



spyrosoft

Innovation through collaboration

A guide to choosing the right software company

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Introduction

> **When there is a dynamically changing economic and market situation, many companies seek ways to streamline their business operations and deliver the best possible solutions for clients or employees. A common action in these circumstances is to invest in customised software. Various companies are now using custom-made digital solutions to gain a competitive advantage, and to meet their end users' needs.**

Nevertheless, creating suitable software from scratch can be quite challenging, especially for companies without in-house development teams or with limited resources in this area. The alternative is, of course, to outsource the project to an external software development company. However, the question remains:

how do you select the right company to work with?

Selecting a company to work with usually has high stakes and requires a significant investment in terms of both money and time. Nonetheless, getting software that helps your organisation to grow should be worth it.

The process of developing a digital solution is not easy and there are many variables to consider. Even before choosing a software company, you need to make some critical decisions that can significantly impact how the product is created. Defining your needs and goals and determining your preferences regarding the form of cooperation, technology stacks, or methodologies used, is vital both when building a product and in the process of choosing a software company.

Selecting an appropriate software company for the endeavour is crucial and influences the success of the entire project. So how do you do it when there are so many options available on the market?

As a company specialising in a wide range of software services, we have decided to share our knowledge and experience of this topic, stemming from many years of collaboration and established relationships with clients in various sectors. Below, we take a look at best practices when it comes to choosing a software development partner and provide a list of things to bear in mind when making a fully informed decision for your business.

What does a Software development company do?

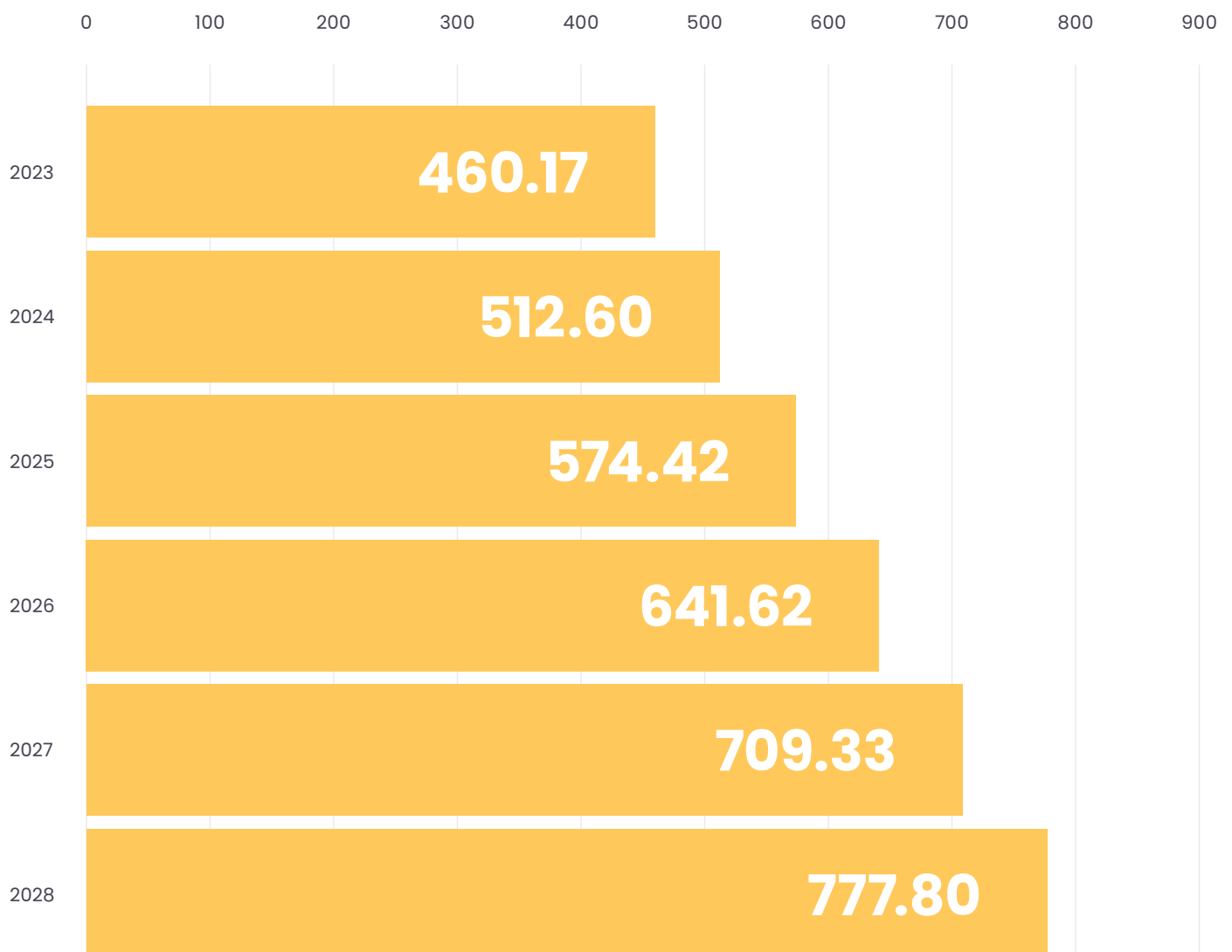
CHAPTER 01:

