Krish Palaniappan (00:02.486)
Hey folks, welcome to Snowpal Software Development and Architecture podcast. Our guest today is Andy Hilliard. Andy is the CEO of Accelerance, a leading global software outsourcing authority and author of the new book Synergia, a blueprint for building effective globally distributed teams in the new era of software development. We're gonna have, you know, we're gonna talk about a bunch of topics with Andy, but before we get started, Andy, thanks for taking the time to have this conversation here. Thanks Krish, really happy to be

talking with you today. Same here. Before we get started with the topics, if you could just give us a brief introduction about yourself, your company, and your new book, that'd be awesome. Sure, wow. Brief, okay, that's the hard thing. So I've been in the industry now since the mid-90s. Started with Cognizant. I was actually, when I joined Cognizant, they were a recent spin out of Dun & Bradstreet.

and they spun out the company because there was so much demand globally for software development and services. And they just happened to have a very mature captive group that they thought that they could turn into a business unit, which today is somewhere around 300,000 professionals in Cognizant. Actually, FYI, my son actually is a senior consultant at Cognizant. I'm not sure I should say that.

given the fact that I'm in the industry. But anyway, he works on the West Coast. And so I started as a division manager, one of the first American hires for Cognizant and expanding into the US market. I was a division manager of the Southeast US. This was back in 1997. And again, they were 700 engineers and very few, if any, clients. So it was really a land grab at the time to make a name for yourself. And...

Actually, I just watched the Cognizant golf tournament on TV this last week. And so they've definitely matured into a, big advertising mega brand and a tier one service provider obviously over the years. So in the three years that I was there, they grew from essentially 700 to 20,000 engineers across basically all facets of clients, small, mid-cap, large-cap.

Krish Palaniappan (02:26.53)
clients, but when they reached 20,000 and they went public, obviously, in order to maintain their growth, they had to focus more on the Fortune 500, Fortune 1000, 2000, those companies that are looking for literally thousands of engineers to alter their software engineering and product development model. And I just had an idea in my head at the time after reading books like The World is Flat, Thomas Friedman book, Competitive Advantage of Nations.

uh, that, uh, and having been a Peace Corps volunteer in Costa Rica back in the late eighties and early nineties before, you know, an MBA, you know, I thought this is taking off. This isn't slowing down. There's great developers everywhere. Uh, why not, you know, try to grab a piece of this pie and create a alternative, competitive, differentiated business model by going near shore. So essentially I, uh, quit my job.

I went to Costa Rica where I knew, generally speaking, the brand of Costa Rica was very, very good in the US who hadn't heard of Costa Rica, wanted to go to Costa Rica, been to Costa Rica. It was just a great near shore option. Obviously not the supply of engineers that India has, but I wasn't trying to necessarily become a Fortune 100 company overnight. I just thought more of a lifestyle.

could build a company of a couple of hundred people. So in the next seven years, we built a company of about 300 software engineers. And I founded that company in 2003, sold it in 2009. And during that journey, I also discovered that there's increased continual demand for global software development.

a very heightened and growing demand for near shore software development, specifically with my target audience, right? Small mid cap companies that needed sort of more control, more alignment, more proximity, time zone alignment, communication. Again, I wasn't aiming at the Fortune 2000 companies. So it wasn't really playing in that realm. My ICP was generally the small mid cap companies that wanted a more close relationship.

Krish Palaniappan (04:50.922)
with a firm that they could also trust and was basically leveraging a lot of the same best practices as a cognizant, just happened to be on a magnitude much smaller and more easy and comfortable to deal with. Because of what I saw, I said, I wanted to build a network that was complementary or adjacent to my business in Costa Rica, not necessarily competitive, but complementary.

So we happen to focus on like FinTech and Microsoft, NET and Microsoft services, but there's many other verticals and many other tech stacks. And I started traveling throughout Latin America, that turned into Eastern Europe and that turned into Asia. And that was really the genesis of Accelerance is finding those small to mid-size development firms, between like 102,000 engineers.

who each had a very unique attributes around them regarding application types or vertical expertise or technology stacks, having similar size dynamics, but having those sweet spots, those combination of attributes that would make them unique and complimentary to one another and not competitive. That way I could sort of fill in this mosaic.

of demand in the marketplace with specialists who I had vetted as being sort of cream of the crop in their particular size and segment fully vetted and certified by us. That's really become Accelerance. You know, that was a great introduction. I have plenty of questions actually. You touched upon a lot of topics that are near and dear to me. So in no particular order. So let me just, you know, get started there. And towards the end of the broadcast, we'll...

talk, please, we'll take the opportunity to talk about your book as well. But many things you mentioned, near-shoring, let's talk about it a little bit. You mentioned time zones. I've been working in the industry for a long time as well. So it's just the nature of the beast. You work with people from different parts of the world. It's one of the niceties of being able to build software. Over the years, like maybe 10, 15 years ago.

