

Collaboration Trumps Tradition: New Angles on Outsourcing

By Mary Kurek

Although I'm a huge supporter of collaboration, I've found myself in the last couple of years working with companies who are hunting clients that wish to outsource projects to reduce costs. That said, I've probably had half a dozen conversations over the past six months with individuals who have expressed concerns over traditional outsourcing arrangements. Although budget is and always will be a decision-making factor, what I'm hearing is it's more important to work with people who hold similar business and ethical values. There's also the matter of knowing and having direct access to your team.

A project needs the continuity of team-oriented brainstorming and problem-solving, and if you've contracted with an out-of-country company that has assembled a team of indie talent just for your project, you may not get that. However, for some time, companies have found outsourcing to be the answer to project completion. So is it really a matter of hammering out cultural and management differences for the sake of budget, or is there something bigger to this trend of global collaboration?

In 2009, TIGA (the trade association representing UK game developers) and the National Endowment for Science, Technology, and the Arts launched a brilliant campaign to encourage cross-industry collaboration. Their initiative, called "*Play Together*," focused on fostering innovation, collaboration and communication between their video game developers and entertainment industries, such as music, film and animation. Prompted by member feedback on skill shortages, the organizations developed the initiatives specifically to help their developers maximize efficiency and avoid potentially costly outsourcing. Along with an education exchange component and forum for cross-industry networking, *Play Together* also offers a staff-sharing

opportunity between industries. To that end, they've even created the legal paperwork for participants to facilitate arrangements. A quick check at the [TIGA website](#) reveals that even Ubisoft is willing to "play."

These UK organizations saw a need within their country that could be satisfied through collaboration. It's an example of how problems on a scale actually bump competition aside. But what do developers and industry professionals working in the trenches think about this trend? I've asked a few for their thoughts on collaboration and outsourcing. Their responses provided some interesting viewpoints and examples:

John Henley, Account Manager, Business Development, Frima Studios

"Right now, I'm seeing the mutation of business models moving from traditional 'work-for-hire' outsourcing to a more accountable relationship based on partnership or collaboration. I believe this leads to longer relationships, repeat business and the implementation of a more incentive-driven structure. Traditional outsourcing can unfortunately be associated with a more non-cooperative coordination approach and 'drone'-like performance. Parties are incentivized to innovate and excel through negotiated terms, mutually beneficial in a collaboration model."

Daniele Benegiamo, Owner, UNAGames

"From an indie developer point of view, collaboration opens markets and opportunities that are otherwise inaccessible. For instance, an indie developer is too little to be able to span multiple markets, and collaboration can help to fill this gap. A good example has been the porting of the Flash game SteamBirds to iOS. Andy Moore, the original author,

sublicensed the work to Semi Secret Software, an indie iOS developer, with a simple 50/50 revenue sharing scheme. The net result: Moore now has SteamBirds landed on iOS platform (for free), and Semi Secret Software has published, on App Store, a very well-known game."

George Raney, U.S. Advisor, Amico Games

"Amico Games took control of a U.S.-listed company through a reverse takeover transaction in order to access expansion capital, which is in very limited supply for China's entrepreneurs of Small and Medium-Sized Enterprises (SME).

"The U.S. strategy is to not only supply the U.S. market with Chinese language mobile games, but to also explore collaboration opportunities with U.S. game developers and other content providers, such as movie producers, to create new games for our PRC audience of 29 million registered users.

"The company recently addressed its reliance on outsourcing distribution of its games by launching its own Internet portal. Eliminating third-party distribution, which can cost up to 70 percent in end-user revenues, not only allows us to increase our margins, but to also grow our top line through collaboration with other game developers.

"Currently, Amico has entered into market cooperation agreements with over 40 PRC mobile network media, mobile portals, and mobile game media. We may also look to make acquisitions in this space."

Doron Shavit, Co-founder, SoftWeave, Ltd., and Vice President, Outsourcing Services, TestPro

"Companies are looking for the added value. Hiring the best outsourcing employees and creating new in-house ventures is not enough. Companies are aware of the benefits they can gain from