



Effective knowledge transfer plan: how to move IT outsourcing projects to a new vendor

By Marta Hlova • October 03, 2019

How to ensure the smooth knowledge transfer in IT outsourcing? We share our tips for the effective project transition when switching a vendor. They are backed by our experience in exchanging project and product knowledge with a number of companies we've worked with including Lebara, Gogo, Fluke, and Travelport. If you are thinking about moving to another vendor, but knowledge transfer issues hold you back, here come our step by step recommendations for the successful knowledge transfer in IT outsourcing.

Unshared knowledge costs money. In particular, this is true of IT outsourcing projects. When moving from one vendor to another, knowledge loss could result in lots of organizational waste when the whole process gets reworked from scratch. Having a robust knowledge transfer plan could make the whole journey easy and safe.

HAVE A QUESTION?

Key steps in the knowledge transfer plan you should keep in mind

Much of the project knowledge exists in documentation, but the most valuable knowledge still resides in people's heads. Explicit knowledge that is recorded is just the tip of the iceberg. Tacit knowledge based on a person's experience, by contrast, is the most hard-to-transfer asset. According to the Panopto Workplace Knowledge and Productivity Report, 51% of the average employee's workplace knowledge comes from experience

There are different ways of knowledge transfer flows. It can be performed either from a client to a vendor, which is the best-case scenario, or from a previous vendor to a new vendor, which is a bit more challenging if you don't have a robust plan. Regardless of the case, the key

stages in the knowledge transfer plan don't change. It all starts with a demo and the investigation phase and ends with setting up the environments, taking over business-as-usual (BAU), and the first successful release.

N-iX has a proven track record of successfully delivering projects acquired both from clients and their previous vendors. From our experience, we have realized that knowledge transfer fails when it is ad hoc and informal, and it succeeds when it is strategic and methodical. Below, you will find a plan for knowledge transfer in IT outsourcing projects based on the lessons we learned through years of cooperation with clients across the globe.

5%

Explicit knowledge

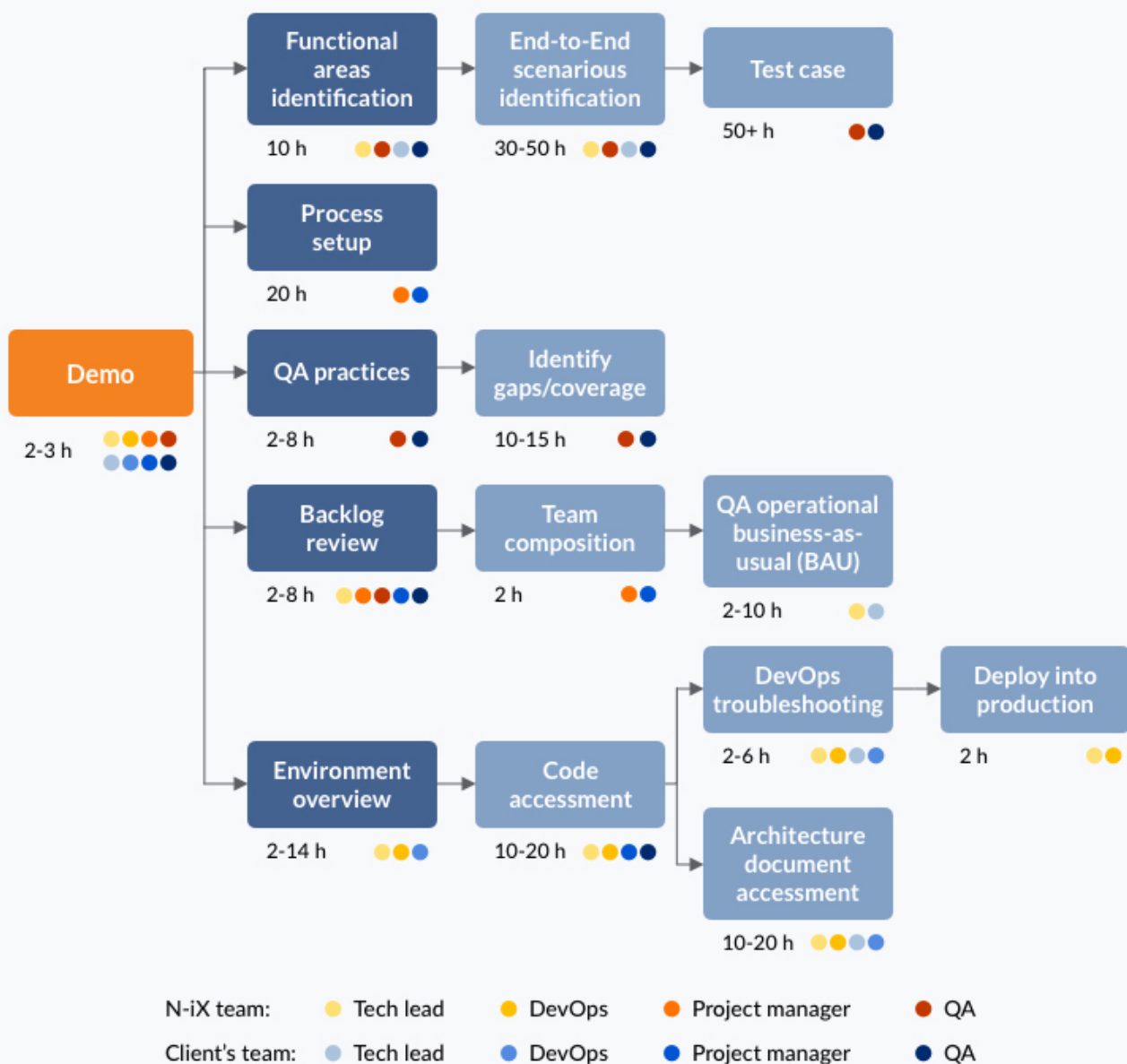
- Data, information
- Documents
- Records
- Files