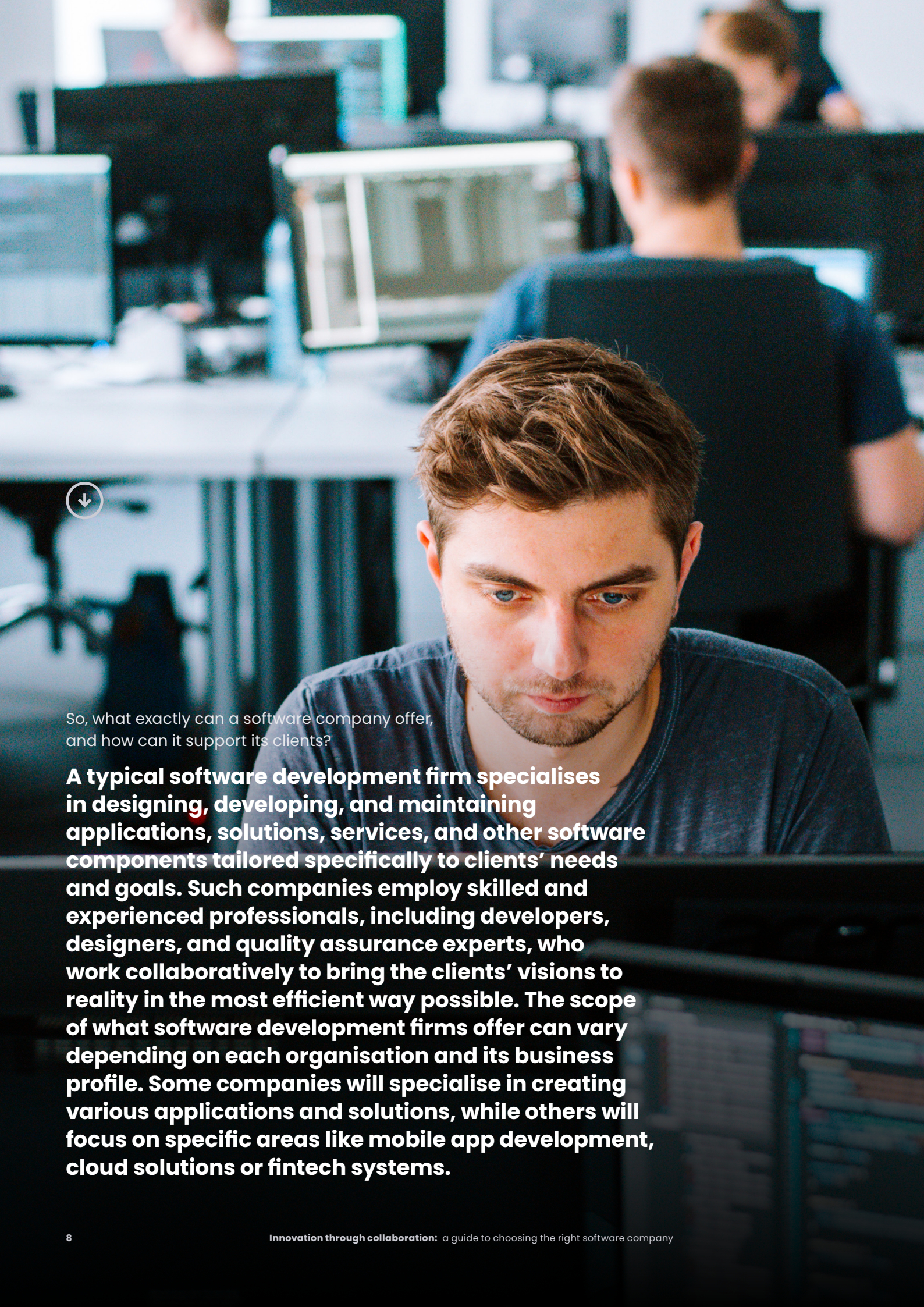
In an era of technological advancement, the outsourced custom software development sector has flourished, becoming a vital business segment. Many companies lacking in-house development teams turn to specialised providers offering tailored solutions. From specifying project requirements to end-user support, a well-selected software firm can ensure a comprehensive approach.

For many years, the outsourced custom software development sector has been one of the fastest-growing business segments. This comes as no surprise in times of rapidly evolving technologies, which are increasingly expected by end customers in products from many industries.

According to Statista Research Department, the global IT outsourcing industry is predicted to be worth \$460.17 billion in 2023 and will continue to grow substantially, reaching \$777.80 billion by 2028. The primary driving force behind this growth is evident: many companies require software, yet not all of them possess an in-house development team.

IT outsourcing worldwide – forecasted revenue (2023–2028)





So, what exactly can a software company offer, and how can it support its clients?

A typical software development firm specialises in designing, developing, and maintaining applications, solutions, services, and other software components tailored specifically to clients' needs and goals. Such companies employ skilled and experienced professionals, including developers, designers, and quality assurance experts, who work collaboratively to bring the clients' visions to reality in the most efficient way possible. The scope of what software development firms offer can vary depending on each organisation and its business profile. Some companies will specialise in creating various applications and solutions, while others will focus on specific areas like mobile app development, cloud solutions or fintech systems.

Of course, there are also companies like Spyrosoft that offer experts with technological backgrounds combined with a wide range of subject matter expertise in many fields and an end-to-end approach to projects. That type of comprehensive take allows us to assist clients in a multitude of ways.

Firstly, we can help specify project requirements and prepare user-friendly, intuitive UX and UI designs that effectively engage end users. Secondly, we can prepare software solutions architecture, then develop, test and release custom products that address unique business challenges and streamline processes to increase overall efficiency to production. When all that is ready, we can offer ongoing IT support, maintenance and updates to ensure the continued functionality and security of delivered products. What's more, we can provide additional end-user support that helps them get the best possible experience by having access to ongoing expert assistance when using the products.

Overall, such an approach can make collaboration with the software company more convenient, because everything – each step of development, is secured in one place by the team already familiar with the subject.

First set objectives and expectations

CHAPTER 02:

Preparing for the project before seeking a software company is crucial. Defining needs, setting goals and determining other relevant business aspects early on can significantly improve the process of finding the right business partner. Answer a few essential questions about the project in advance to narrow down the search and save time and resources.

The first thing you should do, before you even start looking for a software company, is to prepare yourself for the project. That involves defining your needs and establishing all key goals and business objectives for the solution. In addition, it is also worth determining the project timeline, main deadlines, available budget and other aspects that are important from a business perspective. Knowing all that ahead of time will help you communicate clearly with any potential software development partners. Consequently, it will streamline the process of finding a company that can deliver your specific needs.

To help define the most critical aspects of your project, below is a list of a few sample questions that may prove useful:

- What are the business objectives of the project? What problems is it supposed to solve?
- Will the project be created from scratch, or will it require adjustments to an existing base?
- What model of cooperation do you prefer? Do you need to build a fully dedicated team, or do you only need a team extension?
- What type of domain or technology experience should a software provider bring to the project?
- Do you want to establish long-term or short-term collaboration?
- Are there any business, process, technological or legal constraints that the software provider must meet?

Answering such questions and establishing the product needs can help you narrow your search down significantly and, consequently, save lots of time and money.

Choosing a company – the basics, and what to watch out for

CHAPTER 03:

Finding the right software partner starts with meticulous research. It includes reviewing and analysing a wide range of companies specialising in digital solutions to identify stable and recognisable options that suit your needs. Notably, the decision-making process is incomplete without initial meetings, where you can easily assess how a potential partner approaches their clients' needs.