Krish Palaniappan (07:12.938)
While all of my work experience has been in the US, I've had the opportunity to work with engineers in other parts of the world, but go back 10, 12 years or so, it was predominantly people in South Asia, right? It's India and that part of the world. But in the last five years or so, I've seen that change where I've had the opportunity to work with people, engineers. I say engineers, I use it loosely. I just mean folks who make up a software development company, all stakeholders.

I've had the opportunity to work with folks, not only in Europe, but also in Latin America, you know, and in different countries in Latin America. And I've actually thoroughly enjoyed the experience. But in your mind, and I know a little bit about Costa Rica because I have a friend who used to live here, who moved there and built homes in Costa Rica and stuff like that. If you could just tell us, what are some of the fundamental differences? You know, ultimately, let's say you took two engineers who were both building software, and I keep saying engineers, but I just mean any stakeholder.

Are there fundamental differences in how problem solving works when you go hire an individual in Latin America versus say Europe, you mentioned versus Asia, or since it's binary zeros and ones, it's actually normalizable if you know what I mean. Sure, well, I can tell you working with engineers in Latin America is incredibly similar to working with engineers here in the US. And the way they...

communicate, set expectations, assume responsibility and accountability, which isn't to say, of course, that engineers in other parts of the world don't do that. They just approach it differently. For example, I mean, I think it's well known in Asia, there's a culture of overtly sort of pleasing or projecting what a

client wants to hear. There was a blog post that sort of blew up about six or seven years ago that we put out. The seven ways an Indian engineer says yes. Well, I'd love to read that. Well, I want to say no problem might be somewhere in that list. No problem. I don't know if it's politically correct now or if it just opens it up for just the balance, the weight of people looking to pick a fight.

Krish Palaniappan (09:39.507)
and parsing the meaning or the intention of the article in the right way or the wrong way. It certainly wasn't meant, you know, we do quite a bit of business in Asia and in India specifically. So it was more just to point out that people in different cultures communicate or translate their culture differently when working with other people. You know, for example, engineers in Eastern Europe

tend to be very blunt. They tend to take a very strong opinion on what the client is doing and will not parse words in regards to whether they believe it's the right approach. And in fact, some of their work will be either positively or negatively affected based on their own opinions as to whether it's right or wrong. They're just very clinical and very

Krish Palaniappan (10:36.942)
take information, how they interpret it into the work product that they end up delivering back to the client. Latins tend to be very American-like, very conversational, and having a certain degree of debate, but also respect in the communication. They take to one another more naturally, I would say.

in regards to how Americans feel and how like, and when I say Americans, I mean, we're a mixed salad here. So I'm generalizing the term Americans. But when I'm thinking of the end client and how naturally they go in and how much appreciation and understanding and flexibility one has to have in regards to the way they operate individually and how they communicate with others.

It's much more comfortable and natural with... I mean, it's spot on, right? I was just going to do the Indian bobblehead, so you wouldn't know whether I'm saying yes or no or maybe or... Circulate. I don't even do that very well, actually, to be honest with you. But I think those are great points because it is important, right, when you're actually building a team. And again, there's two ways to look at this, at least in my opinion. If you're engaging a team for a project three months, six months a year,

there's a certain element of learning that you would need to have, but how much or what the extent of that learning might need to be is gonna be dramatically different from you actually working or setting up a team in a country for long periods of time, not so much on an engagement basis, but you're gonna be building products for a long, for indefinitely so. So I think it's, I've had this conversation with more than one guest in a different capacity. Like we've talked about remote work and the challenges of remote work.

This is, even though we don't call it remote, I mean, offshoring is literally remote work, even pre-pandemic, post-pandemic, whatnot. So it's important to understand the cultures to an extent. So what advice would you give to an organization that's like, you know what, I have a six month gig, a project, I need to work with a company, a team in Latin America or maybe in Costa Rica, or I wanna work with a company like India, for instance. And

Krish Palaniappan (13:01.826)
A lot of times I say Andy that people, the companies don't take the initiative to, again, I understand why, to learn the cultures because you don't have the time or the bandwidth or the money to do that. You just read it as a jump, write some code, get this working and go, but that tends to fall flat. So what does your experience and what works and what doesn't work in having such engagements? Well, first and foremost, if you're talking a six month engagement, so...

