



Customer Experience in Outsourcing Provider Selection

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Key points resulted from:

Romania as an Offshore/ Nearshore Location

Survey developed by IDC Romania for ANIS, in 2007



Key Findings

- **Romania is not the lowest cost location for outsourcing, but when performance is added to the equation it can be highly competitive**
- **Romanian service providers often combine high levels of technical proficiency in leading-edge technologies with soft skills – communication, languages, flexibility – that can be superior to what is typically found in other outsourcing locations**
- **Romanian IT services and software companies can offer best practice levels of quality in specialist and niche areas**



Customer Criteria

- Service providers win business on the strength of their proposals, successful pilot projects, rather than strictly on location
- Location is important, but only to a macro-regional level and combined with other criteria.

"Price accounted for 60% of our decision. The remaining 40% was due to the precise and very professional proposal. Their previous experience allowed them to understand our needs exactly and come through with a very competitive offer."



Selection Methods

- **Methods vary from personal decision to formal RFP processes**
- **For new providers, selection process might include a project pilot**
- **Clients assess provider's level of commitment, ability to understand or even anticipate needs, and/or degree of competency in specialized areas**

"The crucial factors were...solid knowledge of financial reporting and coordination systems, having very skilled staff and similar project experience and not least, price."



Offshoring vs. Nearshoring

- Customers look to supplement their existing outsourcer(s) to European locations, based on business needs

"We wanted a company with similar culture and values. Telecom requirements are very volatile and can mean changes to applications need to be made on the fly.

Indian/Chinese firms need more definite specifications so we would have to develop complete functional specifications"



Advantages of Nearshoring

- **Cultural Fit and Language Skills are Major Romanian Differentiators**

“The Eastern European approach is more like the US and UK culture than India. The time zone makes a big difference..”

“The cultural fit is very, very good and is also very important. It means good communication, good relationship and a good understanding of requirements.

The Romanian team members have been very willing to work with and to join [our] team as full members.”



Technical and Sector-specific Skills

Romanian companies can excel in terms of new technologies and offer strong software development methodologies and processes.

“[We were] very surprised to discover how good [RO service provider] is at Agile development, Scrum and extreme programming. They are in the best practices range and do very, very intensive testing of the product, consequently there have been few problems when the application goes into production.”



Creative Approach

Key strength of Romanian providers is ability to understand and satisfy client needs beyond basic technical requirements

"The capacity to overcome unforeseen obstacles was truly one of their strong points in the case, as well as the ability to fit an existing general solution to very particular project requirements. Basically, in some instances, there were no specs to go on, so we had to develop everything from zero."



Romanian Providers Differentiators

- **Attractive Price vs. Performance balance**
- **Technical and sector specific skills at best practice**
- **Ability to understand and satisfy client needs beyond basic technical requirements**
- **Cultural Fit, Language Skills and Similar Mentality to US/ Western Europe**



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Thank you !