Step 1 – Conducting research

Once you have defined the project's goals and objectives, it is time to move on to the actual search for a suitable partner. The first step is to conduct research and analysis. There are a huge number of companies that specialise in developing software and digital solutions. In-depth research and analysis will help you understand how the market is shaping up and which companies are stable and recognisable. A close look at each organisation will also help ensure that the potential business partner meets your requirements regarding cooperation models or development resources.

The most conventional method of acquiring information regarding software companies, naturally, involves a web search. It is usually the first thing that comes to mind. This method can quickly provide insight into various industry rankings and offer a broad overview of companies that can be easily and thoroughly verified by analysing their websites.

In addition to that, knowledge can also be gathered from websites and platforms that collect business profiles and compile opinions about firms, such as Clutch, GoodFirms or LinkedIn. This way of searching for information allows you to immediately look at client comments and reviews, which can provide the most unfiltered opinions and show the level of satisfaction from working with a particular company.

Invariably, an excellent way to find a cooperation partner is to use referrals. You can ask your co-workers, clients, trusted partners, or industry colleagues for a recommendation. There is a good chance that they have also used such services in the past or at least heard of a company worth considering. This approach speeds up the research and helps to get verified testimonials and first-hand feedback.

Furthermore, you can differentiate between software service providers by reviewing their portfolios. It is worth taking a look at their track record and completed products, as this will help you analyse and determine the potential of the particular company and whether it meets your expectations.

In addition to the points discussed above, it is crucial to consider a few other factors when looking for an IT company to partner with. These are listed below.



Company visibility

Ensure that the company's brand is well-known in the market and that information about them is easily available. Seek firms that have established themselves in the market through a solid reputation and collaboration with recognisable brands. Check whether the company maintains an active presence on social media platforms and has achieved recognition in industry rankings.

Look through their website and see if they have experience in creating products similar to the one you are interested in developing. Take a glance at the topics and regularity of the content published on the website. Get familiar with their portfolio, case studies and, most importantly, testimonials from other clients.

It is essential to check whether there are referrals and opinions about the company on industry portals, social media or their website. Take the time to research what others are saying about the company, and pay the most attention to the experiences of previous clients.

01



A global company with offices in eight countries around the world

02



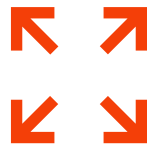
Firm listed on Warsaw Stock Exchange

03



One of Europe's fastest growing technology companies, according to the Financial Times

Company size



Pay close attention to the size of the organisation you want to work with. It is advisable to pick a company whose size will guarantee a secure partnership. What's more, businesses should also consider collaborating with a software provider of the right complexity. Choosing a company with similar resources and characteristics to your own might boost the likelihood of a successful relationship. Such a business partner can better understand the unique challenges and expectations of the same-scale client, allowing for more effective communication and the seamless creation of tailored solutions.

This approach can work in many situations. For this reason, it is worth remembering that the stability of the company in question is a crucial factor in the decision-making process. Medium-sized and large companies usually have more potential. Therefore, when looking for a collaboration partner, especially a long-term one, it is recommended to opt for medium-sized companies with 500 employees and above.

It is also worth remembering that working with small companies can be troublesome. Small firms may not have the experience or human resources needed to handle a large project. In addition, they are more likely to be negatively affected by market changes or unforeseen negative situations.

„In the IT industry, the most vulnerable phase for a company is its growth from a small team to around 100 employees. Such a firm usually relies on a small number of customers. So, if even one of them discontinues their engagement, it can significantly impact the entire company.

It is important to keep in mind how high the costs of hiring and maintaining employees are in this industry. Losing a client accelerates the increase in such expenses, which result from keeping employees who are on the bench, i.e., without any project. All of this poses a serious threat to a small company. In such a situation, the company often has two options: either it has to cover these costs from its existing budget or lay off some of its employees, which in turn can jeopardise other clients and their projects.”



Sławomir Podolski
COO AT SPYROSOFT S.A.

Working with a larger company can provide greater project stability. A bigger firm offers a wider range of capabilities, comprehensive solutions, a diverse portfolio and greater operational robustness. This, in turn, provides greater assurance that the company will remain in the market for many years, avoiding situations where the client is left with a project that is difficult to transfer to another software provider. Collaborating with a larger organisation also allows for long-term planning, as there is confidence in the company's sustainability for many years to come.

Furthermore, a company with greater potential has the space to take on more responsibility. While smaller firms can successfully handle small-scale projects, with larger ones, they often face limitations in processing capacity and workforce. In contrast, an extensive company like Spyrosoft, which consists of numerous business units and service lines, and operates across various countries, can undertake the design and implementation of comprehensive end-to-end solutions. It also means that if a client wishes to integrate their project with solutions from a different area at a later stage, a larger company, structured like Spyrosoft, can easily accommodate such requests.



14 offices



8 countries



4 continents

A company's size can also reflect its work culture and organisational practices. A firm that attracts a large number of specialists and experts in various fields thereby accumulates a larger pool of knowledge and experience that contributes to the success of both the organisation and its clients.

However, it is worth remembering that equally important for the company's growth is attracting and retaining customers who not only return for more services but also establish long-term partnerships. Satisfied clients are more likely to recommend a partner's services to their other business associates. A good cooperation partner understands that without satisfied clients, their business development is impossible. Therefore, from the very beginning, they should focus on building lasting relationships with clients, ensuring their satisfaction and encouraging them to recommend their services to other potential customers.



Insight:

When searching for an IT partner, it is advisable to evaluate the company's growth indicators. Take note of their turnover rate and the frequency of lay-offs. A high turnover rate may indicate that the company does not prioritise the well-being of its employees, who are key assets. Conversely, if the company demonstrates stable and consistent growth, it suggests that its clients not only engage in long-term partnerships but also recommend their services to others. This, in turn, results in a constant demand for new qualified employees.

Additionally, it is worth investigating how companies respond during periods of crisis, e.g., what was their reaction to the COVID-19 pandemic. Did they promptly resort to job cuts and lay-offs when the problem emerged? Or did they focus on internal cost reductions, suspend dividend payments, and maintain or even increase employment levels? Analysing a company's behaviour from that period can show how they approach crises and whether they take actions that may ultimately be negative for the execution of client projects, such as large-scale lay-offs.

Insights from all of these factors can help you better understand a company's approach to employees and their well-being, its ability to retain and win customers and its resilience to unforeseen circumstances.