The Accelerance business model is actually not engaged in six month engagements. It's helping companies sort of transform their ecosystem of product and software engineering that has continuity with relationships, continuity in model. So you're not dealing with six month end to end projects. You're not dealing with waterfall or throw it over the wall type of outsourcing or offshoring work. You're dealing with transforming

your development and product development ecosystem and creating a sort of a one-shore we call it a one-shore culture. If you're dealing with six months, I mean there's really not much you can do because you are time strapped and it is defined and maybe you just don't have time and you can either spend your time developing or spend your time building relationships which takes away from development time.

And if you're locked in on developing X over a short period of time, there's really nothing you can do. You have to do what you can do. I mean, you only have certain parameters to work with. But in general, even if you are dealing with a relatively short period of time, my overall emphasis is, especially today,

Clients are distributed and service providers are distributed. And I think two things are happening with service providers. One is they don't have a co-located ecosystem of which they can more effectively build a culture that serves the clients in terms of communication skills, in terms of team dynamics.

Krish Palaniappan (15:29.87)
On the other hand, distributed people are exposed more and more to Western culture on a daily basis through all other channels. So they're getting their training in different ways. They're just not getting it in a very consistent manner from a service provider who is ultimately on the hook for providing those services to a client. So my overall emphasis is don't out.

don't offshore for a short period of time. And you have to double or triple your emphasis on team dynamics and team building, accountability, forming teams, normalizing relationships across teams, appreciating cultures, treating everyone as equals, and creating that ecosystem that is truly borderless and cultureless.

as you can. Do you have time to do that in six months? Not really. So you have to pick and choose what you're able to do with the time frame and what your end in mind is in regards to leveraging offshore. Makes sense, right? Let me have a couple of related questions. You mentioned distributed teams there. So two questions. The first one is, are there certain types of positions, and this is not a leading question, that are better suited?

for offshoring. Now, let me give an example. If I'm building, you know, Andy's like, Krish, I need help, you're located in say in Bangalore, can you build a server-side API, you know, bunch of APIs for me be done, here are the requirements. That's one type of engagement, just a very specific manufactured example. Another example would be a product management or a product ownership rule, where you're trying to find out where the company is at from a product standpoint, where the gaps are.

where you need to be in the next three, six, 12 months or so. Just two positions in a company. I'm just taking two random positions, just something that came to my mind. I just, what my question here is, are certain types of positions? Like if I said here, and the engineering positions maybe are better suited to be off-showed simply because the amount of interaction you might need to have in those types of engagements is probably lesser than product positions.

Krish Palaniappan (17:52.19)
Is that being judgmental or is that in your experience have you seen some positions about better from an offshoring standpoint than other positions? So the short answer is

Anything could be offshored, but it depends on who you're offshoring it to, where their sweet spot is, where their strength is, how that entity or partner has been built and what they focus on. And make sure you're not generalizing your need and...

and an offshore partner in general. That's why it's so important to pick the right offshore partner and to understand that offshore partner intimately well as to what they're strong in, what they're potentially weak in, what kind of clients they currently work on and what they're working on and what sort of roles they're providing those other clients. Find out, to understand what their...

leading profit margin clients are and why are they creating strong profit margin? Is it because this firm has a very strong skill set in attracting and hiring and retaining certain type of developers or roles, whether it's product owners or product managers? Is this something they've done multiple times before? If that's the case, then absolutely outsource it because they already have a track record.

I mean, that's a very non rocket science answer. But when people go in and start searching generically and get generic answers back saying, yes, we can do this, we can do that, we can do everything, that's where the due diligence really comes in. And you have to do enough due diligence where you have a sufficient amount of trust and verification in specifically what you're looking to outsource that you can outsource with confidence. So.

Krish Palaniappan (19:58.678)
Your question to me was more generic. Like, what can you outsource? What can't you outsource? And the answer is you can outsource anything. But you have to find and validate and vet the service provider you're getting into a relationship and understand what they're really good at. Makes sense. The other aspect to part of my question is, how do you know if you're going to be able to do that?

Do I, again, this is all by experience. It's none of these questions are manufactured. I promise you, it's just me having lived that life as well. When we talk about offshoring and giving, hey, I need help with doing X, Y and Z and I need somebody else to do this for me. I have a bunch of questions there, but just kick this off. Do I, there's two ends of the spectrum, two examples here. One is.