95%

Tacit knowledge

- Experience
- Thinking
- Competence
- Commitment
- Deed

Knowledge transfer in IT outsourcing



STEP #1 Define what knowledge to collect

Determining what information you need to gather is the backbone of the effective knowledge transfer plan. Here is a checklist of essential knowledge items to collect taken from the perspective of three different levels: organizational level, team level, and individual level.

Organizational level (vendor-to-vendor or client-to-vendor)

Documents:

- Sensitive data transition
- Information on source code ownership
- Product Regulatory Compliance (if relevant)
- Non-disclosure agreement (if relevant)
- Partnership termination agreement with a previous vendor (if relevant)

Team level (team members-to-team members)

Source code:

- Repository URLs with access details
- Description of key algorithms
- Specification of classes and app's layers

Internal processes and workflows:

- Deployment guidelines, system's configuration and installation, operating instructions, troubleshooting, changelog, and bug tracker data
- Software development workflow
- Branching strategy
- Software development tools and techniques
- CI/CD best practices

Access to the systems used team-wide:

- Access to the existing environment and third-party systems

Documents:

- Description of business requirements
- Project roadmap
- Software architecture documentation
- Database structure design
- Design files: mockups, graphics
- User stories
- Test cases

Individual level (expert-to-expert)

An exchange of knowledge on the individual level is the most important part of the knowledge transfer process. Inheriting an IT outsourcing project is like receiving the keys to a room you don't know how to walk into. A big part of the knowledge is the code itself. But it's one thing to know what the code does and it's another thing to understand what hidden landmines might be in it. Thus, one-on-one meetings, tech talks between software engineers, DevOps, architects

are obligatory to understand the logic behind the code and some well-established best practices when moving from one vendor to another.

STEP #2 Define people who transfer and receive knowledge

Once you know what knowledge to collect, it's time to determine the go-to persons in your vendor's organization who could provide the necessary info on each level. For example, on the organizational level, it is necessary to speak to a Delivery Manager and representatives from the engagement, legal, and finance departments. On the team level, it is essential to contact a CTO, a project manager, a Scrum Master, etc. And when it comes to a knowledge transfer from an expert to an expert, these are usually meetings between QA engineers, UX/UI specialists, software developers, DevOps, business analysts, software architects, etc. It's important to understand critical tasks an individual oversees, their importance level, and possible hidden pitfalls.

STEP #3 Collect knowledge items

Having non-stop meetings assuming that your new development team will be able to grasp all the information isn't the best way to ensure knowledge transfer. Important knowledge should be captured and properly stored. If it is a meeting, then it should have an agenda and meeting notes or other files that you could further work on. But there is a variety of other knowledge transfer methods, and here we've outlined those that prove to be the most effective for knowledge transfer in IT outsourcing.

- Technical documentation: spreadsheets, how-to guides, presentations, KB articles, etc.

