic has further stressed the importance of digital readiness, that allows businesses almost no disruption during unusual times.

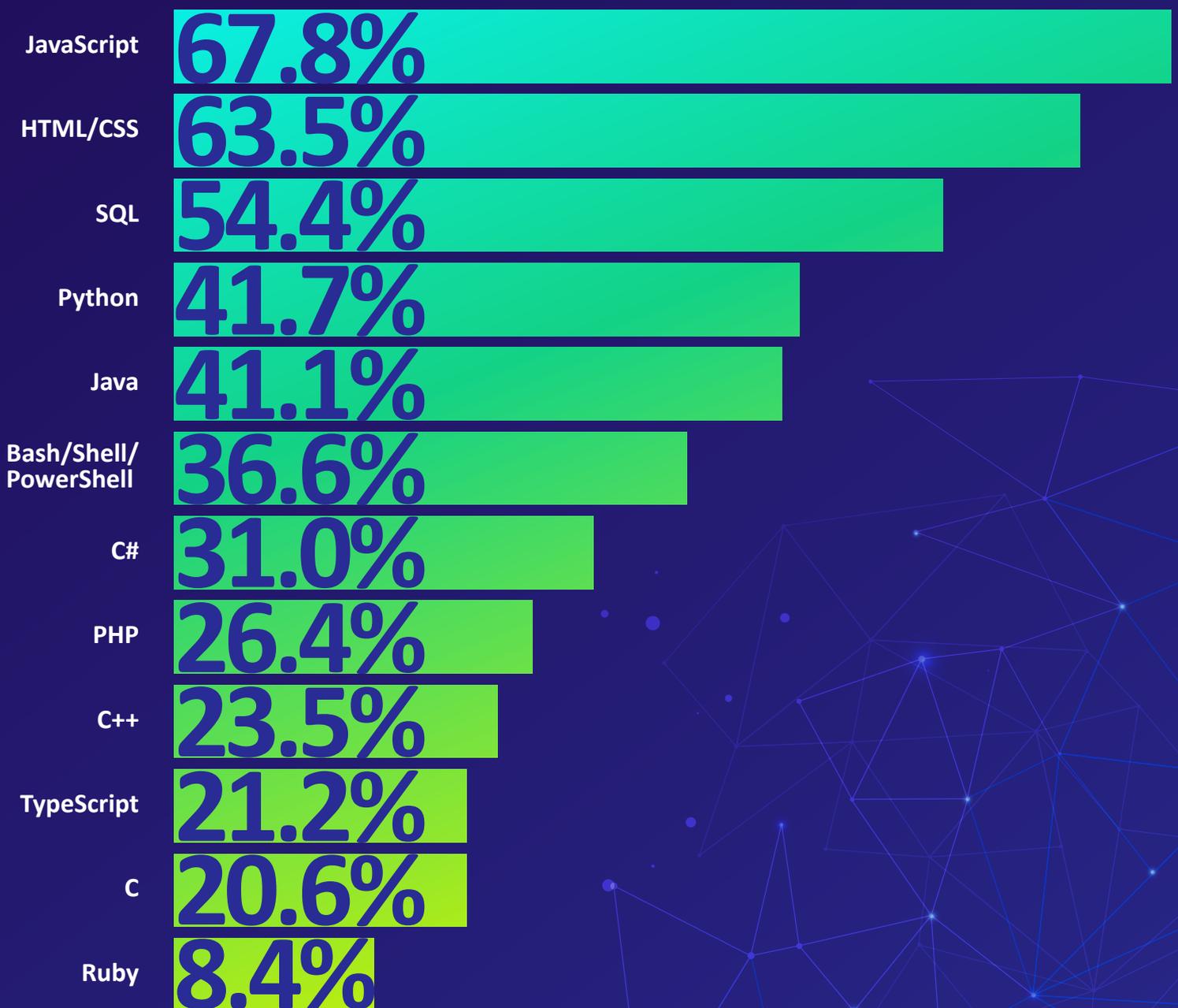
Companies of all sizes must build the necessary infrastructure for a digitized world and stay up to date with the latest technologies. Every business must remain competitive, technologically secured, and relevant in a **post-COVID-19** world. Also, it is just as important to remain people-centered and inclusive.

The business world needs innovation to satisfy existing needs better, faster and more reliably. Therefore, access to the highest technologies becomes a must for most of the IT companies and businesses in general.



Artificial intelligence Machine learning Virtual reality Blockchain Cybersecurity

Most popular programming languages



Source: Statista

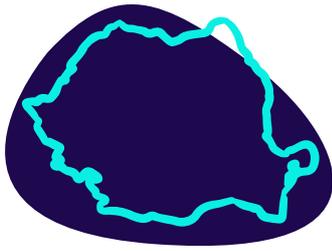
Romania's outsourcing market

1.5% of the active population of Romania is working in outsourcing.⁴

This means over 125 000 employees and the growth potential is more than double.

