How Application Outsourcing Can Help Your Company Scale Faster

Companies all over the world benefit from outsourcing in various forms. If you're wondering how you might bring on extra experience for your development, or reduce the strain on your staff for your maintenance requirements or customer service, there's a good chance outsourcing is the solution.

But what is application outsourcing, and how do you go about doing it right? We're going to go over what it is, how to do it, and then cover some application outsourcing services too.

Application Outsourcing

Outsourcing is a very generalized term for sending work outside of the organization to be completed by an external source. Both small and large businesses can benefit from outsourcing, in almost every industry. In tech startups or medium-sized companies, there is a lot of opportunity for growth through the efficient use of outsourcing of the application.

A familiar example of outsourcing would be a call center. Many companies employ large officers of expert technical support staff in other countries, saving a significant amount of money on staff costs, without sacrificing anything in terms of value.

Application outsourcing is a subdivision of this type of outsourcing and may differ from traditional outsourcing in that it typically has several, loose connections to multiple vendors, as opposed to a stronger, one-on-one relationship with a larger vendor.

Application development can be broken down into three principal activities:

- Creating applications that enhance a function by developing new apps or improving old ones.
- Linking applications to one another by integrating, designing, managing, and implementing services.
- Deployment services that support the implementation and rollout

These stages of the application process are often dealt with in-house, but should they require outsourcing, since they're usually on a project-based timeframe, relationships with outsourcing companies are short-lived and highly interactive.

Infrastructure management involves:

- Preventative and remedial interventions to improve or repair the hardware side of the development
- Systems, network, and online or telephone troubleshooting
- Operational and help-desk management services

This form of outsourcing usually involved relationships of 36 months or more, requires more stable services and requires a lot less interaction, particularly between the service provider and the end-user.

Both elements of the project can be successfully outsourced, either offshore or natively, depending on the strengths of the outsourcing company.

Why Use Application Outsourcing?

Essentially, application outsourcing is about increasing value for your end-user and/or lowering the cost to the company. This can be in the simple terms of reducing resource requirements and overheads but, more often than not, it also relies on expertise to create, improve and manage various elements of an application. Here are some ways in which application outsourcing may help you:

- **Application support** – this should be one of the first areas considered. If you have an application that is problematic or that needs to be sunsetted but requires support until that goes through. If you're just starting, expert help could make the difference between a hit and a miss.

- **Legacy system maintenance** – using legacy systems might be totally necessary but the outdated nature of the systems may require time-consuming and outdated practices that are better outsourced.

- **Staff augmentation** – This is a great way to lower costs of employment if offshore, and is a common method of boosting expertise and skilled workforces, natively or otherwise.

Outsourcing comes with numerous benefits, depending on the state and destination of the application you're working on, and which parts of it could improve the most from external help.

How to Outsource

Advancements in cloud computing have made application outsourcing easier than ever, especially for SaaS, which allows for web-delivered handling.

Outsourcing services, therefore, are readily available, but there are some basic steps to follow in the process of finding the right one. The first step to outsourcing is going to be to manage the risk.

It may be worth looking over a [knowledge-based risk assessment](). Firms seeking to outsource infrastructure management in particular, need to develop effective risk mitigation strategies for selecting service providers.

There are many roadblocks to successful application outsourcing, particularly in some areas. Offshore outsourcing, for example, carries certain potential hazards that may not be immediately obvious. [Risks to consider]() are:

- **Language and communications** – outsourcing to countries with lower labor costs usually, if not always, means outsourcing to countries where English is at best a second language. This has implications for call centers and for phone troubleshooting, as well as training and communicating the needs of your company.

- **Time Zones** – Outsourcing companies may be in different time zones, and this can be a benefit or a plus. Night work for domestic staff is a lot more expensive than outsourced daywork offshore, but remember that even native outsourcing may throw up some roadblocks with time zones that will cost you.

- **Human resources** – The availability and cost of the human capital of the caliber and volume that you require can cause complications in outsourcing.

- **Security and privacy** – the protection of sensitive data and consumer information needs to be well understood and adhered to.

- **Knowledge transfer** – Efficient information exchange between the service provider and the service receiver are essential; in some outsourcing needs, they're critical.

These risks will be different across the needs of your company. Application development will suffer more from language and human capital issues than infrastructure maintenance if outsourced offshore, whereas the latter will have much more limited risk in those areas and a much higher chance of failure in the areas of knowledge transfer.

Application Outsourcing Services

The next stage of the process is to select a service provider accordingly. In order to do this, there will be a number of factors to take into account. For example:

- **Native or International?** – When choosing an outsourcing service, it might be beneficial to compare the strengths of native companies against those of distant, offshore ones. While you may benefit from cheaper labor costs offshore, you might not get the level of familiarity in the industry that you're looking for.

- **ROI** – Outsourcing must complement your business strategy. This of course means analyzing the probability that you'll get a return on your investment, but it also involves the service provider working with you to identify whether the deal is a healthy one and whether they are capable of seeing it through.

- **Check the service provider strategies** – This is how you mitigate all the risks you've assessed in the previous section. Assess the provider's communication facilities, reliable local partners, service levels, and reputation in relation to contract management.

Outsourcing may be more than simply about finding someone to fill a gap in the short term; it's just as important to develop a relationship with the company you're outsourcing to. This means there needs to be some due diligence not only towards their technical competency but in terms of their relationships with their clients too.

Of course, being personable isn't enough on its own, so there still needs to be a level of experience and expertise in the area you're looking to fill. Remember, you're looking for streamlined scalability in your application, so you don't want to be jumping around if you can avoid it.

However, some outsourcing needs will be short-term by design, so depending on the desires of your company, you're going to want to look for different application outsourcing services.

If all of this sounds like a bit of a headache, [motomtech](#) might be able to help. From the idea to the implementation of your application, there's a team that can carry you through it. Motomtech provides web app, mobile, and even SalesForce support to your project, and follows through with continued advice after publishing.

Conclusion

Outsourcing is a great way to reduce costs or enhance the level of expertise in your application, whether developing, running, or maintaining it.

Still, make sure to do your due diligence; figure out first if you really need to outsource, then select your provider accordingly.