

BOT Model



INTRODUCTION

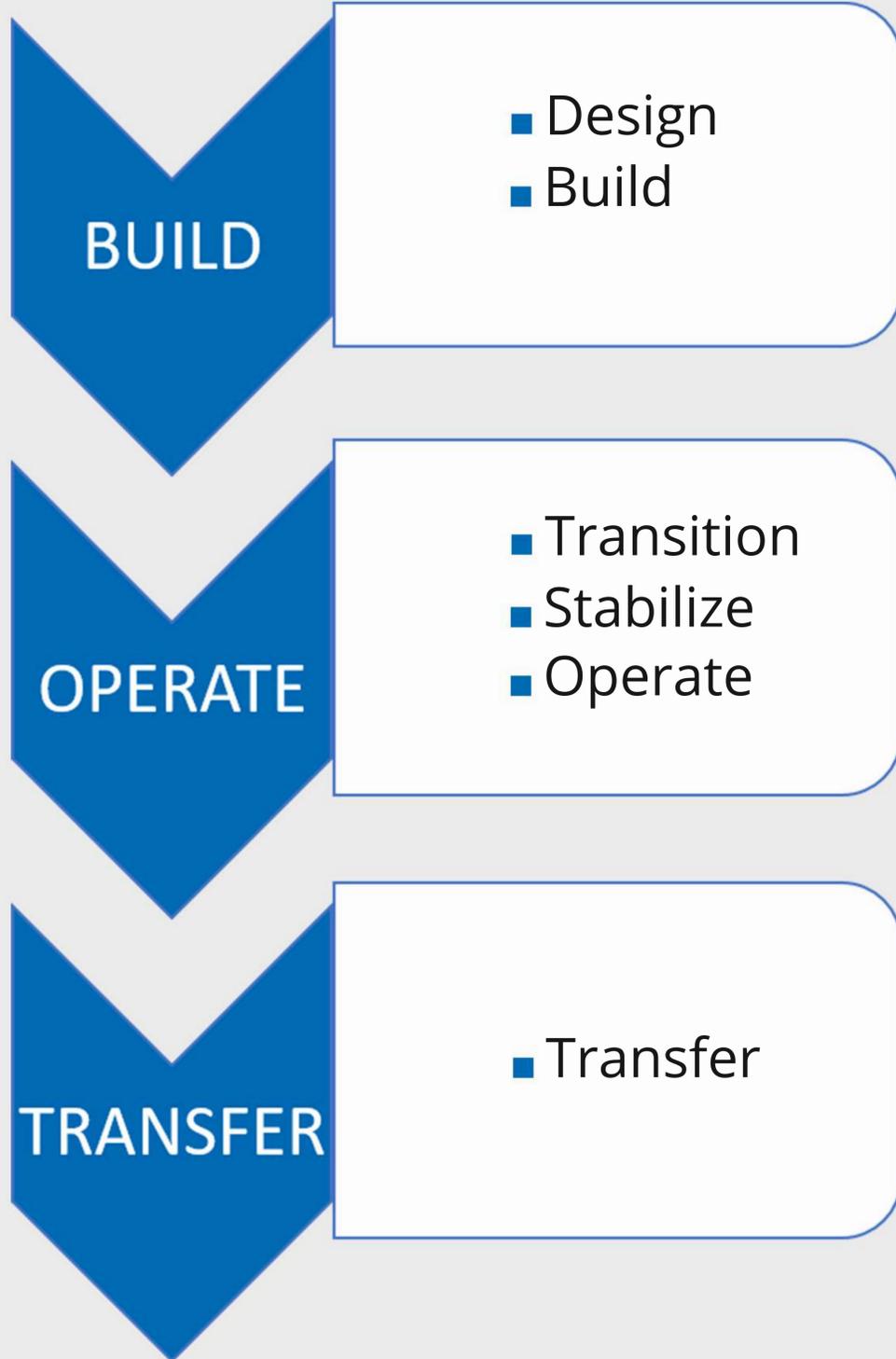
Although the outsourcing services are still very popular and efficient, in today's emerging business market, they may not be the best answer. This whitepaper presents the Build-Operate-Transfer model, a solution for the companies to use a service provider that will build and operate their own software development team that is later transferred in-house.