I know what I want. I'm familiar with my expectations and needs. I know what the outcome should look like, not just the end result. It's not like I need a React page and the page should have three buttons and it should do X, Y, or Z, but kind of the functionality of that, how it's implemented. I have some idea and I choose that as something to off-show. As opposed to, I am trying to solve a problem. Like I'm building something for the restaurant industry, maybe an app. I...

understand everything about restaurants, how they function. I'm very good at that. I'm in that business, in that domain. But I don't quite understand how software generally is built. Now I offshore the building of a mobile app for my restaurant or my collection of restaurants or whatnot to this offshoring company. Those, I know I said too many words. I'm not succinct. That's not my, brevity is not my forte, but hopefully I'm trying to get my question across here. They're two different.

scenarios. I want to get your take on what the challenges are with each of those approaches. I mean, is it safer to offshore what you actually have a good sense of that you know what's good, bad or ugly, as opposed to offshoring to actually find help to fill the void, because I don't have anybody to do this for me here. So I need somebody to do it because each one has its own pros and cons, but I just want to take, you know, get your thoughts on that.

Krish Palaniappan (22:15.234)
Well, yeah, each one is unique in its own realm, and they do have their pros and cons. Obviously, if you know what you want and you have a clearly defined, you know, ended mind vision of what that is, then offshoring becomes, you know, relatively more straightforward. All you're doing is trying to get to X.

and then you can interact with your partner accordingly, so that they understand that their input is more about just getting 2X and doing it as efficiently, cost effectively and with as high quality as possible. The other method which you're saying is you're more depending on the partner's

subject matter expertise and knowledge and experience in developing things like your less defined vision is. And that requires a different kind of partner, a partner that has more thought and practice leadership, vertical leadership, and experience where they can lead in the relationship. One thing I would say is that regardless of which model

you're going into a relationship with. Time and time again, the one thing that clients fail to do is become a servant leader to the service provider and bring the service provider into a relationship that is where ultimately you're helping the service provider to help you to achieve your own goals. And that is

by far the best way in order to, whether it's through just getting to X or having a service provider take more of a leadership and ownership role in helping you to find exactly where you wanna go and how you get there. It's really incumbent that you empower and you embed and you integrate the service provider into your environment. Why is that so important? Well,

Krish Palaniappan (24:38.346)
because the relationship becomes stickier, it becomes more accountable, the service provider feels more engaged, it becomes more strategic for them, this relationship. And essentially what you're trying to do as a client is you're trying to surpass the other competing clients for that service provider and become a more value added

client of theirs, which ultimately becomes a higher profit margin client because you have lower turnover, you have more stickiness, you have more developer enjoyment and happiness, and

the relationship becomes more dynamic across different functions of the service provider. This all behooves the client in the end. Absolutely. So, but there is this...

My reasonably, I mean, would you agree that there is the higher element of risk and actually offshoring what you don't know? In other words, I am a restaurant owner. I need an app that I wanna use, but I don't know how software is built and I chosen to go about it. The way I see there's a higher element of risk and if you accept that is true.

how should I navigate that as a client? Because the reason I ask this question is, we are a product company, Snowpile, we build many different products. I have people reach out to me on LinkedIn from different parts of the world saying, yeah, I can help you do this, I can help you do that. When I have a couple of initial, even on LinkedIn when I have these conversations, it comes across to me that even the very basic initial questions that I would ask, I would ask, I would get...

very unconvincing answers, like super high level answers that kind of gives it away to me saying, you know what, probably I don't want to spend any more time even having these initial conversations. To the point I have, you know, my real life example of Andy where I actually engaged with somebody years ago, asked them to help me out with building a server side system. And I actually, we had built it in the company. We just needed them to do more of that. So we had a design pattern. We provided the design pattern and then we had them.

Krish Palaniappan (26:56.566)
they had to replicate that pattern. It was appalling, you know, the quality of what the deliverables we actually got were nowhere close. So we couldn't actually use any of it. So it was just, you know, a sunk cost, I mean, based dollars essentially. And then as I dug deeper to learn more, I understood that there, as a service provider, someone told me that, hey, we might actually prefer business clients versus technical clients. And to me at that point, I wasn't exactly clear what the distinction was, but this is what I learned.

A business client is more the restaurant example that I gave you. They are very good at what they do, but they're not in the business of building software. They're not going to poke and prod and question every single thing. They're not going necessarily looking at the pull requests and looking at the quality of your code, the extensibility or the scalability or the whole nine yards. The technical client on the other hand is going to be pretty anal about each and every item.

