India Offshore Delivery Center White Paper

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WHITE PAPER:

Offshore Delivery Center

India ODC

In today's global economy, the word 'outsourcing' has become synonymous with 'offshoring'. Having an offshore strategy in place for an organization is considered to be a basic necessity than a competitive edge. Today, not many companies talk of "Why to offshore", but rather deliberate on "How to maximize through offshore" and "the success factors for an offshore model".

One of the key drivers for companies to adopt this model was the fear of loosing their IP. Especially when companies intend to execute core IT development activities at these locations, this was a preferred model despite the odds of high setup cost and lead-times involved in getting ROI. Typically these centers are being considered as the extension of the parent organizations and hence it is easy to build consensus among all the internal stakeholders of the organization

Incorporating an ODC into the business model creates a strategic partnership, an extension of the in-house team that can quickly implement the needs of an organisation

SITUATION OVERVIEW

Offshore Outsourcing Strategy to Cope with Current Competitive Environment

The past five years have seen a strong increase in the use of offshore resources for the delivery of IT services, whether externally or internally, and for gaining access to resources to develop IT products. The "follow-the-sun" principle has been adhered to in software development for a long time, but only recently, with advances in telecommunications technologies and infrastructure, has it become a reality.

While efficient use of global resources can bring greater flexibility to software R&D processes and IT and business services delivery, the overarching driver for most has been costs, i.e., access to skills at a lower price. Consequently, the use of offshore or near shore resources has become – for technology product companies, IT services providers, and end users of IT-based solutions – an integral part of their quest to remain competitive. They seek the most suitable location to support their internal or external clients at low cost without compromising service quality.

The Global Flow of Services

The competitive business environment pushes organizations to explore ways to be more operationally and financially efficient. With information technology being an inherent part of business operations, implementing and managing IT efficiently can make a difference to a business's bottom line. Further, companies are looking at ways to develop their products at a lower cost and with a faster time to market in order to improve both top-line growth and operating profits.

Given these circumstances, companies have to evaluate the pros and cons of using offshore (or nearshore) locations for service delivery. At the same time, technology companies (such as IBM and HP), independent software vendors (such as SAP and Oracle), and global IT consulting and BPO providers (such as Accenture and Capgemini) are opening their own specialized service and development centers in nearshore/offshore locations, where they can tap into a pool of qualified, yet affordable resources. This fuels the global flow of services. Central and Eastern Europe (CEE) has established itself as a prime location for offshore and nearshore services, particularly for clients based in the United States and Western Europe.

What makes India an Attractive Offshore Destination?

India is by far the largest IT hub & home to the largest labor force and the biggest pool of educated talent. India has historically produced highly skilled professionals, particularly research, mathematics, and engineering specialists, able to tackle non-standard tasks. The country has a strong education base, with world standards Engineering universities & Management colleges.

Indian salaries remain much lower than those in Western Europe or the United States, while in terms of culture; Western European and American organizations often perceive India as being a closer fit than countries like Russia, China, or the Philippines. Indian programmers, in particular, excel at high-end and complex systems design and development. This ability serves them well in applied fields of software engineering: high tech in general, precision electronics, medical devices, aerospace, and automotive.

There are several strong characteristics of India that provide positive benefits for international organizations considering working with software development resources from India:

- Availability of resources;
- · Availability of programming specialists;

- Labor Costs;
- Technical excellence;
- R & D focus:
- · Strong fundamental education;
- Experience with complicated projects;
- Adaptive culture;
- Great potential;
- Business travel:
- Availability of local professional organizations.

OFFSHORE IS NOT ALL ABOUT COST

Vendors often guarantee savings of 10-20% (Onsite) to 40-60% (offshore) Cost savings By moving to India and Malaysia, Dell lowered support costs by 80% Permits customers to leverage vendor infrastructure (eg. IT systems, faculties) & Capital cost variable cost avoidance CIBC saved over \$20 mn HRIS capital outlay by outsourcing HR Quality/performance Vendors / managers are process experts and can often deliver superior performance improvement A top software company reduced critical "code line" errors on checks to 4 defects / million Extends reach into broader talent pools Resolve skill GE Medical Systems now has 25% of its development team in India, Hungary, other shortage offshore sites Lower factor costs permit more aggressive revenue auditing & lower response push marketing Revenue generation British Airways earned £50 million / year through revenue audits --interline, agent, and used tickets Cost structure permits service offerings that were earlier infeasible New products and A top software provider provides live customer support for \$40 application services

