

## Case study - outsourcing, development and support, a detailed review

### Overview

A leading global energy company with interests spanning across uranium mining, power station construction, power distribution and waste disposal had conducted a review of its UK operations during 2009, resulting in the planned closure of one UK office. This UK office specialised in developing software applications for trading within de-regulated energy markets; some of its activities were earmarked for closure but the review identified that selected activities should be retained. One of these activities was a software development project to deliver an energy trading application for use in European de-regulated energy markets.

### Transferring a European software project

The company had contracts in place with two European energy suppliers to supply an energy trading application which would generate quotations for industrial and commercial customers, secure the required energy supplies to fulfil the contracts and manage the customer relationship. The software application was moving towards the closing stages of development. The company had to decide how it would meet its contractual obligations with regards to development, delivery and roll-out of this European software project, which would be threatened with the closure of the UK office.

### Solution – seamless transfer and continuation of project development

In November 2009, the company's management team drew up an outline plan of how they envisaged the activity could be transferred, and the company approached Dunstan Thomas alongside other providers. Dunstan Thomas had a good working relationship with the company and had made an initial approach to David Holt, Dunstan Thomas business development director. Dunstan Thomas had provided highly experienced contractors to the company to encourage the adoption of the latest programming technology stacks.

Dunstan Thomas would have to demonstrate it was capable of managing the transfer of the European software development. Dunstan Thomas has 25 years of experience in software application lifecycle management, providing training, consultancy, bespoke application development and software application support, and was already providing similar software development services for a host of leading clients. Dunstan Thomas also recognised that it was important to provide reassurance that Dunstan Thomas had the resources to manage the transfer - Dunstan Thomas has 30 employees based at its UK headquarters, plus partnerships with offshore support providers in Malta and Romania. Dunstan Thomas presented an initial transition and support plan back to the company.

The senior management team decided that they would proceed with the closure of their UK office and look to find an outsourcing partner who could continue their European software project to satisfy the contractual engagements the company had undertaken. The company set a timescale of six months to complete the closure of the UK office and for the transfer of the activity to an outsourced provider by the end of May 2010.

## Defining the transition

Dunstan Thomas was told at the end of January 2010 that it was the preferred supplier to manage the transfer and ongoing support and development for the European software project. Closure plans for the UK office were underway; the company's human resources (HR) department had already informed its 18 employees working at the office that it would close at the end of May 2010. Dunstan Thomas and the company began detailed negotiations during February to agree specific terms and finalise the commercial deal.

At this stage, the company revealed details about the two customers Dunstan Thomas would be developing the application for, services required and technical details relating to the software application. The company wanted to protect its employees and for both the company and DT ALM, minimising the impact on affected employees was of paramount importance. Dunstan Thomas was experienced in managing HR issues with its other support contract clients, and both sides worked closely together to devise a transition plan to achieve this. Dunstan Thomas reached agreement with the company at the end of February 2010.

Dunstan Thomas initiated its transition plan and began to transfer the European software application from the closing UK office to DT ALM's headquarters in Portsmouth. Dunstan Thomas mapped out everything they needed for the transfer, lists of software development tools, hardware, and operating systems used, database versions, software licensing and remote connections to customer sites.

## Securing skill sets

Dunstan Thomas made assessments of the skill sets required to support the European project, as it was at a critical stage of development. Business knowledge of the customers and the European application was crucial, also was support for European languages. Dunstan Thomas developed job specifications for these roles and canvassed relevant employees from the UK office. These new roles were working for Dunstan Thomas so consideration was made for individuals who would relish working in a consultancy environment. Alongside the company's HR team, Dunstan Thomas staged interviews and recruited three employees – two software developers and a business analyst, to join Dunstan Thomas to continue to work on the European software project.



Though the project had not gone live at this stage, it was going through crucial development phases and the transfer would have to be seamless to the two customers. Dunstan Thomas ensured this as it

kept most members of the original development team in place to ensure continuity.

## Results

With the three new members of the Dunstan Thomas team successfully transferred from the closing office, the team physically transferred the software to Dunstan Thomas and on June 1st began work on the next revision of the software for the two clients. Within the first month it was released as part of the continuing project development. In addition Dunstan Thomas provided 4 weeks of on-site training to the customers during June and July 2010.

The European software application team working at Dunstan Thomas have been praised for their professionalism and for the seamless project transfer to Dunstan Thomas. The two customers enjoy the continuity of working with their existing contacts who transferred and also new members of the Dunstan Thomas team. Customers can contact Dunstan Thomas within office hours to discuss any issues in French and other European languages. The project is on track and set to go-live mid-2011, with the project phase then changing to a support role – refining the application through initial changes and delivering the first year warranty for the customers

## Future

Dunstan Thomas has ensured its client has fulfilled its contractual obligations and once the software has gone live, Dunstan Thomas has the flexibility to provide on-going support and development for the software. Both Dunstan Thomas and the company will work together to decide the future of the software and make decisions as to whether to simply keep support and maintenance in place or develop the software further to reach new customers and markets.



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