

Title A: To Compete in Software Development Outsourcing, Build a Center of Excellence

Subtitle A: Initially, centers of excellence were used in academic and medical settings but they can prove useful in software development outsourcing too.

Title B: Building a Center of Excellence is the Latest Software Development Strategy

Subtitle B: We're seeing a boost in the adoption of CoEs as a new software development and efficiency strategy.

Title C: Assembling a Center of Excellence: The Why and How in Software Development Outsourcing

Subtitle C: Want to improve collaboration and success across your software development teams? Then a CoE might be just what you need.

Rooted in academic and medical environments, centers of excellence — also called competency or capability centers — are hubs of creativity and innovation. They are, for all intents and purposes, a collection of experienced professionals that develop improvement strategies [for optimizing processes and value](#) across an organization.

They've existed for some time, but we've seen a boost in their adoption thanks to an emphasis on distributed development and offshore opportunities. Corporate and organizational outsourcing strategies are becoming more prevalent, and at the same time, there's a need to accommodate some of the more productive remote processes that are flowing back into a business.

In software development specifically, CoE's can help organize and streamline various production processes between outsourced and local tasks. Alternate uses include the rollout of new technologies, improving organizational capacities, tending to client needs, or even specialized services — such as generating internal training reports or conducting R&D for new tech projects.

The combined expertise and experience helps assure more efficient operations and the use of industry best practices.

How to assemble a center of excellence

The idea behind a center of excellence — at least in software development — is to build a team whose primary task is to enforce and streamline sound development practices. The center helps a business eliminate mistakes and development failures by merely exploring alternate solutions and more efficient methods. They may also be deployed to implement new technologies and systems, manage outsourced client relationships, or kickstart collaborative environments. Ultimately, it depends on why you're creating the CoE and what you hope to achieve.

Like DevOps, the adoption of a CoE is [more of a cultural change](#). It's not technology or tool-driven but instead influenced by people.

You start by choosing the most skilled professionals and experts within your organization and providing them a full-time role in the CoE. Naturally, they will work together to find improvements, which you should then leverage or prioritize across your organization.

What benefits can a CoE provide?

The most significant benefit is, of course, a major overhaul in operational efficiency. Typically, the team stationed within a CoE works to streamline various processes and tasks, reduce costs, achieve goals in less time after expending fewer resources, and boost customer satisfaction. They also achieve this [by training or coaching](#) their peers.

It also provides a decrease in risk, particularly when it comes to software and development failures –

even more so in an outsourcing or external development environment. This is because a brand's standards and processes are honored across the entirety of a task, even when handled by a third-party.

Ultimately, the CoE team ensures proper communication between departments and teams throughout the scope of a project.

Risk is also mitigated because the CoE is constantly measuring the success of various tasks, processes,

and projects. If something is not going appropriately, the team will explore new methods which can effectively replace the old one(s). This is done alongside normal development – nothing needs to stop or be delayed unless, of course, the problem will pose significant issues later on.

Finally, the CoE team has access to the necessary resources to define and measure ROI and organizational impact. They can see right away when something is not working or needs to be handled differently. This extends to their own strategies, allowing them to gauge performance even for new methods or frameworks they deploy.

Centers of Excellence create a persistent environment of improvement within a company, generating frequent efficiency changes without hurting the larger operation. They will, however, require executive buy-in and support as well as a reliable source of funding, so plan accordingly.

Sources:

<https://www.cleverism.com/how-set-up-center-excellence/>

<https://www.pmi.org/learning/library/lessons-cultural-change-center-excellence-4958>

<http://www.disciplinedagiledelivery.com/people/centers-of-excellence/>