+1400 employees

60% Y/Y INCREASE IN THE NUMBER OF EMPLOYEES
BETWEEN DECEMBER 2021 AND 2022

Presence on Stock Exchange

Another thing that speaks well of a company's credibility is its presence on the Stock Exchange. A listed company must be transparent, regularly disclose its financial results and present its plans for the future. This makes it easy to observe its corporate development and strategic direction. A listed company is, therefore, a safer option, as potential customers can regularly monitor its progress and performance.

Furthermore, it is worth noting whether the company is profitable and whether it pays dividends. If a firm is generating profits but not paying dividends, it is likely that it is reinvesting earnings in further growth. That may include expanding company departments, increasing its workforce and strengthening its market position. Alternatively, companies may choose to retain profits as a financial cushion to withstand potential market downturns. This prudent approach safeguards the company and ensures its survival during challenging times.

In summary, checking if a company is listed on a Stock Exchange provides insights into its credibility, financial transparency, and future prospects. Observing dividend policies and reinvestment strategies can further shed light on the company's commitment to growth and its resilience.



Natural growth

It is important to assess whether a company's growth is a result of natural progression or primarily driven by the acquisition of other companies. When a company expands through acquisitions, it does not automatically mean that several companies seamlessly merge to form a cohesive entity. Instead, such mergers are typically long-term and complex projects that require significant investment.

Acquired entities often have different organisational cultures, and the merger procedure may involve changes in top management, employee departures, and the need to integrate processes. These factors can potentially lead to a decline in service quality for clients, as the company must allocate a considerable portion of its resources to completing the merger rather than focusing on delivering the highest level of service. Consequently, growth achieved through natural progression is generally preferable to growth through acquisitions.

By considering whether a company has grown organically or through acquisitions, it is easier to assess the potential challenges, costs, and impact on service quality that may arise during collaboration with such entity. Opting for natural growth indicates a more stable and focused approach to expansion.

+ 72%

**annual organic growth
in 2022**

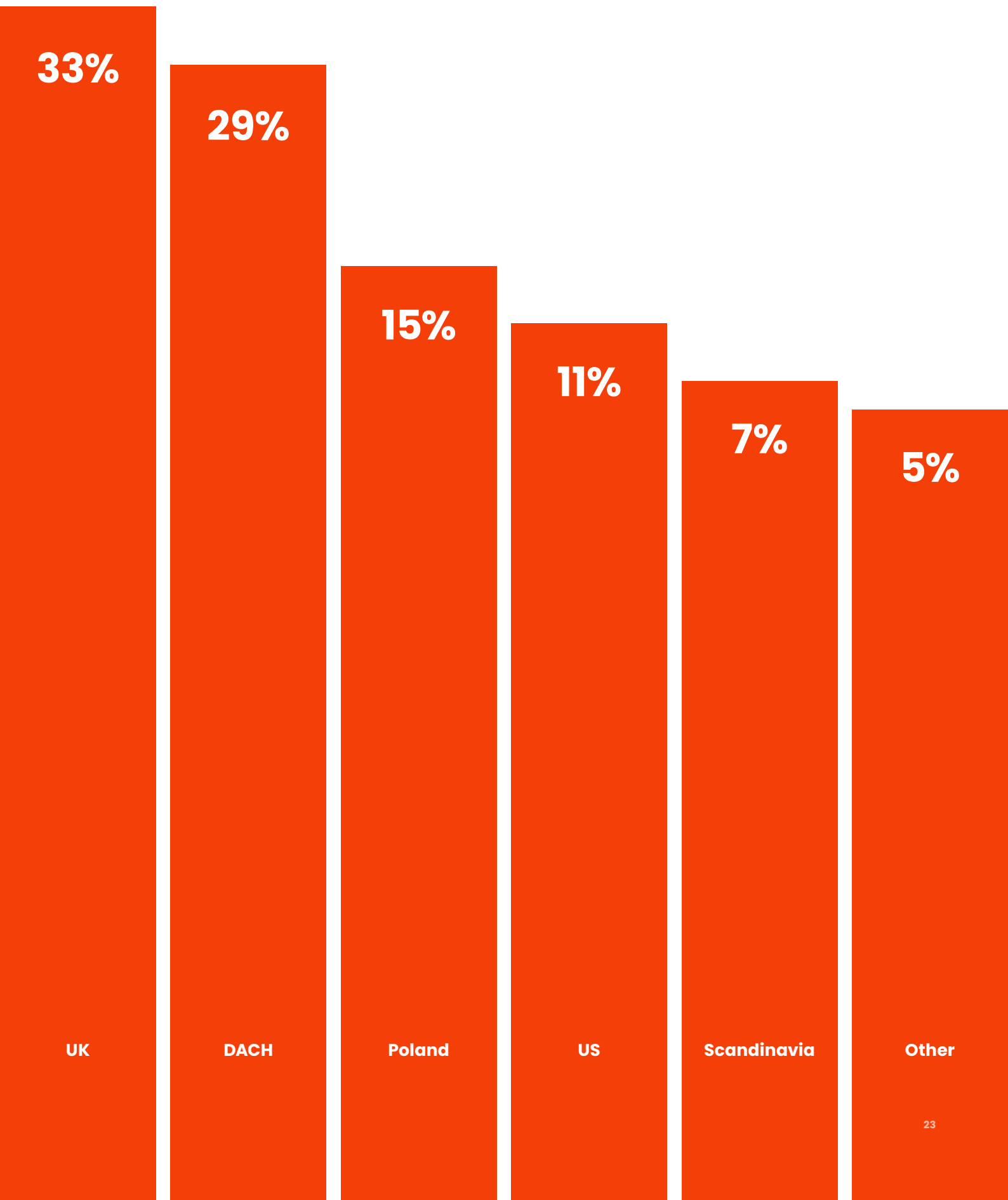
331.5M PLN

**the consolidated revenue of Spyrosoft
Group in 2022**

+ 91.1%

**y/y revenue growth of Spyrosoft
Group in 2021–2022**

Geographic diversification of customers in 2022



Stability of the organisation

There are many things that can indicate the stability of a business. In addition to the previously mentioned aspects, it is also worth paying attention to the number and diversity of customers. It is vital that a software company does not have to rely on one or two large clients to generate most of its revenue. Such dependence poses a major threat to the firm's stability, as any issues with the customer can have serious repercussions.