The value of Romania's outsourcing market is over **800 mill euro**⁵ (**\$865 mill**) in 2020.





1,5%



125 000



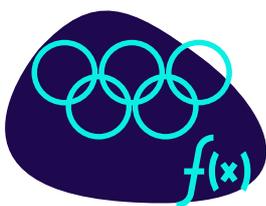
800 mil €

Tech potential

Romania has a huge potential when it comes to tech. 8 out of the fastest-growing tech companies **globally** have offices in Romania.⁷

The same is true when it comes to math.

Romania **ranked 17th in 2019** on the International Mathematical Olympiads.⁸



Romania ranked **17th**
in the Mathematical Olympiad

Cluj-Napoca - a software development outsourcing paradise

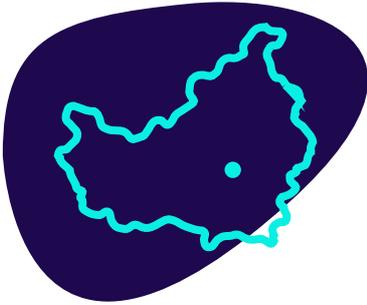
AROBS is headquartered in **Cluj-Napoca**, also called the *Silicon Valley of Eastern Europe*.

Youthful and energetic, the city is a major university hub, also boasting a vibrant social scene: music and film festivals, cafes and night life.

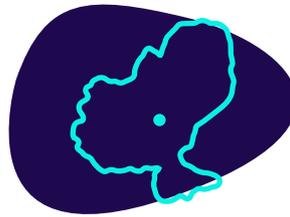
See The Guardian's take on Cluj, [here](#).

This culture is expanding and is present in other cities like, **Iasi, Targu Mures, Baia-Mare, Arad, Suceava** and obviously, **Bucharest**.

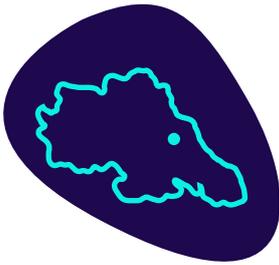
AROBS has offices in each of these cities.



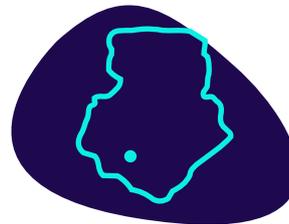
Cluj-Napoca



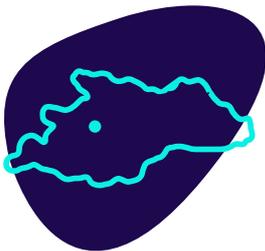
Targu Mures



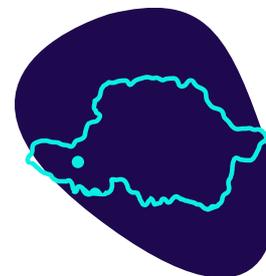
Iasi



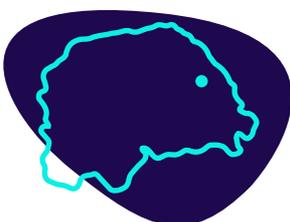
Bucharest



Baia-Mare



Arad



Suceava

10 checkmarks for a bulletproof decision

Choosing the best software development outsourcing partner

We listed 10 steps to follow when researching for a new software development company for your projects.

Researching for a partner in software development is a difficult task. The global market offers hundreds, if not thousands, of options.

Moreover, these days, there is a greater scarcity in financial resources at companies, so the final decision is crucial for the long-term stability of the business.

The 10 checkmarks we selected will guide you through the selection process, reducing all unnecessary risks and assuring the best possible business decision.

The new strategic tool – partnerships

XaaS-everything as a business

In the modern interconnected world, the only successful players are the ones that think in terms of an ecosystem. Companies no longer afford to handle activities in the classical model where they are individual players on the market.

That is why cloud computing changed the game, and software appeared as a service (SaaS). So, setting up a network is now happening almost entirely virtually.

With the apparition of more IT cloud services and the subscription business model, a new concept emerged **XaaS – everything as a business**. XaaS service can be enabled very fastly, on-demand.

The greatest benefit: **agility**.

agility

1. Partnership



First, **look for a partner in software development** not just a **team of programmers**. You must locate a collaborator, not only a dev team. The prospective partner should understand the final vision of what the setup should be. They must help you grow your organization.

Finding a strong partnership based on experiences and expertise will add valuable knowledge to creating the best possible software product for your company.

2. Customization



Software development will, sooner or later, need some customization. It's about understanding all the **goals** and **particularities of the product demand**. You can only have these expectations from a company with a focus on expertise and that has a robust structure of experienced programmers, project managers, testers, security engineers - the whole bunch.

