

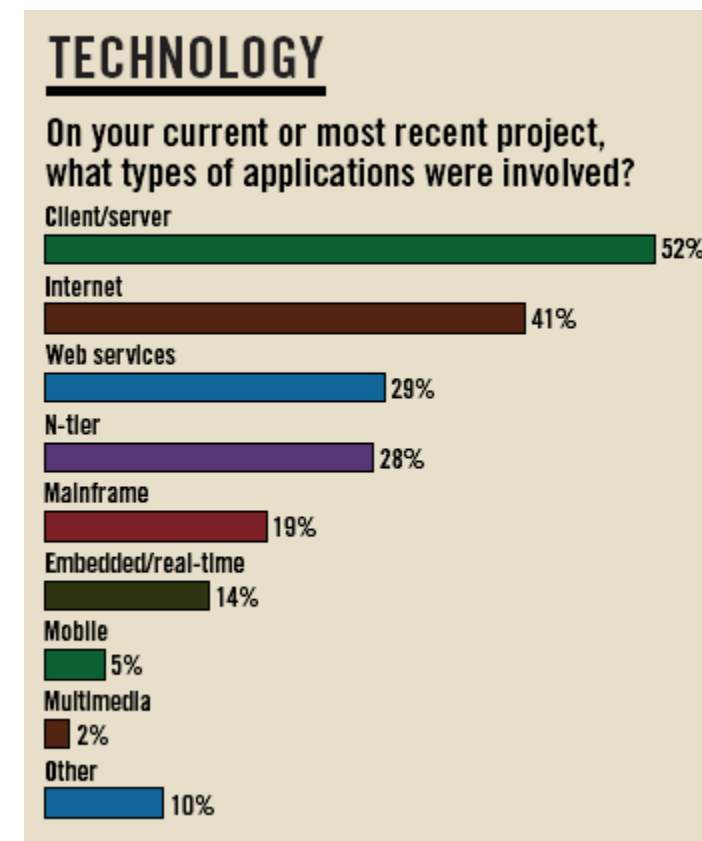
Software Development

[January 2004](#)

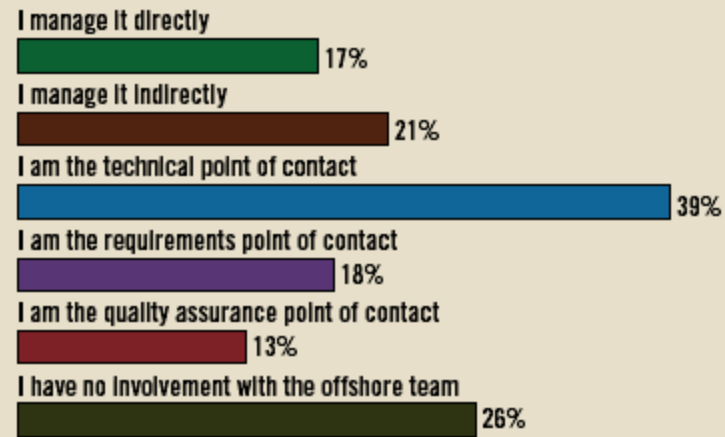
Offshore by the Numbers

The types of projects being outsourced closely mirror the makeup of application development overall, but they do skew to large, Java-based client/server systems for the software, finance and telecom industries.

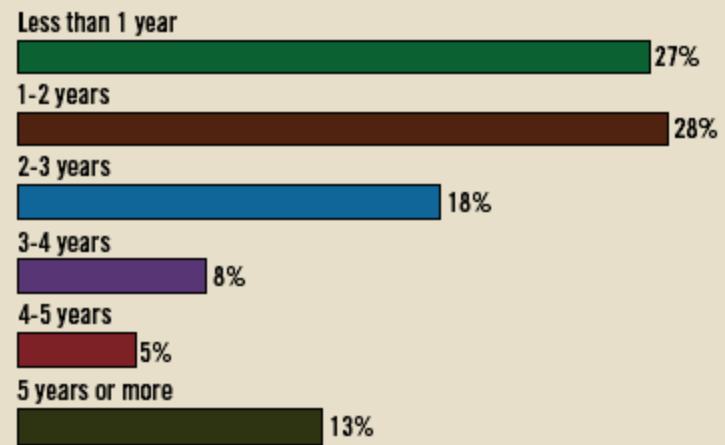
Numerous studies have confirmed that offshore outsourcing is a major trend for U.S. IT operations across multiple industries. In October 2003, *Software Development* surveyed 414 U.S. developers and development managers whose projects had been partially or completely outsourced offshore. The goal was to gain a more accurate view of the types of projects that were being outsourced from the perspective of those closest to them. Here are the results.



What is your involvement with the offshore team?*



How long has your company been outsourcing software development? **



How many projects have been contracted offshore since that time?