So I've had people ask me in the recent many years, in the recent past, hey, are you a technical client or do you actually build software for some other client and you just need us to help you out? Because literally they themselves reject the conversation based on that answer because they let go, if you're a technical client, we really are not interested in being engaged for instance. So at least that's my experience. I wanna get your take on it. That's really...

interesting distinction and important distinction. And over the last couple of years, we found that there's typically a major gap in communicating and working with offshore service providers and that's the role of the product owner. And typically clients are very, even clients don't have a good product ownership role and they typically don't have a counterpart that has adequate

maturity in product ownership. It's usually just a refabbed project manager who is trying to fill that role, but doesn't really understand or know how to interact with a product management or product ownership on the client side. So, more and more, we're seeing clients needing to have a higher level of product ownership.

Krish Palaniappan (29:17.49)

on the service provider side and to shore up their own level of product ownership and how they interact with product management and stakeholders. So that is a trend that is growing exponentially right now in the marketplace because you see a lot of technical service providers.

And actually a large trend that's happened over the last few years is the fact that so many service providers with a practice leadership like product ownership and QA and software engineering, those companies are being acquired rather rapidly by larger tier one service providers or by companies as they become captives.

Krish Palaniappan (30:13.642)
distribution of resources across the world and the lack of co-location, it really becomes a challenge for companies to outsource to a service provider that has this holistic ecosystem of support in order to lead clients. What you're doing is the world is awash with tens of thousands of overnight service providers that are essentially staff augmentation people.

of just engineers. There's no practice leadership, there's no thought leadership, there's no business leadership. All it is the transaction of resumes and trying to fill seats with technical people. And that is why third parties are coming into the ecosystem to provide those practice and thought leaderships, product ownership roles. And that's challenging for everyone because I think...

more people are outsourcing, more companies are outsourcing and they're outsourcing with a lack of service provider leadership. And also the lack of wanting to create a one shore ecosystem there. They're really being very transactional, very binary which is very dangerous. You know, Andy, that's such an important point. It's a really, and you said it brilliantly because I think...

even though everything we've talked about so far is no less important, but what you said in the last two minutes to me, in my experience, can either break or make that, it defines as success the outcome essentially, because you mentioned that, it's easy enough for companies to pop up and sort of fill those seats. And here I have like 25 people who can do this, I have 30 people who can do this, but without all of the leadership positions that you mentioned there,

it's very hard for a client to engage those companies because it's extremely challenging. And especially if you're a business client in the context of this definition, sometimes engineers have the tendency to throw words like quote unquote buzzwords out there to not help the cost, to just muddy the waters because it somehow feels like if I make things sound a whole lot more complicated than they really are, there is a higher chance that Andy might actually give the

Krish Palaniappan (32:36.574)
Project Acriser or something like that, right?

Krish Palaniappan (32:43.158)
Honestly, Chris, the world out there is scary. It is chaotic. We receive maybe 25, 30 applications a day from new service providers that supposedly have hundreds of engineers and practices. And we have a pretty efficient manner for spending 30 minutes and discovering how vacant these companies are.

companies actually are. You know, they turned up overnight. They have a massive menu of services. They do everything under the sun, which, you know, they've used AI to create. They virtually have no FTEs, but they have excuses as to why people don't show up on LinkedIn, et cetera. We know those are all lies. And over the last four years,

we would track and score around 8,000 service providers pre-COVID and now we're tracking and scoring about 27,000. These came from nowhere and it's all smoke and mirrors. It's all white noise into the marketplace and even the ones, even the 8,000 that we used to score and monitor, a lot of those, having been discovered that they're real and legitimate have been either acquired or consolidated or

have gone out of the marketplace, sold their businesses. And what's left is this massive sea of commoditized combination of real fake, but everyone is distributed because you don't need co-location, it's a waste of funds and resources and it boosts your profit margin, I guess, supposedly, and it reduce your costs and your risk when running a business that does not have so many fixed costs. And...

That is why it's so imperative for companies to invest more in not just to hand over a massive investment to a supposed organization, but to do amount of vetting and also to integrate and embed the actual people, whether they're individuals working out of their homes or whatever the organization happens to be.

