




crunch

# 7 COMMON MISTAKES IN OUTSOURCING DEVELOPMENT

- 
- What You Want To Outsource?
  - Interview Process.
  - Hoping For The Best.
  - Communication.
  - Honest.
  - Cross-Training.
  - Trust but verify.



Outsourcing particular work to a pro team instead of taking care of it in-house can benefit any business, no matter its size or structure. First of all, it can cut costs, save precious time and effort. Second of all, outsourcing is an amazing option for scaling your business up. Sounds perfect, right?

But it wouldn't be a real-life without pitfalls even when the picture seems spotless from the first glance. Outsourcing can be a tricky deal if managers don't act smart and dive in too fast. As a result, they might get a poorly delivered product, broken deadlines, damaged reputation, and headache.

To help you prevent negative experience we recommend you to take a look at the 7 most common mistakes in developing outsourcing.



**OUTSOURCING IS AN  
AMAZING OPTION FOR  
SCALING YOUR BUSINESS UP.  
SOUNDS PERFECT, RIGHT?**



# 01.

## NOT KNOWING EXACTLY **WHAT** **YOU WANT TO** OUTSOURCE

Outsourcing seems pretty attractive: cost-effective, high-quality work, less management ... The very first pitfall appears when entrepreneurs decide to go for outsourcing just for the sake of it without a deep understanding of specific benefits for their businesses. **This is wrong.**



AT **CRUNCH**, WE ALWAYS MAKE SURE THAT THE MAIN ANSWERS ARE FOUND TO DELIVER THE **BEST QUALITY SOLUTIONS** TO EVERY BUSINESS WE WORK WITH.

# 02.

## INTERVIEW PROCESS

The answers are found, so it's time to move forward to the second point — choosing the right team.

Sometimes entrepreneurs go for the very first outsourcing company they stumble upon on Google. There is nothing wrong with this approach as long as they hold a proper interview with potential candidates. It's time-consuming but absolutely necessary if you aim to find a perfect team for development outsourcing.



*One more piece of advice. Try to talk to each team member personally to figure out strengths and weaknesses in the future work relationship.*

### What language does the team speak?

The communication between your side and the guys from outsourcing should be as clear as possible for both. That is why it is very important to speak the same language. Literally.

### Dig up real reviews

Ask previous and current outsourcing company clients for honest feedback. Trust is good, but double-check is better

### Where are they based?

Time zones can seriously mess up communication between teams and as a result — ruin deadlines. Pay attention to the work schedule and if there is a time difference.

### Try to get to know people you plan to work with.

What values are important to them? Do they have a culture inside the company? What is it?

# WHAT YOU WANT

## THAT IS WHY WE SUGGEST STARTING WITH **SIMPLE** QUESTIONS:

01

What business aspects do you want to outsource?

02

How much money do you want to save?

03

What skill set is needed for getting what your business needs?

04

How will you integrate new coworkers into your existing team?

---

THIS LITTLE HOMEWORK WILL GIVE YOU **GOOD CHANCES TO AVOID THE FIRST MISTAKE** FROM OUR LIST AND GET ONE STEP CLOSER TO THE GOAL.

# 03.

## HIRING THE **CHEAPEST** WORKERS AND HOPING **FOR** **THE BEST**

**CHEAP** DOESN'T MEAN BAD.  
CHEAP DOESN'T MEAN  
BETTER AS WELL.  
IT'S ALL ABOUT BALANCE.



Low prices for outsourcing can be tempting for business owners, and at the same time, it can be tricky and risky. That is why we don't recommend you to look for the cheapest hourly rate in a whole online world.

You get what you pay for, so think about work that probably will be redone and how much money you will spend on it.

**REASONABLE PRICE FOR BOTH CLIENTS AND OUTSOURCING COMPANY IS ONE OF THE KEY POINTS FOR US AT CRUNCH.**

# 04.

## NOT LISTENING TO THEIR **IDEAS** AND ASKING FOR **FEEDBACK**

The next thing we wanted to talk about is communication and idea exchange. Every member of your team can come up with something decent, something you didn't think about.

You will never know if the idea is bad or good until you give it a go and hear your outsourcing workers out.

Communication is the key to transparency at your company. So be open with people you work with, encourage them to discuss their thoughts, and share their opinion on things they have expertise in. Ask them for honest feedback on how does your product can improve. Don't underestimate this point.



Wow, we are  
doing pretty  
great, huh.