▶ 3 (median)

On your current or most recent project, how many people are on the offshore development team?

▶ 10 (median)

How many people are on the in-house team?

▶ 6 (median)

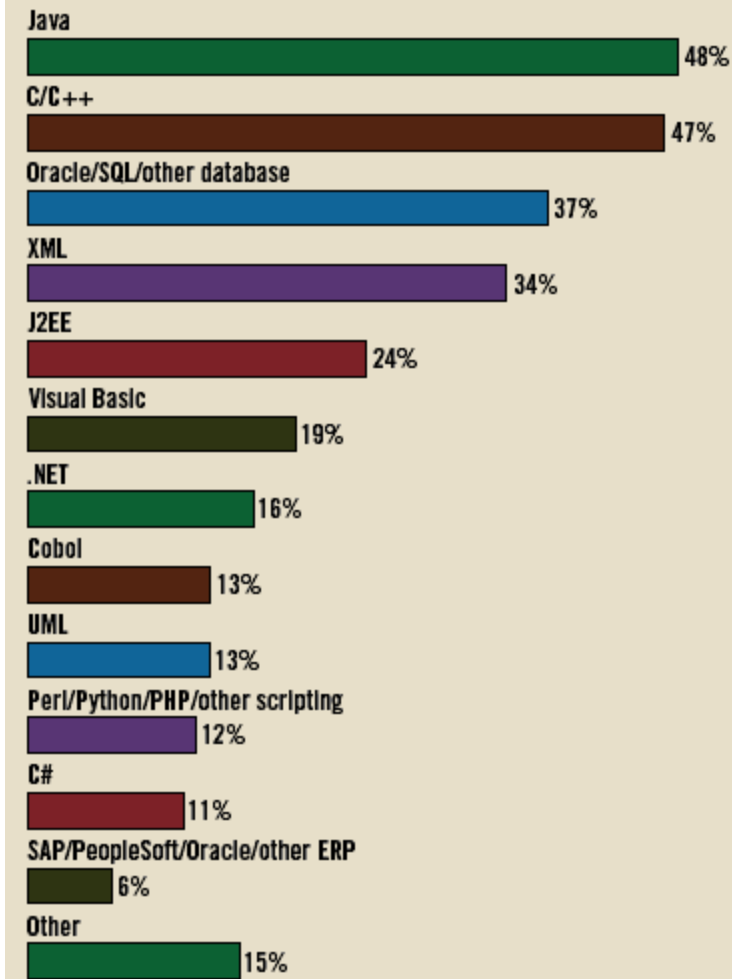
What is the approximate size of the code base?

▶ 150,000 lines of code (median)

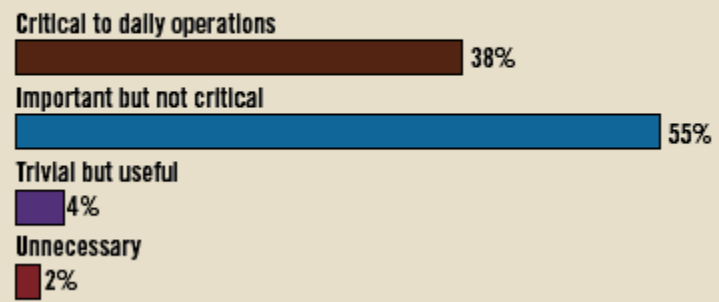
How many months did or will it take to complete the project?

▶ 9 (median)

On your current or most recent project, what languages/technologies were used?



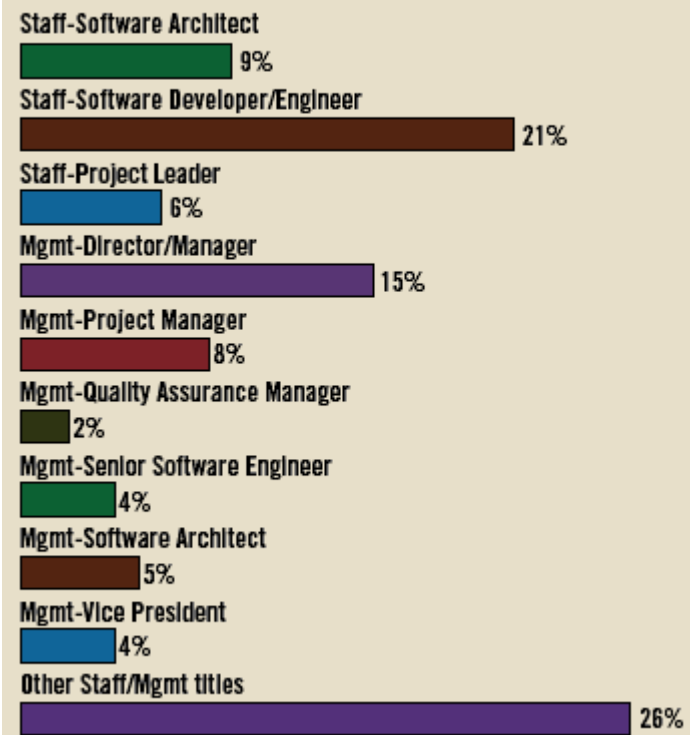
How would you characterize your current or most recently outsourced project?