3. Portfolio



The chosen partner must have a strong compatible projects portfolio, that reflects the experience and sophistication of previous partnerships. Thus, start looking for **businesses that communicate their industry focus**. Examine their case studies as well as the testimonials provided by their customers.

4. Agile



The tech teams must be capable of understanding your outlook and your requirements. They need to use the **latest technologies** to create a quality software product.

Also, consider **tech service and maintenance** for future incidents. Even more significantly, you must check if they use agile delivery processes. The further advanced in Agile implementation, the more complicated and sophisticated jobs they could execute. Make a note, if they **utilize SAFe Agile**, this demonstrates that the positions are large scale and innovative.

5. Prices



Thousands of online and offline debates are focused on the efficacy of working with more economical teams for growth versus leaning towards the not-so-cheap nations. So, picking your IT outsourcing **partner only based on price standards doesn't guarantee success**. Remember the total cost of this software development project should incorporate the correct balance between programmers, testers, and PMs of different seniorities. A team consisting of software developers only may not be able to deliver a successful project. The price includes the constant training of their employees, the high quality, the comfort of the offices and a lot more.

6. Certifications



What else can guarantee the expertise of your future collaborator? Certificates. Look for **certificates and accolades from international institutions** or businesses like Microsoft, Adobe, Oracle, etc. Very important - start looking for **ISO criteria requirements** – these indicate that your future project will be in safe hands.

7. Location



When it comes to shared values, the basis for a smooth collaboration, geography is important. That is why you should carefully choose the location you are outsourcing to.

When outsourcing offshore or nearshore, you should be 100% informed on the **political and economic stability** of the country your future development partner is situated. Therefore, the ideal choice for offshoring is steady location with overlapping time zones and impeccable foreign language proficiency.

8. Communication



Obviously, **transparency and a smooth communication** procedure are similar. This covers aspects like English proficiency, overlapping Time Zones, and, most importantly, similar work culture and a shared understanding of functionality and teamwork.

9. Culture of involvement

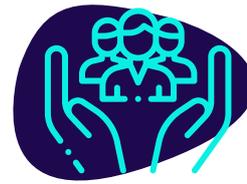


Inclusiveness is one of the most important characteristics of an open society. The business must be people centered.

The same is true for a profitable business. According to the 2020 Deloitte report, inclusive companies make **up to 30% more revenue/employee** than competitors.

Furthermore, these companies are **8 times more likely to succeed**.⁶

10. Responsibility



To be **socially responsible and accountable**, your prospective partner should have several initiatives for the wellbeing of the communities it is a part of.

It's recommended that they participate in environmentally friendly initiatives, gender-equality initiatives, that they invest in the health and the education of its people and its communities.

Conclusion

Choosing the right software development outsourcing partner is not easy. Especially in our times, when outsourcing companies are very well marketed. But if you analyze these points – you cannot go wrong.

Always keep in mind that these projects can take up to many years, depending on your needs and the specifics of the industry. So, **invest heavily in the selection process.**

Visit the company headquarter, meet the future project managers in person, and make sure you get clear answers to your questions.

AROBS

With over 20 years of experience in software development and international collaborations, AROBS is a leading Romanian software company.

With 7 international offices, it currently develops projects for top companies in 14 countries. It mixes the youthful spirit with high expertise in automotive, cloud application development, travel technology, hospitality software, and IoT.

The company's projects cover a wide area of expertise from revolutionizing the music industry on a global scale to creating job platforms for the future and boosting the 21st-century automotive industry.



What our clients say about our partnership

"The AROBS team's flexibility and dedication to the project, and knowledge of different aspects of technologies, as well as their ongoing support, made our job so much easier when it came to building the portal and supporting our clients. Collaboration between our internal development team and AROBS' team was effortless.

Everyone was very professional and understanding of the business as well as agile at completing the job with accuracy. It was a pleasure working with AROBS and we will definitely hire them again."

Peter Lyons, [D2 Creative](#), USA

"We chose to work with the AROBS team because you proved to be the qualified developers that we were looking for. We highly appreciated the "hands-on and always looking forward" approach.

The quality of delivery during the initial preparations and the ongoing cooperation was, and remained, high. We gained great speed in the development process as soon as our collaboration started.

The communication process has always been lean. What can I say: great company, great guys."

Andreas Posmeck, Managing Director – [GIATA GmbH](#), Germany

"A key factor for our product development team's success is having the ability to work cohesively. After visiting AROBS' offices and meeting some of the staff, I was impressed by their dedication to delivering quality services and their overall flexibility. This was very important for us when looking to expand our team. The developers and QA team members from AROBS were able to easily work with our in-house team and contribute to the overall development flow."

Yamen Bendit, Co-Founder & Chief Product Officer at [Overpass](#), USA

Sources

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Looking for a reliable software development partner?

Let's work together!

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