Krish Palaniappan (35:04.414)
You need to invest in bringing them in to your ecosystem. You need to be more proactive about creating that and not just covering your eyes and throwing it over the wall to some organization you don't know, you want to trust, but you really haven't reached that level to have trust be earned. And let me go back to what you said. You said 8,000 to 27.

almost 3X in the last four years, right? So that's four years. It's impossible. It's impossible in real, in how you build a legitimate trustworthy organization, you can't do it, but it can be done. It sounds like the stock market in the last six months to me when you were talking 3X, 6X, and 25X of things changing, right? It's all smoke and mirrors. It's all like, you know,

It's like bot farms. You know, it's like, but you know, the thing is even, you know, just for folks are watching, there's a listening to it. 28,000 was not a small number to begin with. In other words, it's not the problem to me in my mind is not so much the three X growth in the last three years that make things more complicated. I actually want to say that even prior to this, this growth that you're mentioning here, things were pretty complicated because how do I go pick somebody who can help me? And I can, I can speak to this with Rick experience as

a product company that's been building software for like years. So we know exactly what we want because we do it all. We just need staff augmentation, if you will. We're not expecting architecture or leadership or anything of that nature because we have that here in the U.S. But even with that, the challenge I've seen is let me take, you know, I come from India, so I'm just going to take India as an example. India is a large country. I think it's the fifth largest country in the world, if I'm not wrong.

There's a lot of cultural differences in the, it's a very rich, diverse nation. There's many different languages. So, there's a lot of things that, how do I tell, I come from the southern part of India and how does it matter? It's remote, it's offshoring. So I could just go find somebody anywhere in India, perfectly understandable. But when you're talking remote work, when you're talking communication, when you're talking understanding cultures, it helps to know

Krish Palaniappan (37:29.794)
who you are working with, what the culture of that particular part of the world is. Now you cannot take a brush and paint a broad stroke saying, okay, I've learned India in general. So no matter whether I'm gonna work with a company in West Bengal or whether in Tamil Nadu or whether in like Gujarat, things are going to be identical, not even close. But the problem, I think

the challenge I've seen is, when you're not from India, living in a country, you've never been there, haven't had much to do with that nation.

it's natural as humans to sort of generalize things. Saying, yeah, I know it, I know this. But when you dig deeper, it's almost like saying, when somebody calls me to get help from the West Coast or the US from the East Coast, within the first 60 seconds of that call, I could almost place the calls coming from Seattle or Boston or Philadelphia, for whatever reason. In India, I think it's just even more profound.

This is a big challenge, even for somebody who actually knows the states and the cities and whatnot. How do I as a company who's located here, I'm the restaurant owner in Texas, and I say Texas because I actually talk to somebody who owns a ranch in Texas who reached out to me who's a brilliantly smart guy, but not a software person. And he shared a few experiences with me over the years that actually some good, some not so good about the offshoring experiences. How can a client understand

I'm not even talking short-term and even long-term engagements. How do I dig deeper? Where did the folks who work in this organization go to school? Where do they go to college? I mean, I'm not saying colleges define everything, but all of those things kind of matter to some extent. For me to make a quantitative analysis and a judgment and a weightage to say, hey, this company I would rate a 90 out of 100 quantitatively, the other one I rate as 78, so I'm gonna go with a 90.

I'm not seeing clients do that. It's very subjective decision making. Clients aren't doing that. It's an American fixation on outsourcing means efficiency, efficiency in cost, efficiency in work, efficiency, and in this business, because it's more about art and relationships, it's collaborative, it's people working together, hopefully in blended teams. I'd say 90,

Krish Palaniappan (39:47.19)
8% of our clients will spend time overseas with prospective partners before they select a partner. They will spend time at least every six months going overseas. And that sounds inefficient, but really the philosophy is you have to go slow to go fast. You can get a lot of benefits out of it. In fact, you can...

you can multiply the benefits beyond what you probably thought you could get if you spend more time in building relationships, building trust, creating radical candor, creating commitment as a team, making sure everyone's accountable, that they feel like they're a part of something as opposed to a transactional widget. So, I mean, this doesn't sound very technical and sometimes it doesn't sound very efficient.

but it actually leads to better technical results and more efficiency if you spend more time in gaining the commitment of an organization, of the individuals you work with and building a level of trust so that they feel like they're producing for you because it means something for you and for them. And nobody wants to break a relationship once you create something that you find is fulfilling you both personally and professionally.

creating that. That's why it's like this servant leadership. And we always have this philosophy of anytime you get into a relationship with an offshore service provider, you want to make sure you're somewhere between the second most important client and the ninth most important client. If you're the first most important, you probably have too many eggs in the basket. There's too much at stake. And if something goes wrong, everything goes wrong.

And if you're number 10 or 11 or 12, human nature runs on a prioritization system. We try to prioritize things and you're not getting enough attention, you're not getting enough A players,

you're not getting enough, just enough of all the goodness that you want. You wanna be strategically important. And in order to do that, you need to make the effort to be that. You need to be that servant leader where you know your development resources, you know your team.

