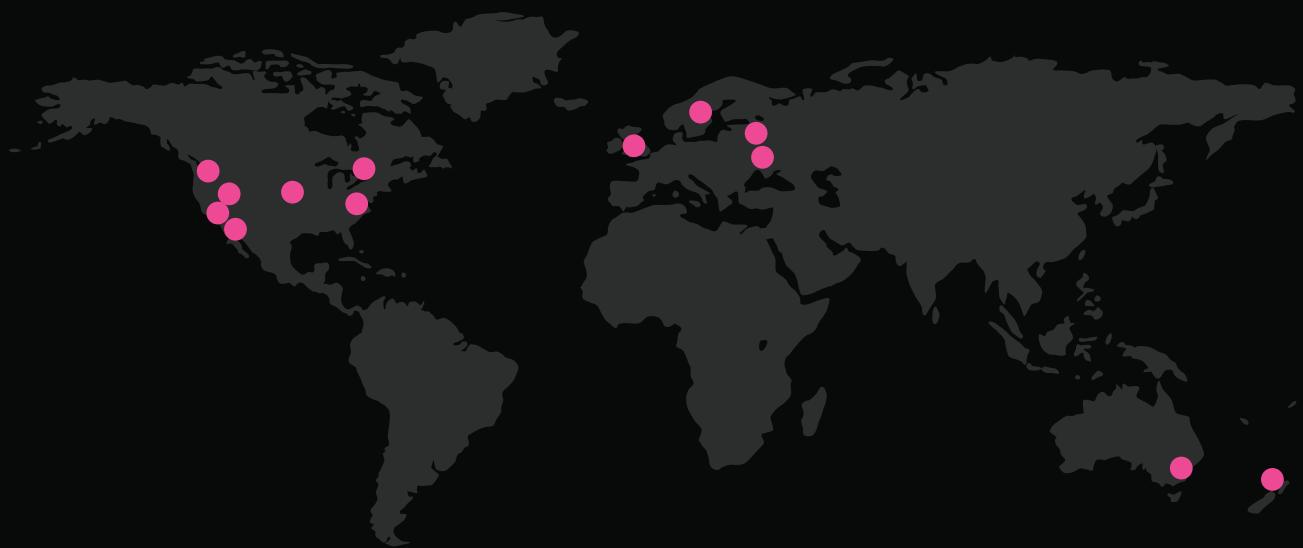


LEZGRO

Working with Distributed Teams

Recommendations to Customers



THIS DOCUMENT IS THE PRINT COPY OF THE DISCUSSION BY:



Eric Rogness

Independent Consultant in product management and distributed teams



Ihor Pidruchny

CEO at LEZGRO

The meeting was held at Ryerson DMZ, Toronto, Ontario.

Preamble. Distributed teams is the reality!

You'll be surprised how many technological companies work with distributed teams...

Product managers, CTOs and nontechnical founders involve LEZGRO, temporarily or permanently, to scale up development capacities and deliver mobile and web applications to market quickly, in high quality, through entrepreneurial, transparent and knowledge-sharing collaboration.

Entrepreneurial spirit inspires us to bring maximum value and quality into each project and customer experience.

Eric and Ihor had worked together for more than 12 months prior to their meeting in July 2013. They met online and worked together for various software development projects for Canadian companies and on a couple of technological joint ventures.

Eric had previously worked with distributed teams for around 10 years and Ihor had provided services for clients outside of his location for around the same period as well. Due to this, Eric and Ihor together have a comprehensive vision of aspects that are worth the attention when working in or with distributed teams.

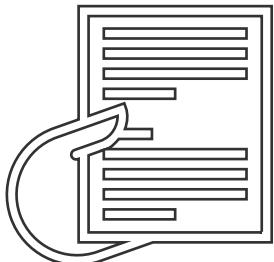
This document is the compilation of advice, ideas and thoughts that were shared during the meet up. This is not a direct meeting memorandum.

SOME COMPANIES THAT HAVE DISTRIBUTED TEAMS:



Whom is This Document for?

For those who do, plan, or want to work with distributed teams, and would like to improve their experience and be prepared for all possible scenarios. In general, this document will be of great use to product managers, project managers, program managers, CTOs, resource managers, and software startup founders who want to find technical cofounders or subcontractors.