Experis Partnership Advantage and Delivery Approach

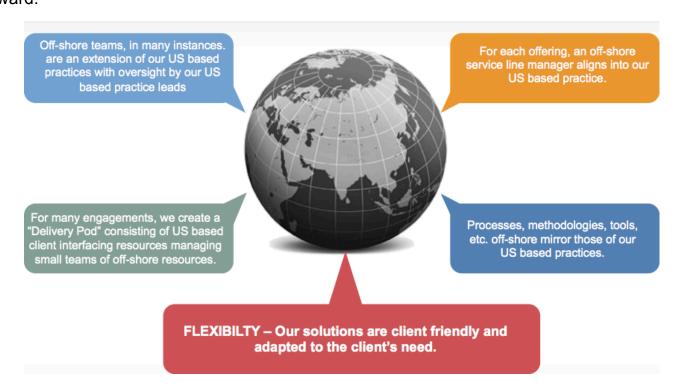
Experis Solution

The GET has a global PMO in place that covers all of the major regions of the world: EMEA, APAC, LATAM, and North America. This team of engagement managers' is strategically placed to work closely with the Experis local offices. GET team members understand the challenges of working cross borders and in matrixed organizations. They are all trained in PMI project management principles to ensure a consistent delivery experience.

Benefits

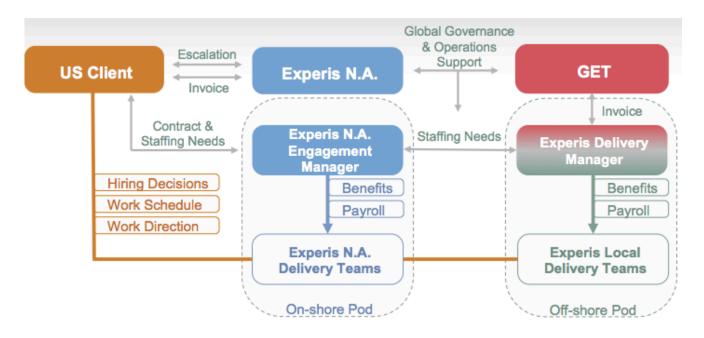
- Greater efficiency provided with Local/regional presence to handle questions and issues in real time
- Reduced risk by utilizing local market knowledge specific to labor regulations, rules, and customs
- Faster realization of ROI by leveraging well-defined processes and procedures to make ramp-up time as quick as possible
- Connected with the Experis Project Solutions practices to provide additional expertise when needed

The India offshore model is a joint initiative between Experis N.A., & Experis IT, India. To stay competitive and sustain business growth, talent and time are of the essence. With project solutions from Experis, you'll benefit from both. Using proven methodologies and innovative approaches, our experienced professionals drive mission-critical initiatives forward.

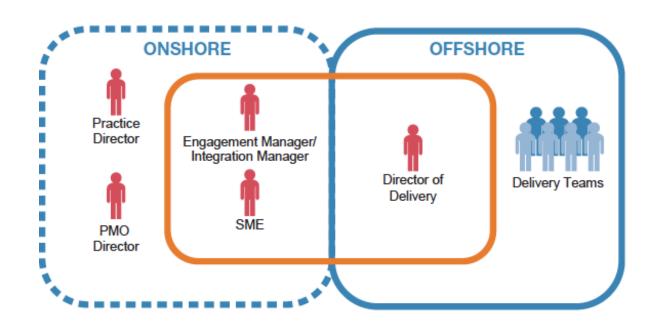


US-INDIA POD MODEL ENGAGEMENT

Our Pod Model is designed for situations where a high degree of oversight and integration is required. Based on client need, this model is flexible and completely customizable to unique needs and scale.



GLOBAL ONSHORE-OFFSHORE POD MODEL ENGAGEMENT



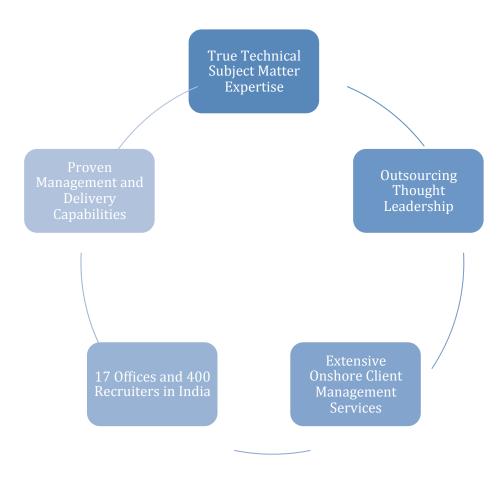
Why Experis IT, India?

Having the technical knowledge, man-power and the Infrastructure to support such services, we are taking our services one level higher and closer to our client, we offer to evolve and develop ourselves into becoming your "own" virtual IT Offshore.