Krish Palaniappan (42:01.974)
you're showing up. And you know what they say, 98% is showing up or something, something like that. You're making the effort. People appreciate you, you appreciate them. I mean, this really gets back to my Peace Corps days. The three goals of Peace Corps you think would be, the goals would be go in there and get stuff done. But that's actually the third goal. The first goal is to go in and learn and gain an appreciation.

of your host country nationals and how they live. I mean, we're there for three years. We need to establish trust and candor and commitment. We're not there throwing money at a problem and trying to fix it overnight. So you have to appreciate the other culture. You have to understand the other culture. And then you have to share your culture and execute or translate a degree of appreciation and understanding of your culture with your host country nationals. And the third goal,

is to accomplish, you know, I was in fisheries and ceramic associations. I was helping companies sort of grow from nothing to something. So I was a business consultant. But in order to do my end in mind results of consulting and growing businesses, you had to establish trust and accountability and appreciation and understanding. And then that smooths the gears to work together so much more effectively. And people feel more fulfilled because of it.

and they stick and they're working for something, not just for the day or the shekel or whatever. You know what, Andy, I couldn't agree more. I'll give you an example. One of my guests, his name is Prasanna, who's traveled to every country in the world. He mentioned something exactly along the lines of what you just said. He said that he went to China, to Beijing on a project, and then he...

He was leading a large team and he would ask questions in a meeting saying, hey, what do you folks think? And he would not actually, nobody asked any questions. This happened day one, day two and day three till he figured something is not right because I'm sure people do have questions. And then he told me, he shared, I'm paraphrasing what he said when he was at the, during that episode. He said that the culture was, it was not considered respectful.

Krish Palaniappan (44:21.782)
to actually ask questions in a meeting until you were, people asked you pointed out specifically saying, Hey Andy, do you have a question for me? Or Hey Krish, do you have a question? So he articulated this better because he lived the experience, but is exactly the point he made was he needed to understand the culture. It was not just like go there, day one, be effective. It is not gonna work that way. You're gonna have to know the people sort of socialize outside of work.

before they actually become comfortable enough to even ask you those questions. They had those questions in their minds. They just never came forward with those questions, which is literally, you know, what you told earlier makes complete sense to me. Yeah, yeah. So, and I have a lot more and hopefully I can, you know, we have more, I hope to have more of these conversations because I have a lot more to ask you. But since we have only a couple of minutes left, do you?

I want to tell us a little bit about, I'm going to include the links so folks can, I'm going to include all of the links that Andy shared with me, including a link to the book. But if you could just take a couple of minutes to just help us understand a little bit about the book and what we would

get from reading the book, that'd be great, Andy. Absolutely, I appreciate that, Krish. So a lot of what the book focuses on is what we sort of talked about.

It takes the reader through the evolution of software and product development outsourcing and how it began pre-pandemic, post-pandemic, how radically different it is today and how you need to apply different strategies in order to make it work for a company. It's...

It seems like just yesterday that we were pre-pandemic and it's really hard to change the way we think things are supposed to work. We still do things in a pre-pandemic mode thinking they're gonna work today. But as we know, as we see all around us, industries are changing very rapidly and the outsourcing industry has changed historically and dramatically, three times the number of vendors. What does that mean? A lot less product

Krish Palaniappan (46:37.578)
and thought leadership and product leadership and that type of leadership from service providers. Well, what does that mean for me? Should I not outsource? Well, no, you can definitely outsource and create relationships, but the way you approach it has to be radically different. That doubling or tripling down on cultural alignment, team alignment, the philosophy of creating a single ecosystem.

so that you're not dependent on necessarily a binary service provider relationship. You're creating an ecosystem that serves both the service provider because it provides a system that is typically more long-term, more functional, more embedded, more integrated, and that works holistically better. The book really outlines models and it brings in actually

The book itself has 10 experts, 10 thought leaders and practice leaders who have a lot of decades of experience each in outsourcing. They've experienced the evolution itself. Each expert thought or practice leader is bringing a different perspective on how to build teams today, how to make them most effective as quickly as possible, how to create more

Krish Palaniappan (48:04.414)
You know, how to make everyone more accountable, how to integrate product ownership and product management and DevOps into the larger ecosystem, not just engineering. How to move beyond the transactional software engineering mentality of the past and move into the definition of sort of value flows from engineering all the way up to stakeholders.

These are things that need to be rethought and they need to be rethought today because doing things the way pre-pandemic is a sort of a recipe for disaster and the world is much more difficult. You might think people are sort of convinced that it's easier to deal with because they have these platforms to define service providers and they have these PEO firms in order to engage resources.

but it's almost like a Pandora box. It's become, it gets open and now you have the tools in order to dig your own grave. It's just become much more, it's much more opportunistic if done the new way and it's much more dangerous if done the old way. Yep, awesome.