# 05.

## NOT BEING HONEST

**AND ONCE AGAIN —  
TRANSPARENCY. DISCLOSURE  
IS ONE OF THE MOST  
IMPORTANT COMPONENTS OF  
TRUST WITHIN A TEAM.**

People you work with need to be informed of what is going on in a company. Even bad news which may discourage some team members could be transformed into motivational speech which will ignite the desire to improve and grow together.

Outsourcing workers need honesty and clarity especially when it comes to all aspects of a project they are working on. For example giving them information about rapid changes, work schedule, deliverables, team priorities, software quality, etc.

All parties involved in a project need to be forthcoming with all information, good or not-so-good, to solve the problem as smoothly as possible. Giving your team the full picture is the only way to increase the chances of noticing the problem and fixing it if something will go wrong with a project.



# 06.

## NOT CROSS- TRAINING

Now it's time to think through possible unexpected things which could mess up your just-in-time delivery plan. Take into account sick leaves, days off, and vacations. The online team still can have those. Time off is absolutely necessary for giving your outsourcing team a reboot a couple of times a year. This is why you need to bridge all possible gaps in advance



When one of your workers is on vacation, you might lose the only one who can solve the specific task.

**Oh trap.**



### PROVIDE ONLINE WORKERS WITH CROSS-TRAINING.

If your team is able to handle multiple tasks and cover each other's backs, your project will go at the same pace and no one will get hurt.

# 07.

## TRANSPARENCY IS GOOD, MICROMANAGEMENT IS NOT

### LAST BUT NOT LEAST



Do you know what your geographically distributed team is doing? What were they doing 10 minutes ago? 20 minutes?

No?

Good. We would say fantastic. As the name of this point says, transparency is good. Micromanagement is bad.

WHEN A MANAGER TRIES TO GET INVOLVED IN EVERY SINGLE MINUTE OF THE WORKING PROCESS OF PEOPLE WHO ARE NOT PHYSICALLY AT THE OFFICE IT MEANS THAT **THEY DON'T TRUST THEIR TEAM.**

### WHAT MICROMANAGEMENT CAN'T LEAD TO:



MORE STRESSFUL WORKING ENVIRONMENT

(for both manager and outsourcing team).



EMPLOYEE DEMOTIVATION



DISCOURAGE CREATIVE AND CRITICAL THINKING.



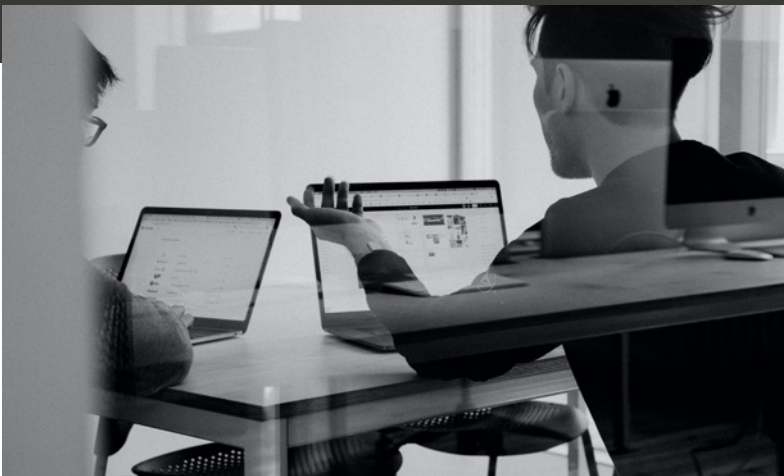
LACK OF TRUST



POOR COMMUNICATION THROUGHOUT THE ORGANIZATION.



Don't get us wrong.  
**TRUST BUT VERIFY.**  
But try not to verify  
every little thing.



THERE ARE **PLENTY OF WAYS** TO STAY TUNED TO WHAT IS GOING ON WITH A PROJECT WITHOUT WATCHING EVERY STEP YOUR TEAM MEMBERS MAKE.

For example, you can go for **AGILE** methodology and monitor different phases of the project life cycle.

All you need is the right tools to help support and supplement your team workflow and productivity. **For example, Jira, Trello,** or any other software that will work for you.

TRUST  
VERIFY



# CONCLUSION

Here we are.

The 7 most common mistakes in development outsourcing are left behind and now you can finally get into practice with confidence and a trusty base of knowledge.



Let's take the first step together. **CRUNCH** is a trusted digital solutions company for the world's leading enterprises and startups. We bring together the best engineering talent and wide technological expertise to empower digital transformation while meeting all the business needs of every customer.



Come over for a chat!  
Feel free to [contact us](#) at any time that works for you.

**MICHAEL PIHOSH**

✉ [michael@crunch.is](mailto:michael@crunch.is)

**in** Mykhailo Pihosh

crunch 