Furthermore, it is essential that customers are not only numerous but also diverse in areas such as the sectors in which they operate. Focusing on working with clients from one specific industry can also carry risks. For example, during the COVID-19 pandemic, many companies in the tourism industry collapsed or experienced severe financial difficulties. As a result, software firms working exclusively or mainly with this sector also found themselves in a difficult situation.

Whereas, when a company works with clients from different areas, the impact of difficulties and challenges faced by one sector is felt less keenly, allowing them to maintain a stable position. Such diversity is an essential safeguard for the organisation. It provides reassurance to other potential customers that in the case of problems in a particular sector or with a specific client, the software company will remain stable.

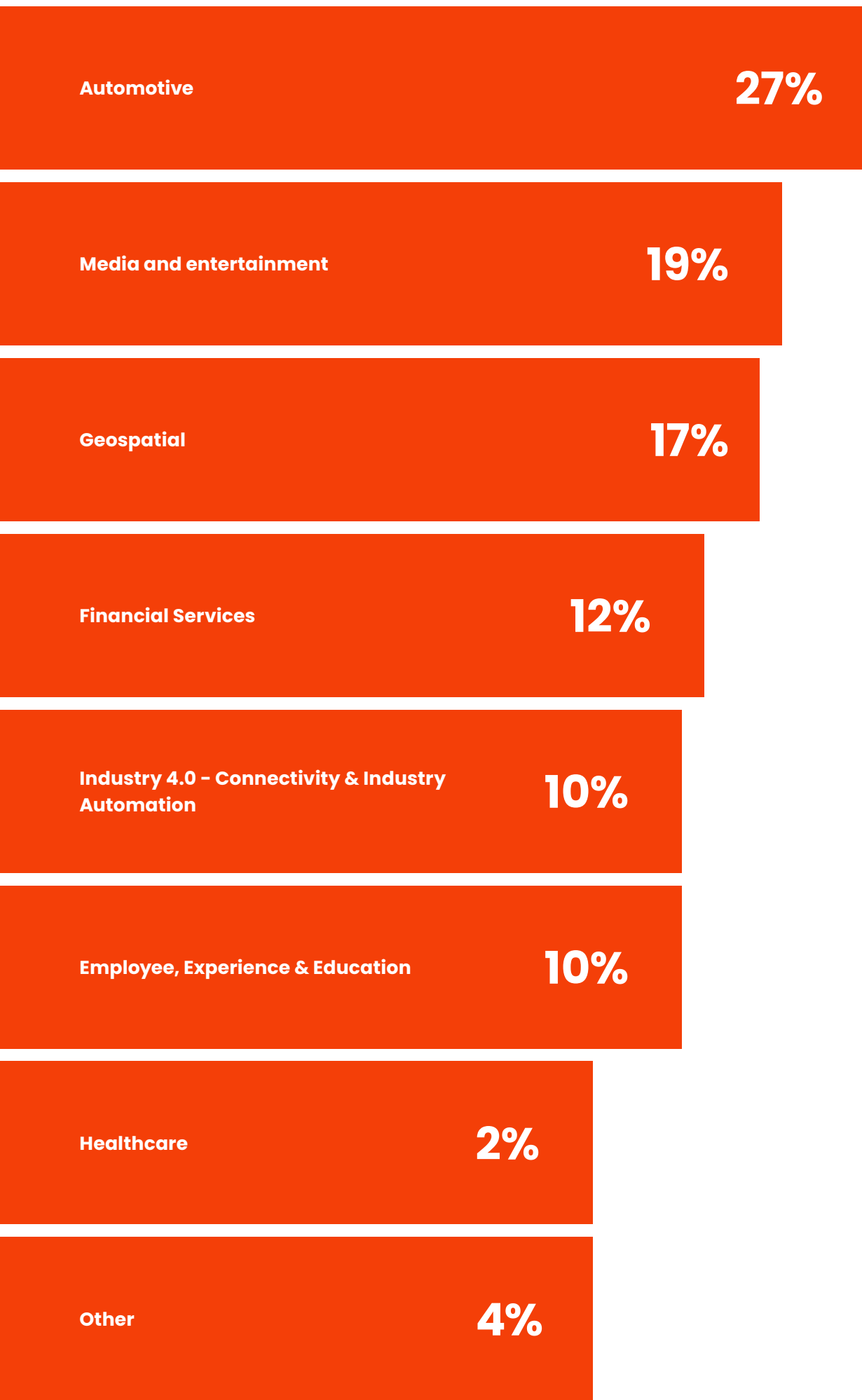
18

the number of new clients gained in Q1 of 2023

150

the total number of clients we worked for in Q1 2023

Customer diversification by sector in 2022



Organisational structure

Find out if the company's organisational structure suits your needs and requirements. Typically, the simpler the organisation, the clearer the responsibilities and the shorter the decision-making process. Many large corporations have complex organisational structures with numerous management and decisiveness levels. A decision taken by the project manager does not necessarily mean approval. Instead, it has to be passed on to the next level, where other individuals have to accept it. All this adds up to a longer and more convoluted decision-making process

Conversely, a simple, clear, flattened organisational structure streamlines the decision-making process. It ensures that the responsibilities of each person involved in the undertaking are defined. Clients benefit from direct contact with the PM responsible for their project, as well as the company director or management board members. This approach ensures that both customer and team members know exactly who is accountable for what – hence, they can quickly and easily obtain relevant information. It fosters a sense of the project team being an integral part of the client's company. The entire process of accepting and implementing changes during the project is simplified, shortened, and focused on seamless and effective cooperation.



Insight:

When meeting with a company for potential collaboration, assess if business owners are actively engaged in the company's organisational structure. Companies where owners are actively involved in day-to-day operations and office work tend to be more stable, well-managed, and generally more successful.

If the owner or co-owner is present and regularly available for discussions regarding business needs or challenges and provides prompt answers to questions, it indicates that the company has been built on solid foundations and is efficiently managed.

Step 2 – First impressions

As with many areas in life, the first impression is also important in the process of choosing a collaboration partner. Therefore, if you have already selected a few companies for potential cooperation, it is time to start meetings in order to confirm whether your research matches reality. In a business relationship, the first meeting, especially one held face-to-face at the company's premises, is a great way to assess how a potential business partner approaches their clients. That is why, when visiting a potential partner, it is essential to closely observe the reception you receive.

Take note of the organisation and structure of the meetings. Were they well-prepared with a clear agenda? Were the appropriate individuals present? Pay attention to how helpful the company is, and how much of an effort it makes to ensure you have a valuable and comfortable stay.