I know we had the top of the hour. I was just going to share my screen and show your company. And, but I don't know, do you have a couple of more minutes or should we? Sure. My time is your time. Okay. Let me just share my screen here.

Do you see my screen, Andy? Sure. Okay, so this is Andy's company, accelerants.com. So just, I wanna capture that as part of the podcast. So folks remember, I'm also gonna include the links. So definitely, you know, check out Andy's web, the company website and also the

book, I have the link, I'm gonna include it. It is available on Amazon. So folks can, you know, purchase it on Amazon.

Krish Palaniappan (50:09.582)
I saved the link, but it's on a different window actually now that I think about it. But I will include the links here so people can check out your services. And if they have any questions, Andy, I'm gonna include your LinkedIn is the best way to reach you through sort of hitting you up on LinkedIn. Yeah, sounds great Krish. Okay, awesome. And before I end the podcast,

Folks who don't know our company, Snowpile is a product company. We build many different products. Most recent launch was our APIs on AWS Marketplace. So if you're building services for yourself, products for yourself or for your client, and if you want to go to market sooner rather than build everything from scratch, you can actually use our APIs through a subscription-based model or you could license the APIs and run them in your own infrastructure as well. The idea is to give you all of the building blocks.

So you only actually work on building parts of the solution that are very unique to your customers and not necessarily doing all of the groundwork reinventing the wheel. That's basically one of the many things we do. Podcasting has been a recent experience. So thank you so much, Andy, for taking the time. You should actually think about going into podcasting full time. You have a very approachable conversational manner about yourself. So I don't know if you're an introvert by nature.

No, I'm not. No, I'm not. But you need to talk to more people and more groups than you even currently do because actually you put people at ease and that's a skill. I really appreciate that. That's so kind of you. I never did a collaborative podcast. I was just doing it and then one of the people who I work with, his name is Ben. He's a very nice guy. He lives in Seattle and he was

you know, collaborate with other people because you might enjoy it. I'm like, Ben, I'm not even sure. What if I do something stupid? You have a very you have a very natural listening and inserting and and, you know, flow to the way you communicate with people. So, you know, it helps, you know, and it helps because I try to, you know, when people are smarter than you, you don't have to do anything. Right. So it's easy. You bring people like yourself into a podcast.

Krish Palaniappan (52:32.846)
I don't actually have to do anything. All that I ask is a question and then you know the answers are so spot on. The only thing I try to do is not try even though my inclination is to interrupt because sometimes when you said so many things my eyes lit up because they were spot on. But I realized that by interjecting I might actually ruin the flow of thoughts of the guests. I actually hold my expressions back so I would be a little bit different in person than in a podcast but that I really appreciate. Well you don't just ask questions actually you.

You listen intently and your questions are very progressive. They're naturally progressive in the flow of things. So your ability to maintain attention, to listen intently, and to move the conversation to the next level and not go off in a whole different direction, that's a skill set.

Thank you so much. And you know, folks, this is, I'm gonna take the compliment shamelessly. I don't get too many of those all the time, but this was a great conversation. I have a lot more questions. I'm gonna sort of bug Andy to hopefully come back. And if I don't do a bad enough job, I've seen the guests are all right to show up again. Because I have so many items that you mentioned. I actually want to take each of them and dig sort of deeper because I think it'll be extremely useful.

and hopefully it doesn't cannibalize. You know, people should certainly buy the book. All of these conversations are in addition to what, you know, what they read in the book, because this is them sort of visualizing the expressions and whatnot, in addition to what, you know, they can certainly learn from the book itself. So again, accelerants.com, I'll include the links. Andy Hilliard, thank you so much. Andy is the CEO of Accelerants, a leading...

Global Software Outsourcing Authority and author of the new book, Synergia, a Blueprint for Building Effective Globally Distributed Teams in the New Era of Software Development. And I think we all need to understand this because the world's growing, it's globalized. We need to know how teams and companies and cultures work in different parts of the world to be successful. We are sort of a hub as the US and we're gonna need people to help us from different parts of the world. So I think this book

Krish Palaniappan (54:49.038)
As much as this conversation, I think the book is very contextual to things that we have to learn so we can not make those mistakes or at least reduce the number of mistakes that we actually- Couldn't have said it better. .. do in the making. Yeah. Thank you very much, Andy. Thanks. Talk to you soon. Okay. Take care. Bye-bye.