

FAR FLUNG

To win in the world of offshoring, focus on strong project management.

BY PEDRO SERRADOR, MBA, PMP



IT offshoring is big business these days. Yet many companies have tried shipping projects to far-off lands, only to abandon the attempt when faced with the difficult reality of what's actually involved in running an offshored project.

It does sometimes seem like you're running an obstacle course when you consider:

Time Zones: Part of the sales pitch for offshoring projects is that the team can work while you sleep, translating to a 24-hour workday. In reality, time differences often result in an offshored team waiting for answers while a local team checks out for the night. That can make for some off-hour meetings. When I reached a critical point on a project I was working on from Canada, for example, we had daily meetings at 8 a.m. and 10 p.m. EST with the team working in India to ensure issues were addressed.

Communication: Team members working halfway around the world may not be speaking in their native tongues. And regardless of the number of language courses they may have taken, misunderstandings and communication difficulties are inevitable.

It sounds basic, but investing in high-quality conference phones with multiple microphones will prevent headaches.

Web conferencing can be another useful tool, especially for demonstrations or seeing progress, but may not be worth the hassles of setup. Recapping and issuing meeting minutes in writing is always good practice—and even more critical to offshored projects.

Culture: Crossing borders means crossing cultures—and that can impact project communications. For example, offsite team members may be hesitant to highlight problems on the project or to give bad news. Instead of saying “no” directly, they may say “perhaps” or not say anything. Team members may also defer to authority when perhaps they should be questioning assumptions.

Experience: You'll probably be working with people who might have less experience than your regular team. And with business booming at most offshore vendors, expect cut-throat competition for experienced staff—and lots of turnover. Make sure your offshore team, especially those people in senior positions, have backups.

Infrastructure: Project managers cannot underestimate the difficulty in getting the infrastructure set up between the main

On PMI.org/voices ROLE MODEL

Don F. Perkins found some advice he could put to use in a post by Lynda Bourne, DPM, PMP:
Great post—I find a lot of crossover from your tips into the sales engineering realm where the same three principles apply in regards to identifying power (level of influence), pain (real issue in need of solving) and persuasion (receptivity) of customer contacts.

Improper selection and weeding out of these important roles can end in lots of wasted time and effort, and sometimes even break a deal.

Looking forward to hearing more from you on this.

»For more Voices on Project Management, check out the blog at PMI.org/voices.

office and the offshore location. For example, the few seconds a signal takes to get to India or China from North America can cause some systems to fail or not function properly.

Make It Work

As globalization becomes the norm, companies and their project managers will be relying more on teams working in distant countries. Here are some steps to help ensure offshored projects come in on time and within budget:

1. **Pick your projects carefully.** What a company chooses to offshore is as important—or sometimes even more important—than how the team manages the engagement. Select projects that are self-contained, not overly complex and don't require too much communication with the onshore organization.
2. **Vet your offshore partner.** Vendors often have access to sensitive information and they can make or break a project, so be sure to carefully evaluate them. Experience, specialization areas and track records can vary greatly.
3. **Select the right onsite team.** Offshored projects require support from the home office, too. Project managers, subject matter experts and business analysts at the client company all need to be part of the offshore project team.
4. **Set up team exchanges.** With all the potential communications problems, nothing substitutes for face-to-face interaction. It might take 10 days of calling back and forth for an offshore team to resolve issues that could be resolved in a day—if the right person was onsite. Bringing someone from the offshore team to the home office can also facilitate communications.
5. **Assume a learning curve.** Some organizations make the mistake of assuming the offshore team will be more productive than the one in the client office. The offshore

vendor may have certifications and some very bright people, but there may also be many junior team members. Build concrete deliverables, demos, iterations or phases into the project plan from the onset so you have a true sense of project progress.



Pedro Serrador, MBA, PMP, is president of Serrador Project Management, Mississauga, Ontario, Canada.

6. **Establish governance processes.** To minimize confusion internally and ensure that documentation can be easily integrated, try to use your own organization's methodologies. Also, be sure to institute escalation paths—if there are problems, you need to know who to go to.
7. **Track consistently.** Distance makes it more difficult to truly monitor progress offshore—you can't walk around to see how things are going. Consider using iterative or phased approaches such as agile. Breaking up the project into small pieces lets the team see results earlier and make any necessary adjustments for future phases.

Despite all the inherent risks of outsourcing, the industry didn't grow to where it is today without measured successes.

Offshored jobs are often some of the best and highest paid in the host countries, which means the people working on your project will usually be highly motivated. They're often willing to work long hours and weekends to meet deadlines—I had an offshore project manager who would e-mail me at 2 a.m. his time on a regular basis.

Outsourcing *can* work. Project managers just have to figure out the right techniques to master the obstacles. *PM*

RAISE YOUR VOICE

No one knows project management better than you, the practitioners "in the trenches." So *PM Network* launched its Voices on Project Management column. Every month, project managers will share ideas, experiences and opinions on everything from sustainability to talent management, and all points in between. **If you're interested in contributing, please send your idea to pmnetwork@imaginepub.com.**