

Agile Software Development with Offshore Teams – Can It Be Successful?

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And The Answer Is?

Yes!....

But....

Agenda

- Background
- Is Agile Compatible with Offshore?
- Opportunities from Adopting Agile and Going Offshore
- How to Make Agile & Offshore Succeed
 - Real-life Examples
- Business Benefits
- Key Learnings

Background

- Experiences based on 6+ years of Agile projects within a large multinational using offshore teams
- In-house and outsourced Agile teams used mostly in Russia
 - In-house development centre established in Russia
- Projects mostly in areas of supply chain management and sales and marketing
 - Direct revenue generation impacts
- Typical project size up to 15 people and 6-9 months duration

Is Agile Compatible with Offshore?

- Is offshore development at odds with the Agile Manifesto and Agile Principles?
 - ‘Individuals and interactions over processes and tools’
 - ‘The most efficient and effective method of conveying information to and within a development team is face-to-face conversation’
- Decision made to adopt Agile in an offshore environment
 - Several years experience of offshore development for ‘non-Agile’ projects
 - BKMs for offshore already learnt the hard way!
 - ‘non-Agile’ processes not meeting business needs

Opportunities from Adopting Agile and Offshore

- Why go offshore?
 - Costs
 - Skills
 - Reduce turnover and churn & increase project stability
 - Ability to ‘flex’ resource up and down
 - Need to be close to offshore business groups
- Why we adopted Agile methods?
 - Improve ability to respond to customer needs in a highly dynamic environment
 - ‘pre-Agile’ feedback from customers was ‘too little, too late’
 - Support innovative new business processes to radically improve competitive position

How to Make Agile & Offshore Succeed

- Getting Started
 - Choose a suitable pilot project
 - Will show the benefit of Agile methods
 - Total duration ≤ 3 months
 - Start with a small offshore team ≤ 5
 - Decide on in-house or outsourced offshore resources
 - Bring whole team together for kick-off and initial planning meetings
 - Success criteria for pilot
 - Meet project deliverables
 - Establish BKMs for working between onshore and offshore teams
 - Establish credibility of Agile and offshore combo
 - As pilot we took a supply chain application interfacing with SAP and an outsourced team in Russia
 - Used XP and developed a 'Remote' XP operating model

'Remote' XP & XP Core Practices

- | | | |
|-----|--------------------------|-----------|
| 1. | Planning Game | Modify |
| 2. | Small, frequent releases | No Change |
| 3. | System metaphors | No Change |
| 4. | Simple Design | No Change |
| 5. | Testing | No Change |
| 6. | Frequent refactoring | No Change |
| 7. | Pair programming | No Change |
| 8. | Team code ownership | No Change |
| 9. | Continuous integration | Modify |
| 10. | Sustainable Pace | No Change |
| 11. | On-site customer | Modify |
| 12. | Coding standards | No Change |

Implement 'Remote' XP such that intent of XP core practices is maintained

How to Make Agile & Offshore Succeed (ctd.)

- What we learnt from pilots:
 - Keep developers collocated
 - Clarity of roles critical
 - Customers and Technical Project Manager (TPM) collocated or +/- 2hr time zones
 - More complexity the more time zones between customers and technical team
 - Continuous integration is critical
 - Hire the best offshore developers!
 - Executive sponsor from the customer is a huge advantage