The increasing demand for software applications and the continuous change in today's technical and economic environment have determined many companies to concentrate their resources on core activities and outsource part of the development work to nearshore and off-shore partners that can get the work done with fewer costs and with skilled resources.

WHAT IS A BOT MODEL?

A build, operate and transfer (BOT) model is a type of sourcing delivery model in which a company can choose to partner to assist with designing and implementing the required software development team with the option to in-source the resources after a period of time (usually 3 to 5 years).

HOW IT WORKS?



Build Phase

The first phase of the BOT model is building the foundation of your project, and it usually lasts from 4 to 8 months. During this phase, the service provider will carefully analyze the client's specific needs and business requirements to develop and build a custom-made infrastructure that will bend on his strategic objectives.

1.1 Design – The provider will carefully analyze the client's specific needs and business requirements to design a custom-made operating model that will bend on his strategic objectives. This stage includes also the legal and operational set ups.

1.2 Build – After deciding on the operating model, the provider will convert the design into an operation plan that is ready to initiate the services, including: assign or recruit top talent matching the client's requirements, training period, set up administrative affairs.

Besides infrastructure, the service providers will also provide:

The best resources – Choosing the best team that fits your business needs, while being in charged of managing the entire recruitment and payroll processes

The right tools – Selecting and implementing all the necessary solutions, from project management to development tools that will enable a higher control over the entire project



Operate Phase

The second phase represents the actual project execution and it can last from 1 to 4 years. The client decides how long will he outsource the project, and the service provider guarantees an effective management to ensure the established results.

1.2 Transition – After the building phase is completed, the services are transitioned to the provider. During this stage, the provider will also visit and spend time at the client's HQ in order to get familiarized with their culture, get the whole team in place and receive the initial tasks.

1.3 Stabilize – The provider has to analyze the entire process and adjust it, if necessary, to meet the initial objectives. The most important part of this stage is to make sure that the team consistently delivers the service levels as defined in the build phase.

1.4 Operate – The provider will manage and operate all the daily tasks to achieve the agreed service objectives

The service provider will handle:

Training process – He will ensure that the team is well trained before starting to launch the project.

Control and monitor – All the activities will be closely monitored and analyzed to ensure that the project is aligned with the initial objectives and strategies.



Transfer Phase

The third, and final phase includes the project's handover, which can take from 6 to 8 months. After ensuring that the project is stabilized and all the processes are streamlined, the service provider will handle all the necessary operations for transferring all services and any procured assets back in-house

The service provider will handover to the client the following:

- **Team** – The provider will ensure a smooth transfer of the entire team, if possible, under the client's subsidiary
- **Infrastructure** – The provider will also make sure that the infrastructure is successfully transferred to the client's subsidiary.

Aside from the possibility to transfer all the operations back to the client, after the agreed timeframe, the major advantage of the Build-Operate-Transfer model is building the team structured on the client's requirements. The personalized infrastructure is set up following client's particular processes, training specifications, and business culture. Therefore, at the time of transfer, the incorporation of the team to the parent company is effortless.



BOT MODEL BENEFITS

- Possibility to capture market share quickly or handle a crucial need in a short period of time.
- The opportunity of not getting distracted while establishing a new center and being able to keep on concentrating on the organisation's core business.
- Advantage of obtaining best in class skill-sets. Preservation of investment costs.
- Cost effective outsourcing throughout the preliminary period of build out and operating.
- Minimized operating risk and knowledge preservation when related to delicate operations, and potential to have a complete solution in short duration.

CONCLUSION

The BOT model helps companies maximize time to market, decrease risk and develop most effective operations. The collaboration allows the client to control the partners' established abilities and best techniques, whilst including company procedures and philosophy. This provides them better control in managing the business operations at optimized cost and minimal risk.

Being able to then transfer the operation in-house means there is alternative for management going forward - either take the team back into the company or continue with the partner. More and more, clients worldwide are asking for the BOT model, and it is now being introduced as the favorite model in the BPO space. With many companies implementing this model, BOT is the next big trend in offshoring to observe over the coming years.

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