Assess whether you sense a genuine intention from the company to establish a partnership right from the start. If so, it indicates a positive sign for potential future collaborations. It suggests that the company is likely to maintain the same level of dedication throughout the partnership. Conversely, if you feel neglected or notice a lack of organisation within the company, consider it an important warning sign. These red flags are unlikely to bode well for the future.

At an early stage of meetings with a potential partner, it is also worth exploring how they adapt to the client's expectations, e.g., by checking their willingness to be flexible regarding the cooperation model. Being open to issues shows that the software provider has an agile mindset. A good business partner should always be receptive to your suggestions or offer its own unique approaches and ideas that will ensure the most effective collaboration and project execution. Noticing this will help you assess the level of commitment and attention that they provide to the client's specific needs.

Additionally, when contacting potential partners for the first time, it is worth considering the factors outlined below.

No typical sales

During your business discussions with a prospective IT partner, it is crucial to determine the role and responsibilities of the person you are speaking with. Whether you are interacting with a sales executive or with someone who will be actively involved in the project can indicate the company's approach to its clients. Typically, the salesperson's main goal is to close the deal, achieve their objectives, and then move on, without having direct responsibility for the success of the project.

On the other hand, early contact with the person who will be actively involved in the whole endeavour permits a better understanding of the project's needs and objectives. Their success usually relies on the outcome of the project. Therefore, their participation in the early stages of discussions ensures greater involvement in the overall development of the final product.



💡 Insight:

Remember that an offer made by a potential partner is akin to a promise. Therefore, if the person responsible for executing the project makes that offer, you can have more confidence that they will fulfil the pledge.

By identifying and engaging with a project-oriented individual who will be personally invested in the implementation, you increase the likelihood of a successful partnership. Their commitment and accountability contribute to a more reliable and effective collaboration, as well as fostering trust and confidence in the capabilities of the IT partner.

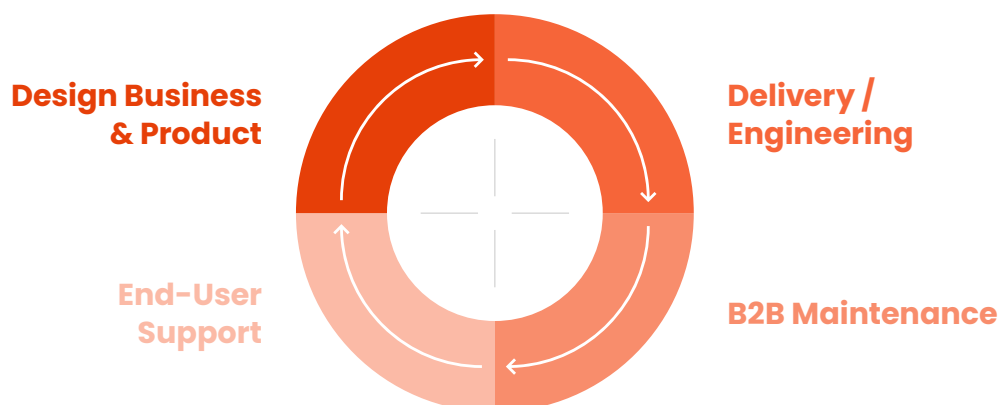


End-to-end service provider

Determine whether a potential partner company has the capability to offer comprehensive solutions that are essential for the success of your project. Some companies specialise in specific types of solutions and tasks, while others can provide a wide range of end-to-end solutions: from design to maintenance, as well as Salesforce, ecommerce, embedded systems, and enterprise solutions in the cloud. This wide range of options can be beneficial not only for the client's current needs, but also for the future development of the project and the incorporation of additional elements or functionalities.

Based on Spyrosoft's experience, we know that having dedicated specialists who can take responsibility for different aspects of a project within one company helps deliver a higher quality service to the client. Within a single company, effective communication and coordination between teams becomes much easier, ensuring smoother completion of project schedules.

Moreover, the ability to work across different technological competencies makes it easier for everyone to understand and achieve a unified goal. This approach eliminates situations where the blame for implementation delays is shifted to external suppliers. Thereby, the company takes full responsibility for project implementation, freeing the customer from the burden of intermediation between multiple providers.



Technical expertise and domain knowledge

Technological expertise forms the foundation of success for the IT project. However, in today's landscape, being proficient solely in technology may be insufficient. When getting to know a company for a potential cooperation, it is important to note whether it combines technological expertise with domain knowledge and can give advice on improving the developed solution.

It is essential that the software provider works from customer-defined requirements but is able to offer more value due to the experience and competence of its employees. Domain and technological knowledge combined with a proactive approach can fuel the collaborative development of new ideas and thus provide better and more efficient solutions for the client.



Spyrosoft's way: Crossover of business units and service lines

In Spyrosoft, we cross our technical capabilities with domain expertise by using the concept of business units and service lines. It allows us to provide solutions offered by the latest technologies that are the core of our business and also makes us an equal partner to work with, especially in the context of having domain knowledge from different industries.



A business unit concept for a client can mean that they will work with people who have extensive knowledge and experience in the same domain as them. That eliminates the need for detailed explanations of how certain systems, solutions or processes should function.

This approach ensures that customers can benefit from working with a team who are well-versed in industry terminology. A team of this kind also has an excellent understanding of the key areas of focus, as well as clear knowledge about the necessary functionalities and UX best practices required to create an effective and user-friendly system. This shared language and expertise facilitates seamless communication and ensures that the developed solutions align with the desired goals and requirements.

BU concept benefits:

- It allows us to bring together experts with a high level of expertise and knowledge regarding specific domains.
- It makes it easier to advise the customer on the best IT solution for their project, thereby achieving better business outcomes.
- We are seen as equal discussion partners – we use the same specialised language and are familiar with domain-related terminology.
- The organisational structure remains flat – there is no need to add extra levels of management.
- Responsibility for delivery is in one place.
- The whole communication and process of building trust is much smoother if you can talk to someone who is familiar with the domain.

Conversely, the use of technical verticals or service lines allows us to keep the technological and innovative core of the business high. This separation in the organisation ensures that our experts can focus on a particular technology and be up to date with the latest innovations.

