

## ***AR Systems International Outsourcing***

In 2004 ARSystems International was looking to cut software development costs. In order to cut costs, the CIO (Chief Information Officer) decided to outsource some of their development needs to an offshore development company, Shintech Software Inc., in Beijing. (Buckler, Grant) The first project, a standalone piece of code that was outside of ARSystems core application, was fairly successful with an expected amount of questioning from the developers at Shintech Software, Inc. Other projects have proven to be a bit more challenging due to the need of the developers of Shintech to have further explanations of what was needed of the application and what the behaviors should be. The staff of ARSystems was not always available to take the calls; which, in the end caused the projects to take 10 - 15 percent longer to complete than originally forecast. There is also a 12 hour difference in time between the US and China, Shintech charges time and a half for work that is done on North American clients' hours, so ARSystems opted for a limited overlap in hours each day, with Shintech developers coming in early and ARSystems people staying late.

### **Reference:**

Saran, Cliff (2005). Cruising for deals across the pond. Computing Canada.

### **CITE THIS AS:**

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