

The Case for In-house Development

Aptech Computer Systems has over 30 years' experience with product development and meeting the financial-systems needs of customers, which include the largest hotel companies worldwide. The most successful strategy for our company, and one that benefits clients, is an ongoing investment in our internal staff, the constant renewal of our technology, and a policy of internal development.

It is possible to make a case that outsourcing technology development and support is a cheaper way to do business, but we have proven our company's goals of client satisfaction and solid, reliable system development, are better served by providing our staff with training classes and enhancing our platforms. By keeping core processes in-house, a technology company retains control of its product development and creates a culture of professionalism in its staff, and these are the heart and soul of its offering. The benefits of in-house development are clear. A company can more effectively focus on the successful execution and long term outcome of any project when it controls its operation, and when it executes well, it often earns substantial future business.

The benefits of in-house development fall in to four general categories: timing, quality control, knowledge transfer and financial.

Timing Timing is usually crucial to technology implementations. Any new multiproperty system installation must be coordinated with legacy application phase out, data conversion, hardware installation, staff training and many other factors. When working with your own team of in-house staff, you have much greater control of the rollout timeline on which a client is basing its operation. If critical tasks slip during an implementation under your control, you are aware of the situation immediately and can take responsibility and more quickly address the situation. Maintaining your own experienced installation and training staff team is especially valuable during the final phases of a project that requires refinements in the system and its reporting or other customizations needed to put the finishing touches on the solution.

Quality Control While an outsourced development team can focus on coding tasks without interruption, they are usually not trained in the fine points of the industry where their system will be used. Application quality often suffers because of this. Offshore contractors are not able to "read between the lines" and ask important questions while they are completing a project's development. This lack of familiarity with how a system will be used often causes misinterpretation of directions by the outsourced staff resulting in a higher than usual number



JILL WILDER
 Vice President
 Aptech Computer Systems

The benefits of in-house development fall into four general categories: timing, quality control, knowledge transfer and financial.

of version refinements and project delays. Close monitoring of outsourced projects is essential to maintain high levels of commitment, but this is time consuming and requires an internal project manager familiar with all aspects of the development. Conversely, an in-house staff understands their industry and processes, is focused on the best interests of their company and its clients, and is committed to their work because they will be responsible for supporting the solution when it is implemented. Producing high quality, stable, easy-to-use software programs provides long term benefits for both the customer and the vendor's company and they are most often the result of a committed in-house team effort.

Knowledge Transfer When a project is outsourced, time must be allocated to transfer the development knowledge to your internal staff for efficient product support. However, when development takes place in-house, the hands-on coding and testing process translates into the internal team's system familiarity and results in lower long-term maintenance expenses and more professional application support.

Financial Outsourced development resources are often obtained for a reduced price; in fact, lower costs are the primary reason for outsourcing.

But although the initial project may be less expensive offshore, there will always be a need for internal development staff with appropriate salaries to incorporate the code into a company's application strategy. Also, when development is off-shored, a domestic company incurs additional costs for consulting fees and travel expenses. Off shore tech developers will frequently offer an initial low bid for a project with the expectation of 'scope creep' to increase their revenue—and the domestic company's expenses. If a project has a change in scope, the variable costs frequently increase dramatically for the outsourced staff.

While outsourcing might look good on paper as a quick fix that initially lowers development costs and provides resources to your staff on an interim basis, the long-term costs of incorporating a new, unfamiliar product must be forecasted realistically. The worst-case is that the outsourced staff's work is isolated and unable to be supported alongside your other products. When this happens, clients suffer and tech vendors lose business.

Our in-house development team has pride in products they helped to develop. Aptech takes personal responsibility for its solutions and works side by side with customers to ensure our development achieves each client's goals. This investment of time and money on in-house development results in higher quality systems, on-time implementations, and a knowledgeable support staff which benefits our customers and prospects.