- On-site training for a focus team
- Live training for a focus team
- Q&A sessions
- Tech talks
- Live demos
- One-on-one meetings

STEP #4 Measure the results against success criteria

The final step is to assess the effectiveness of your knowledge transfer plan. First of all, you can analyze how quickly your team has managed to get started with the project: set up the Development, QA, Staging and Production environments and get access to the systems used team-wide to be able to deploy releases and debug. Please note that the shortest period within which it is possible to effectively finish the knowledge transfer process is no less than one full successful deployment into production by a new team.

The next criteria against which you can assess the success of the knowledge transfer is your team velocity. The main source of inefficiency in the knowledge transfer in IT outsourcing comes when a new software development team starts reinventing the wheel and duplicating the previous team's work. The report by Panopto claims that more than 70% of employees duplicate existing work because they can't reach people responsible for it or they have no idea that someone else has already done it.

Solving project-specific problems through trial and error method is also a huge waste of time. If possible, it's better to acquire established best practices from a client's team or a previous vendor's team. In the survey, on average employees report spending 8 hours per week roaming online for information and reworking an existing task or a process.

The successful knowledge transfer will save you money and streamline the productivity of your new software development team.

Knowledge transfer process at N-iX projects

We have been refining our knowledge transfer plan for more than 15 years, since the partnership with our first clients. It has been tested by time and our clients report its effectiveness as it meets their success criteria. The knowledge transfer plan is an integral part of cooperation with the majority of our clients, including Lebara, Fluke, Gogo, and Travelport.

Our partnership with Lebara, one of Europe's fastest-growing mobile companies, has started in 2014. Back then, we worked under a staff

augmentation model of cooperation, and most of the software development was done on the client's side. Now, we have a big development team of more than 100 engineers who work on multiple products for Lebara in Kyiv, Lviv, and Minsk offices. We have managed to successfully acquire knowledge from the client's team in London. And today, most of the tech leads, project managers, and prevailing tech expertise and tech-related decision making are on our side.

Fluke Corporation, a leading manufacturer of industrial test, measurement, and diagnostic equipment, started cooperation with N-iX with a small development team of 8 specialists. Within 2 years, it has increased to 22 members. Thanks to the effective knowledge transfer plan in place, N-iX team easily integrated with the client's other remote teams located in the USA (Everett, Florida), India (Bangalore), and Ireland (Dublin) and ensured successful delivery of the products.

Gogo, a North American market leader in in-flight connectivity, has teamed up with N-iX to expand its development capabilities. N-iX engineers started the project with initiating a knowledge transfer process that ensured speed development and high productivity of software engineers. The N-iX team has provided end-to-end software development of the cloud-based platform which collects data from more than 20 different sources and found the reasons for ill-performance and equipment failures, reducing the number of not-fault-founds by 8 times.

Travelport Locomote partnered with N-iX in 2017 to enhance its existing corporate travel platform and enter new markets. The N-iX team has established close cooperation with the client and other distributed teams located in different countries, including Australia, the UK, and Romania. The knowledge transfer plan has helped to integrate coding practices between different distributed teams and get new teams of the client up and running quickly.

WRAP-UP

The success of knowledge transfer in IT outsourcing depends on several aspects: people, processes, and a product. Without the proper understanding of what the product does, how it operates, and what people are responsible for specific tasks, it is impossible for a vendor to deliver on the client's expectations.

Our knowledge transfer plan covers all the important types of information you need to gather when moving to a new vendor. Not sure about how to build a knowledge transfer plan in your particular case? See if we can help you.

N-iX is an Eastern European provider of software development services with 1000+ expert software engineers onboard that power innovative technology businesses. Since 2002 we have formed strategic partnerships with a variety of global industry leaders including OpenText, Novell, Lebara, Currencycloud and over 50 other medium and large-scale businesses. With delivery centers in Ukraine, Poland, Bulgaria, and Belarus, we deliver excellence in software engineering and deep expertise in a range of verticals including finance, healthcare, hospitality, telecom, energy and enterprise content management helping our clients to innovate and implement technology transformations.

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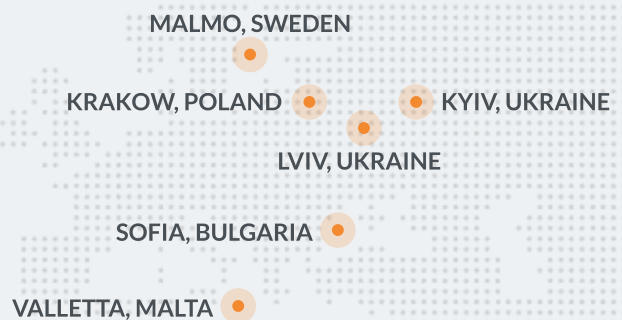
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