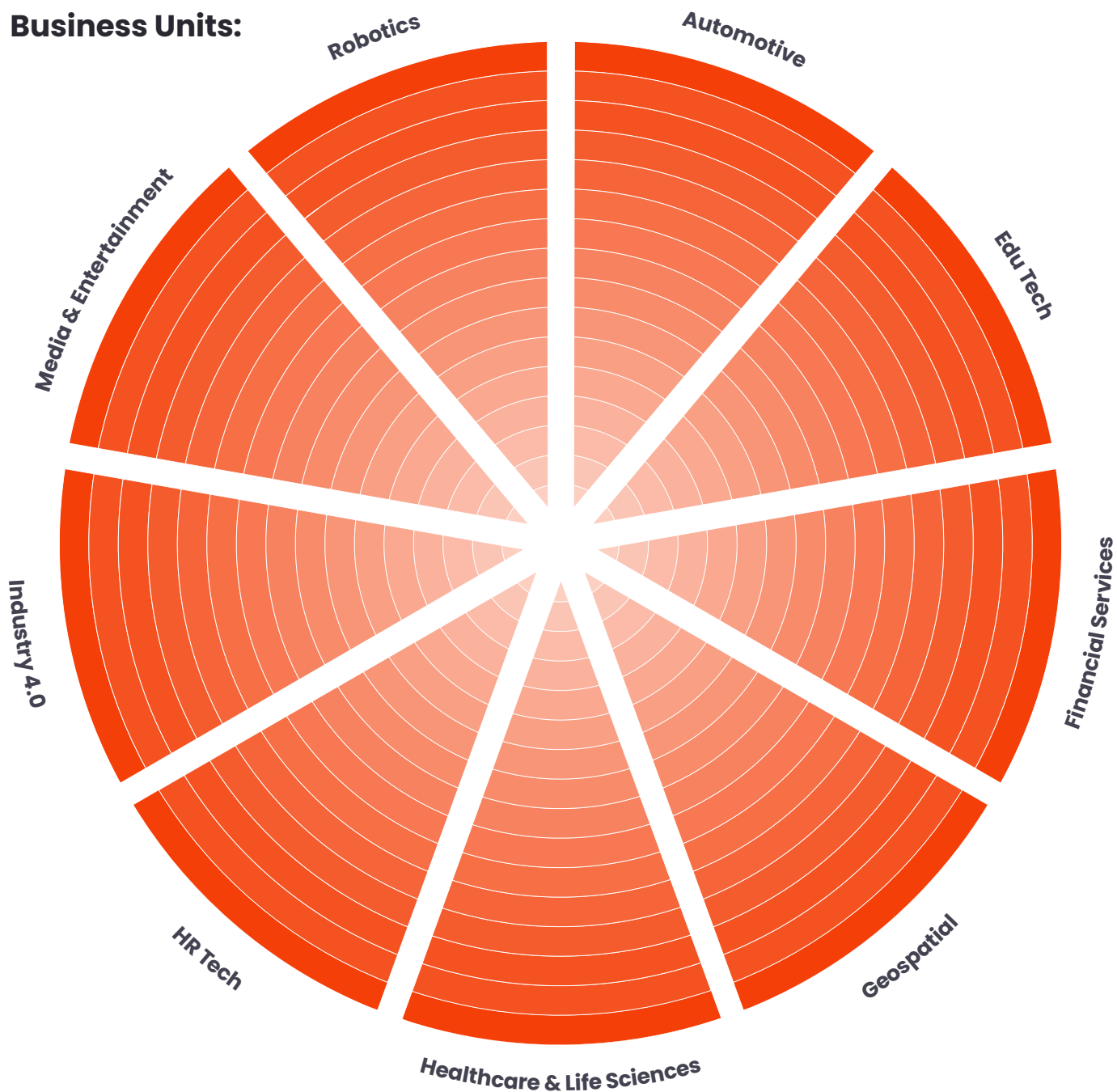
Having such distinguished technical verticals plays a key role in obtaining various certifications and partnerships, such as AWS, Azure or Google Cloud, which helps a software company get to the next level.

Service lines concept benefits:

- It helps us to maintain a high level of knowledge and technological skills.
- Some areas of expertise are valuable to all business units. For instance, AI and ML or cloud solutions can be beneficial to both the financial and geospatial sectors.
- Facilitates the establishment and enforcement of technology standards and best practices that must be followed throughout the Spyrosoft group.
- It gives us the ability to use off-the-shelf scripts, templates and frameworks, which are more cost-effective and speed up project delivery.



Business Units:



Technical Verticals:

	Agile consulting		Data and Business Intelligence
	Automotive Safety		Ecommerce Development
	AI / ML		Embedded Software Engineering
	Product Design		Enterprise Software Engineering
	Cloud		HMI Development
	Consulting Services		Low-code Development Platforms
	Customer Experience		Managed Services
	Cybersecurity		Salesforce

Cooperation models

When evaluating a potential IT partner, it is important to inquire about available models of cooperation and verify whether they match your needs. Typically, there are three main models to consider: onshore, nearshore, and offshore.



Onshore cooperation

Involves both the client and the team being in close proximity, typically within the same country or region.



Nearshore cooperation

Refers to the client and team being in different countries, but within a relatively short distance, in the same or close time zone, which still allows for convenient travel and communication.



Offshore cooperation

Entails a significant geographical separation between the client and the team, often spanning long distances.

In addition to the cooperation models mentioned above, in some software companies, you may find other, sometimes less popular models. Often, they are not dependent on where the cooperation partner is based, but on how it is built and what it can offer to its customers. For instance, Spyrosoft also offers collaboration models such as:

- **Dedicated Development Team** – a model that typically features cross-functional development, fully managed on the vendor side, that operates in agile and regularly delivers defined business value to the customer.
- **Team Extension** – a model that focuses on expanding the existing team on the client side. It involves finding software developers with the right expertise and cultural fit for projects.
- **Support & Maintenance** – a model closely related to the offering and capabilities of a given software company. It involves providing the customer with 1st, 2nd and 3rd line support (even 24 / 7) as well as offering maintenance services for existing products.
- **Build Operate Transfer** – a model that enables businesses to quickly expand their operational capabilities through access to an outsourced team of experts. This approach involves the support of a business partner in establishing a development centre abroad, hiring new employees locally, and then integrating them back into the company's legal entity. Notably, Spyrosoft is one of the few IT companies in the Polish market to offer this type of cooperation model.

It is worth mentioning that hybrids of all these cooperation models can be created. These combine selected aspects and functions of a few models at the same time. This flexibility is usually offered by larger software providers with extensive staff resources, advanced back-office support and facilities in multiple locations around the world.



