A Systematic Snapshot of Software Outsourcing Challenges

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Abstract : Outsourcing software development projects can be challenging, and there are several common challenges that organizations face. A study was conducted with a sample of 46 papers on outsourcing challenges, and the results show that there are several common challenges faced by organizations when outsourcing software development projects. Poor outsourcing relationship was identified as the most significant challenge, with 35% of the papers referencing it. Lack of quality was the second most significant challenge, with 33% of the papers referencing it. Language and cultural differences were the third most significant challenge, with 24% of the papers referencing it. Non-competitive price was another challenge faced by organizations, with 21% of the papers referencing it. Poor coordination and communication were also identified as a challenge, with 21% of the papers referencing it. Opportunistic behavior, lack of contract negotiation, inadequate user involvement, and constraints due to time zone were also challenges faced by organizations. Other challenges faced by organizations included poor project management, lack of technical capabilities, vendor employee high turnover, poor requirement specification, IPR issues, poor management of budget, schedule, and delay, geopolitical and country instability, the difference in development methodologies, failure to manage end-user expectations, and poor monitoring and control. In conclusion, outsourcing software development projects can be challenging, but organizations can mitigate these challenges by selecting the right outsourcing partner, having a well-defined contract and clear communication, having a clear understanding of the requirements, and implementing effective project management practices.