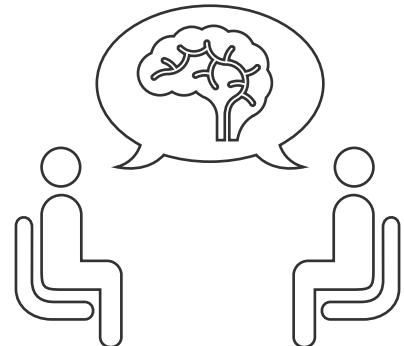
The Conversation

Whether we are speaking about subcontractors who are located in the same city or a team located thousands of miles away, the key point to remember is they are not inside our heads before you've taken care of it.

This is mainly because people we are currently working with may have different goals, values, business environments, understanding of business or absence of such understanding. The question here becomes more complex because it is not just about a set of technical procedures on specs and product delivery.

Software development being a highly intellectual activity includes a variety of nonstandard situations where rules are not applicable. Or where there are no rules to govern the situation!

Thus assumptions, beliefs, global understanding and cultural standards are employed to bring up the decision.



Choose the right partner!

Be picky when you are looking for a partner.

The points to consider when looking for a successful partnership are:

• Talent

This is #1. No matter how good everything else is, we'll not want to work with anyone who will not deliver the best result.



"We've been redeveloping the software for our clients after they finally decided to quit working with their previous low quality providers. In most cases, further product development even in short term is possible only after the total architecture redesign. No matter how cheap the providers were and how sweet were their promises, lack of talent made their clients lose money and, what is more important, time which is unrenewable..."

Ihor Pidruchny

• Language

If the team does not understand the language of communication, they will not be able to communicate efficiently. Language barrier can cause misunderstanding around specifications and lead to direct project failure (local or global).



Some topics for technical interview:

technologies and reason of choice; patterns; collaboration on code; commenting and documenting; scaling the software and high loads; app infrastructure; technological debt, refactoring; code reviews; project management methodology.

Don't forget to ask:

extra hours and weekends; accessibility in case of urgency; confidentiality of IP.

- Language figuratively

Make sure that the team shares the same focus and approach. Make sure they ask questions if they don't understand some concepts or points. Nobody wants to collaborate with someone who says yes to everything, and later it turns out that that person did not understand anything.



- Flexibility

Make sure your team is ready for nonstandard situations. It may happen that things do not go as initially planned; your team should be flexible and able to adjust on demand.



- Ask for references

Talk to existing clients and find out more about how your team behaves and reacts to various situations.



- Terms

Be sure to discuss issues like payment terms, code delivery, project management software to be used, communication process etc.



Financial Terms of Collaboration

WE ADVISE THAT YOU WORK USING ONE OF THESE TERMS:

- Time and material

Usually you'll be asked to deposit the upfront payment during the first few weeks of work, and then pay the remaining amount as the project continues. Make sure that your partner provides you time estimates before starting to do the job so that you can manage time better.

Additional options on top main payment:

- Bonus on launch date;
- Bonus from business results;
- Equity stock option plan for key team members;

- Sprint-scope payment

When the scope of tasks for the sprint is fixed, you decide on the budget for the sprint together. You always have to keep the overall budget in mind and update it regularly.

Unsuccessful Models: Fixed Price

We strongly discourage collaboration on big projects that have fixed budgets. Reasons for this are:

- 1.** Today, everything changes so quickly that you will probably want to change the project specs.
- 2.** It is hard to estimate the budget of a big project with decent precision, and especially when it is a collaboration project.

It is also important to keep in mind that unless you have the working code, you have nothing! You should ensure that you only get into collaborations ventures where all individuals are totally transparent, and the code is shared from the first day of development.

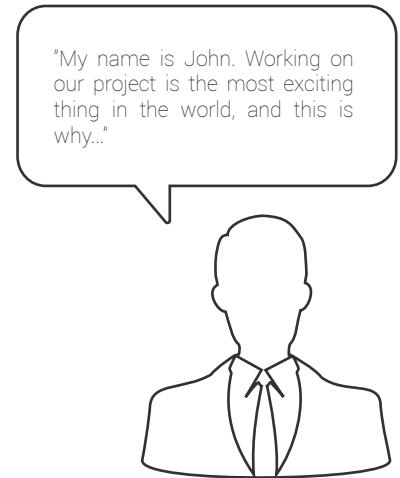
Make sure you have the code as early as possible!