*Respondents were asked to check all that apply.

**Totals on certain questions may not equal 100% due to rounding.

What is your job title?

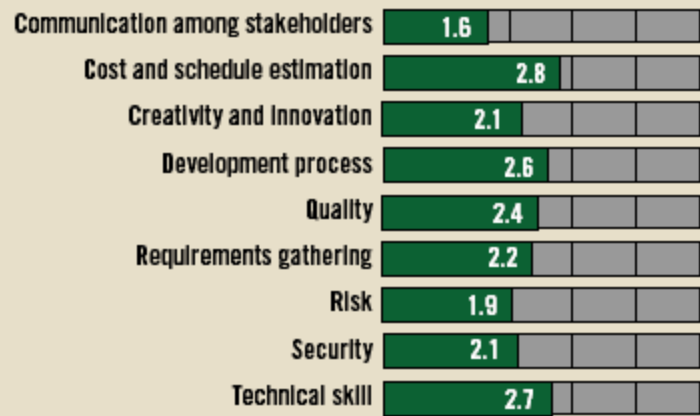


QUALITY

Overall, how would you rate the quality of work done by the offshore team?

	Total	Respondents grouped by company revenue		
		Less than \$100M	\$100M to \$999M	\$1B or more
Of high strategic value	5%	8%	2%	2%
Better than in-house results	7%	9%	6%	5%
The same as in-house results	33%	26%	38%	34%
Worse than in-house results	45%	47%	44%	44%
Unusable or a setback to progress	11%	9%	9%	15%

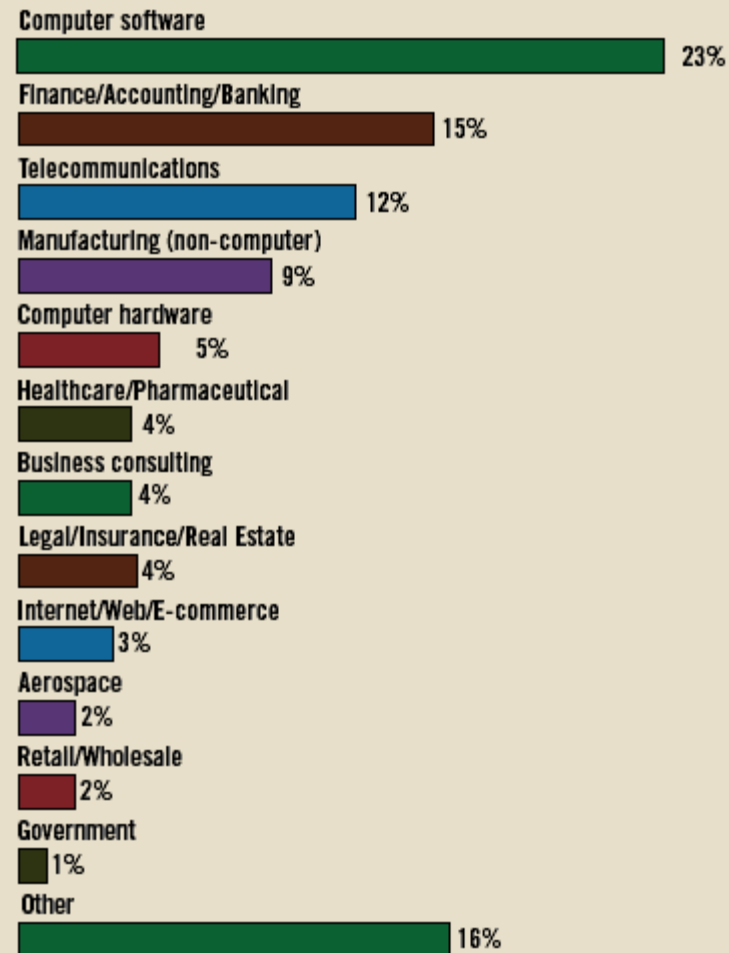
On a scale of 1-5 (1 being worse, 3 being the same and 5 being better than in-house development), rate the following aspects of offshore outsourcing.



Does your company plan to continue using your offshore outsourcing vendor?

Revenue Group:	Yes	No
Less than \$100 million	81%	19%
\$100 million to \$999 million	94%	6%
\$1 billion or more	93%	7%
Overall average	90%	10%

What is your organization's primary industry?



DEMOGRAPHICS

What is the approximate annual revenue of your entire organization?

Less than \$100 million	37%
\$100 million to \$999 million	25%
\$1 billion or more	38%