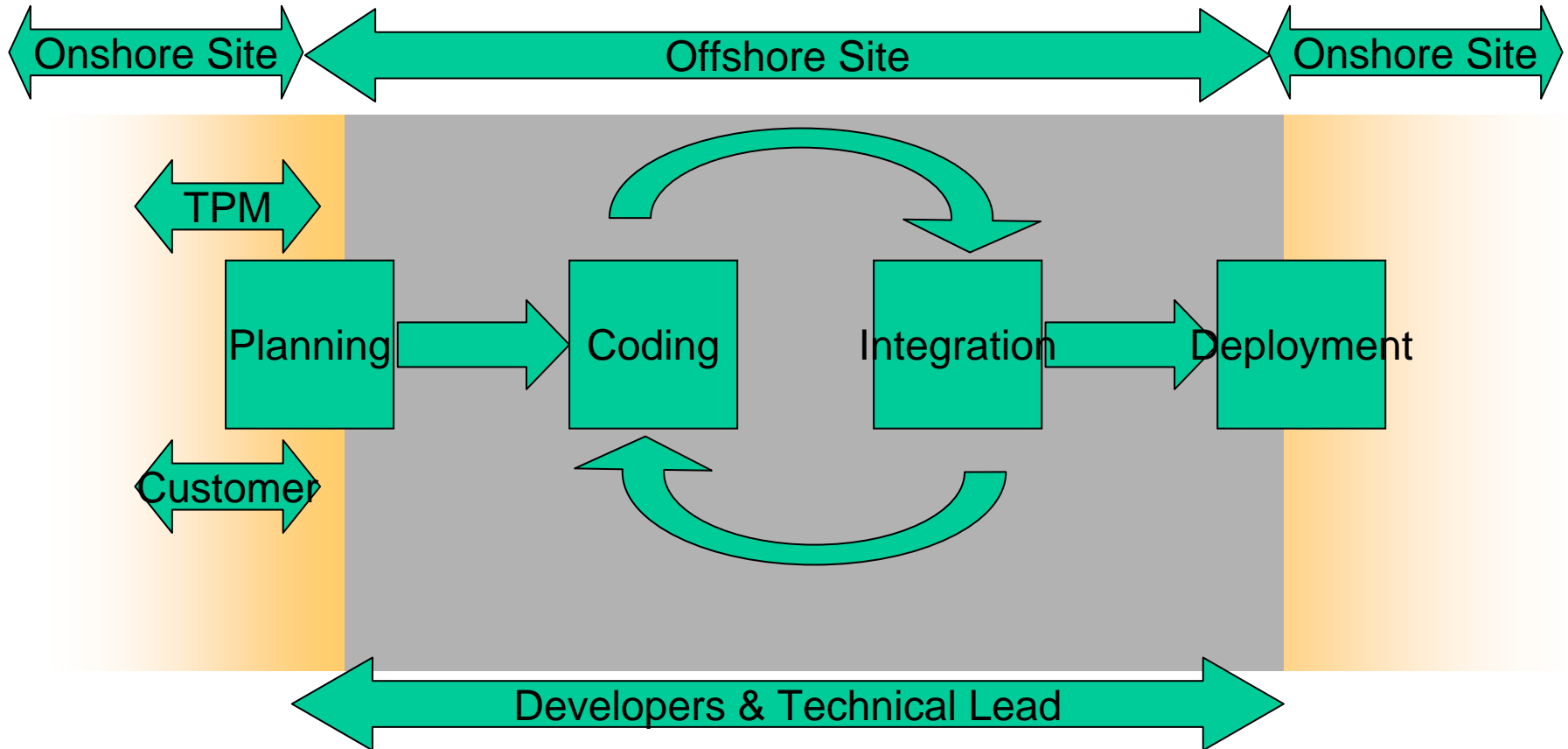
Operating Model – Roles

Role	Responsibilities
Project Manager	<ul style="list-style-type: none">• Overall business and technical owner for project• Removes any roadblocks for project team• Owns business support for the project
TPM	<ul style="list-style-type: none">• Facilitates planning sessions and daily Scrum• Ensure that everyone is performing their role• Removes non-technical roadblocks
Business Analyst (Customer)	<ul style="list-style-type: none">• Writes, prioritises and accepts stories• Provides daily feedback• Work in same or +/- 2hr time zone to TPM
TDA	<ul style="list-style-type: none">• Technical guidance on data architecture• Supports data architecture issues for daily integration & deployment
Technical Lead (Enabler)	<ul style="list-style-type: none">• Removes technical roadblocks• 'Buck stops here' person for daily integration & deployment• Ensures standards adherence• Ensures resource continuity• Provides application support for production systems
Developer	<ul style="list-style-type: none">• Writes automated tests• Develops code• Ensures that 100% of tests pass each time code is integrated

Operating Model – Roles

- **Program/Project Manager (PM)**
 - **Technical Project Manager (TPM)**
 - **Business Analyst(s) (BA)**
- Onshore**
- **Technical Data Analyst (TDA)**
 - **Technical Lead (Enabler)**
 - **Developers**
- Offshore**

'Remote' XP Offshore Model



Per iteration structure

'Remote' XP Offshore Model

- Customer and TPM collocated or no more than +/- 2hr time zone apart
- Good work day overlap between onshore and offshore teams (+ 3 hrs for these projects)
- Daily integration and deployment to BAs
- Release and 1st. iteration planning sessions FTF with customer, BAs, PM, TPM, and Technical Lead
 - Subsequent iteration planning sessions done remotely
- Daily remote stand-up meeting
- Technical Lead (Enabler) is a key role

Communication

- Critical element between onshore and offshore teams
 - Failure here means project is doomed!
- More about behaviours than tools
- Make good use of basic tools
 - Phone, teleconference
 - Instant messenger
 - Email
 - Application sharing/collaboration tools
 - Source control and integration environments
 - Excel can be very useful!
- Minimise differences between onshore and offshore working environments
- Minimise time zone deltas between onshore & offshore teams

Business Benefits

- Every offshore Agile project (30+) has exceeded business value goals
 - Below cost budgets
 - Faster ‘time to functionality’
- Typically >40% cost reduction compare to using waterfall processes (validated by Gartner benchmarking analysis)
- Reduction in lost opportunity costs to customer
- Faster delivery of innovative business processes and functionality

Business Benefits

- Introducing new business processes – example:
 - Improve response to a customer request to change an existing order (e.g. mix of products)
 - Response time from weeks to day(s) to be competitive
 - Implement rule based algorithms to reduce response time
 - New releases every 3-4 months
 - Onshore and offshore team 10-12 people
 - Exceeded all project CSIs and enabled fundamental business process change

Key Learnings

- Agile and offshore CAN work together with great result!
- Clear partitioning of roles between onshore and offshore teams
- Technical Lead role is critical!
- Reduce time zone difference as much as possible between onshore and offshore teams
- TPM needs to be as close as possible to Customers
- Use FTF meetings (e.g. release planning) to build relationship and trust between onshore and offshore teams.

More information at www.gazellesolve.com

Questions?

The logo consists of a horizontal bar with a gradient from orange on the left to yellow on the right. The word "GAZELLE" is written in a bold, dark red, italicized sans-serif font across the center of the bar.

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