Our client gets the benefits of having dedicated resources ensuring high levels of knowledge retention. As our set up is in Bangalore, which boasts of the highest number of IT Resources in India and access to high quality and relatively low-cost training, our client enjoys tremendous cost effectiveness with no compromise on the quality of resources.

A chief concern of decentralization of IT operations is security, both of code and sensitive information. In this regard, we offer the highest security standards facilitated by controlled access rights. Furthermore, the concept of the DDC factors in formal contractual agreements like Non-Disclosure and Confidentiality Agreements, signed both by us and the resources Dedicated to our clients.

EXPERIS IT OUTSOURCING DIFFERENTIATORS



Dedicated team

There will be a pool of skilled, cost-effective resources with knowledge of their systems and procedures, dedicated specifically for the client. This can be a tremendous asset for achieving their long-term strategic initiatives as additional capacity that can be tapped anytime.

Professional Project Management

We have invaluable experience in managing Large-Medium-scale projects spanning across various technology domains. Our project managers have interacted and handled overseas projects and possess the necessary managerial skills required for providing such services.

Resource Utilization

Because of the time difference, client realizes an extended working day and a corresponding increase in productivity and response time. In this situation, we are willing to use our resources in shifts if necessary to create an environment of Resource Utilization for 24 hours a day, 7 days a week.

Resources

As the Development is done Offshore, the costs are significantly reduced when compared to the same operations being done at client's location. This means that the gains achieved by client in terms of both costs and resources can be reinvested in new technologies and products that would give a competitive edge to client.

No Investment on Infrastructure

As against starting such an operation on their own, through this service, client gains additional programming staff without having to invest in additional infrastructure; e.g., workstations, software etc.

Training

It is more cost effective to build rare skills and also emerging technology skills in India. Good quality training is less expensive in India. This capability would give client the ability to employ cutting edge technology at all times without a significant investment in retraining in rare and emerging technology skills.

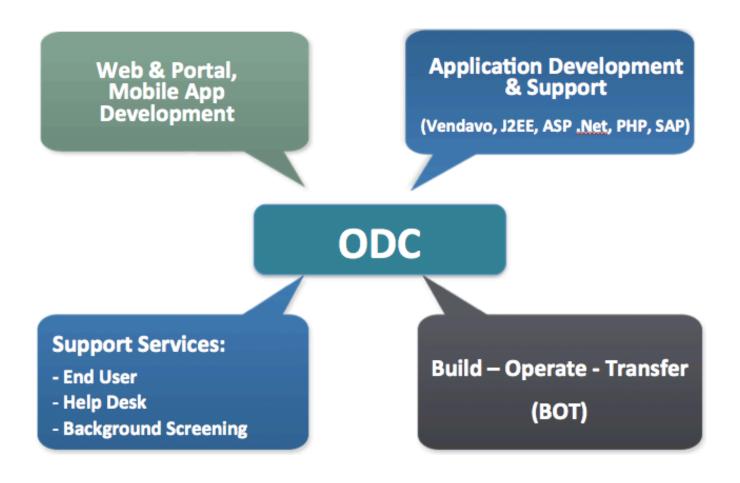
Infrastructure

State-of-the-art Infrastructure & Facility: Workstations for all employees with ample individual storage space and conference rooms and we ensure a very comfortable work atmosphere for our employees, increasing their productivity.

International Business Practice Knowledge:

We have a strong team of people having expertise in handling international clientele and possessing a broad skill base with capabilities of handling application / product development on emerging technologies.

EXPERIS IT - OFFSHORE OFFERINGS



INDIA ODC SUCCESS STORY

Experis N.A & Experis IT has successfully executed various offshore developments including global roll out for some of the Fortune 500 clients. Current capacity as an skilled Delivery & Support Center in India to one of the top global fortune 500 companies, extending:

- Production Support
- Technology Consulting
- Application Development & Support
- Testing & QA
- Strategic Resource Management

Few Ongoing Offshore initiatives:

- Ongoing Development, strategic consulting, global roll out planning for large Oil & Gas Industry majors.
- Production and upgrades of global Vendavo instances for a Global Tier 1 Hardware industry
- Working on automation framework for mobile applications (Android and iOS) for major insurance software provider; completed successful proof of concept and now designing framework and smoke test suite to run after each build.
- Providing development and testing team to compliment US client team in complex application testing.
- Development, testing and Ongoing Support of online portals for a India based leading financial advisory organization.
- Development and support for a leading Australian Automobile Industry in development, testing & support of online booking and scheduling across states of Australia.

Contact us today to learn more about how Experis IT can help you grow your business through IT solutions.

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Experis Global Engagement Team

Your Bridge to the World

