

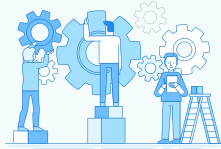
AGILE INSOURCING

A NEO POINT OF VIEW



Key Drivers

1. Market competition and customer demand
2. New technology
Megatrends including
Cloud Migration, Digital Transformation, Machine Learning, Robotic Process Automation, Big Data, Analytics, Blockchain



Need for increased speed-to-market for new product introductions



Shift from Waterfall to Agile methodologies for Applications Development

Agile focuses on releasing a 'minimum viable product' out to market as soon as possible and allows for changes to happen later in the cycle through each iteration.

Difficulties in implementation of Agile in an outsourcing environment



Geographical and time zone separation inhibits the Agile way of working



Coordination and communication between internal and remote teams not always smooth



Requires considerable overhead in form of executive oversight and governance

Transition from Outsourcing to Insourcing



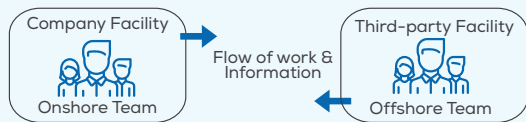
US based enterprises are bringing portions of outsourced work back to their internal technology function.



Agile works best in co-located facility by teams comprising resources employed by the same organization working towards a common goal with a shared culture environment.

Outsourcing in Waterfall model

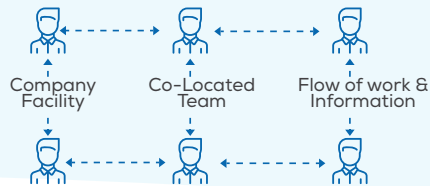
Waterfall teams work like a compartmentalized and linear assembly line that moves in only one direction.



VS

Insourcing in Agile model

The aim is to meet user expectations with quick and continuous delivery of applications.



Agile Insourcing

The transformation from Waterfall to Agile and the transition from Outsourcing to Insourcing

What else drives Agile Insourcing?



Outsourcing savings falling short of expectations



Desire to protect IP



Need to mitigate cybersecurity threats



Concerns over quality of third-party deliverables



Difficulty driving outsourced workforce innovation



Agile works most efficiently when teams can interact closely and frequently and is best achieved through co-located face-to-face meetings and interactions.

What to Insource?



Application lifecycle ownership and control is key in the cases of business critical and product applications.

Identifying what is core and needs to be insourced should be based on a number of parameters including:

- Business criticality
- Affinity
- Product maturity
- Mobility
- IP and Security

Neo's SourcePrismSM is a proven methodology that helps clients decide what to insource, what to automate and what to retain as outsourced.



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