Inspire with Your Idea

LEZGRO's most successful clients who have extensive experience in working with software development teams know that they have to inspire every individual who is a part of the project with ideas. This can be done through 12 hour presentations.

TIPS ON THE PRESENTATIONS INCLUDE:

- **Business environment and opportunities** - if more developers understand your project, there will be more ideas, suggestions and improvements they can bring into the collaboration.
- **Business goals** - this helps the development team have a clear perspective about the project and what needs to be achieved.
- **Teamwork** - people's basic motivation is to ensure that other people are satisfied so that they can receive recognition for their work. If the development team knows they work for clients who value hard work and teamwork, they will be further motivated to work on the project and deliver it in time.
- **Plans, milestones and deadlines** – if the software development plan is well laid out and it defines the milestones as well as the deadlines for those milestones and for the overall project, it is much easier for the software developers to work harder to complete the project in time.



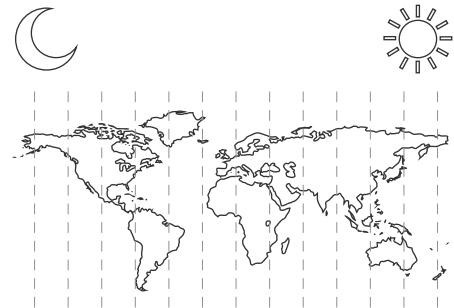
Be Responsive and Keep the Backlog Full

Often you work with distributed teams of software developer who are in different time zones. Therefore situations where teams have started a new working day but have not yet received answers and/or communication from you may arise. This is why it is important to keep the backlog full and updated so that the team works even if you are on holiday.



"We've heard awful stories when the team did not do anything and did not even ask questions what they have to do, just because their manager did not assign them tasks. You'll definitely work with people who provide way more initiative and entrepreneurship"

Eric Rogness



"At LEZGRO we often have situations where everyone knows what to do in advance, and clients are taking vacations and the team works autonomously"

Ihor Pidruchny



Develop Unified Information Environment

- **Relevant business news** - share all the information even if it is not directly connected with the project, but it keeps developers involved and improves their understanding of the project context.

- **Weekly retrospective meetings** - bring everyone to this meeting, from both sides; make sure your boss, marketing department, sales department, cofounders and stakeholders in the project, project manager, analysts, designers, software developers and QA specialists are also in. Talk about what went well, what did not, and how that affected the software development process. These weekly meetings ensure that the team members get the opportunity to interact with each other, ask each other questions and help one another.

- **Work directly within their PM software** - you wouldn't believe it if you knew how much time is saved for both parties when all conversations around project problems and tasks are done using, let's say, JIRA. You cut the time between the moment of task creation and the moment when it is taken into elaboration. All the requirements and details are structured and classified by task instead of dozens of emails. You will be able to participate in prioritizing software development and better understand the state of things.

Some tools for general corporate collaboration:

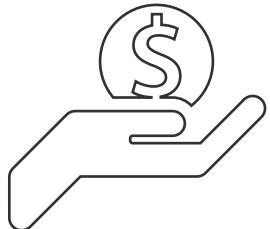
- yammer.com
- basecamp.com
- Atlassian
- Confluence
- google drive

Incentives and Recognition

Once every 56 months you should identify the top performers of your project(s) and give them bonuses. This could be a couple hundred dollars sent to your partner with a notice that this is a direct bonus to their employee, or an equivalent parcel from amazon.



Spontaneous bonus of 1% of budget paid to development team will significantly increase the project health!



This will encourage friendly relations and turn employees into your informal advocates. They will be motivated themselves and motivate others to stay late whenever there are concerns about architecture, code structure, technical debt reduction etc.



Negotiate Costs, not Discounts

When you have a limited budget, think of managing the scope and therefore the costs. Significant discounts mean your partner will have to figure out how to return to a targeted marginality. This is important especially since it ensures that your partner remains happy and focused on your assignments.



4 key project parameters of control:

- Time
- Quality
- Cost
- Scope



Good luck !



LEZGRO Provides a combination of talent, culture, structure and tools that enable its clients to scale their software development capacities and launch, grow and support software products

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