

If you haven't actually outsourced work to India, you will have undoubtedly received more than one e-mail selling you the benefits of working offshore in India. Clearly there are a lot of potential suppliers out there, but there have also been many stories where the perceived benefits of going offshore were not realised. Yet clearly it is working for some as BT, TeleAtlas and HSBC amongst others would testify.

So how can your organisation benefit from offshore outsourcing and leverage what can become a clear business advantage? First let's look at the type of GIS project that can be put offshore. Over the last five to ten years, it has only been primarily data conversion and photogrammetry projects that have been put offshore, with some product development work also being outsourced by the software vendors. These projects have worked because they have either been big enough to justify an investment in creating an offshore facility, and hence the economies of scale have been there to generate substantial savings over the life of the project, or the projects have been very clearly defined so that the work could be taken up easily offshore. There have been some great successes, but very few companies have been involved and the impact to date on the GIS industry has been minimal. This area of offshore outsourcing will continue to grow, primarily leading to dedicated Offshore Centres of Excellence, managed to the client's exact needs.

However, in the last twelve months or so the market has changed and there are now a number of companies that combine offshore and onshore work to offer a range of cost effective service offerings making offshore outsourcing available to a much wider audience. For example, it is now possible to consider looking at the whole application lifecycle, from scoping, through to developing and building a bespoke GIS application and then supporting and maintaining it, using a combined onshore and offshore resource. The same applies around data management. So what has changed to make this possible?



The reason why smaller and more complex projects can now also be considered as part of the outsourcing equation, is that a small number of companies have successfully managed to bridge the gap between onshore and offshore outsourcing in the specialist GIS world. My company, InfoTech Enterprises, is one of these pioneers. Our model is to offer all the traditional recognised benefits of offshore outsourcing, such as cost advantage, skills availability, speed of ramp up etc., but combined with local technical and project management expertise. As far as the client is concerned the project is outsourced no further than London, but in reality the resource used is likely to be a combination of local and offshore resource.

So why should all organisations using GIS be interested in this? There are a number of reasons. First, combined onshore and offshore service offerings bring better value and hence greater ROI to organisations. Projects that perhaps might not get the go ahead in the current climate can be justified if based on combined onshore and offshore pricing. Second, outside the main technology vendors the GIS service industry is very fragmented and it is difficult to achieve the economies of scale realised in other areas of IT. Combined onshore and offshore delivery can offer this. A good example of this is around Managed Application Services, where there has been a strong take up of these services when they include a large offshore component. Third the potential resource pool and skill sets available are huge – ultimately the end user will benefit through greater choice.

However, perhaps the most important point around the relevance of offshore outsourcing to all areas of GIS is the timing. As we see GIS move increasingly into enterprise solutions and mainstream IT, it is essential that there is a service offering that can take what will always remain complex and expert systems and help transform them into a meaningful part of an organisation's IT strategy. This is where the skills and extended resource base of the large Indian software services companies become very relevant. These skills combined with local GIS expertise should make a winning combination.

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