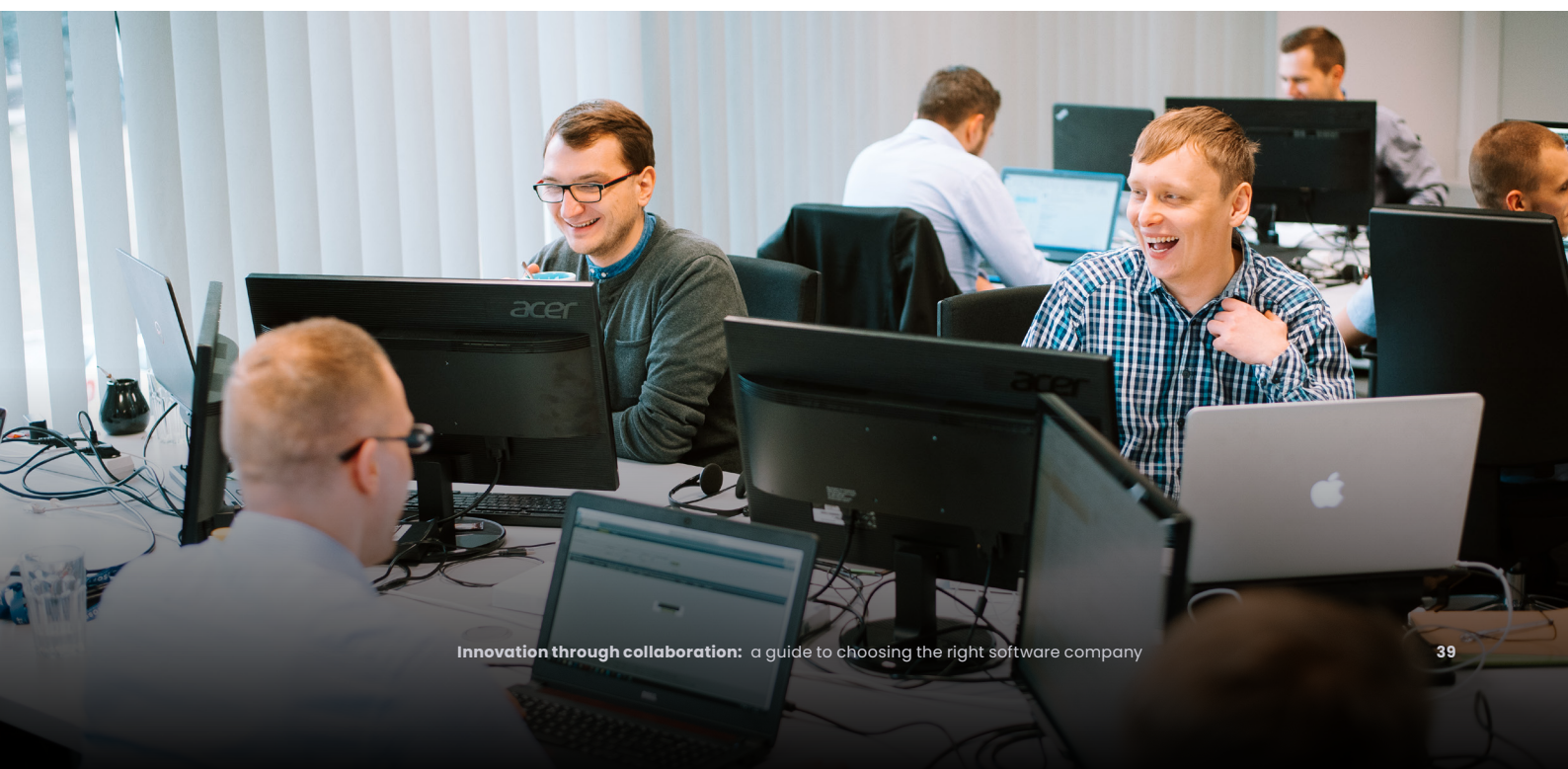


Settlement models

Besides these collaboration models, there are also settlement models, in which identification and selection are equally important. These models include fixed price, time and material, or a hybrid solution that combines aspects of both – time and material with a cap.

In the fixed price model, the customer provides detailed and well-written requirements, and the supplier analyses them to prepare a comprehensive offer with a clear timeline and cost estimation. However, when requirements are less tightly defined, a fixed-price solution may not be feasible due to the potential for additional costs. In such cases, two alternatives may be considered:

- **Conducting requirements analysis as a separate fixed-price discovery phase** – this approach allows the client to evaluate the deliverables, but it requires additional time for in-depth analysis.
- **Opting for a time and material with a cap solution** – this approach involves collaboratively establishing a budget for the entire project and then using the time and material model while managing scope, implementation time, and expenses to maximise value within the budget.



The time and material model itself involves determining costs by the amount of time spent on a project and an hourly or man-day rate. The scope stays flexible and alters as business, design, and software teams test many solutions and choose the ones that best suit consumers' needs.

In the hybrid of these two approaches – the time and material with a cap settlement method, there is an even distribution of responsibility for the project between the client and the provider.

The software company invoices the client based on the reported hours, making transparency even more crucial in this model. This method helps to ensure that the designated funds are used in the most efficient way and that the team delivers the best value for the project within the agreed budget. However, it is important to remember that having a predetermined budget ceiling results in stopping the entire project once it is reached.

It should be noted that not all companies offer this hybrid settlement model. So, if you are convinced that this is the right option for your type of project, ensure that potential collaboration partners will work this way.



Making the final decision and signing the deal

CHAPTER 04:

After researching and evaluating potential software companies, it is time to make a decision and sign a contract. The final phase involves a thorough comparison of offers and detailed negotiations with the chosen company. It is the time to discuss and agree on all aspects of the collaboration, as well as document them to ensure clarity and alignment on both sides.

Once you understand how to choose a software company to collaborate with and what indicators to pay special attention to, the concluding step is making the final decision and signing the contract. After gathering research, creating a shortlist of companies for potential cooperation, and conducting an extensive and meticulous evaluation process, it is time to carefully compare proposals and carry out negotiations with selected companies.

Once you have found the company that is best suited, prepare to discuss the project and the terms of cooperation in detail. These conversations can include elements such as the size and structure of the team, project timeline, deliverables, costs, and payment schedule. When all the details are agreed upon, be sure to document everything to ensure that there are no surprises in the future and that everyone is on the same page from the beginning.

Take note of whether both parties are equally involved in the formalities of signing the contract. This is crucial because it minimises risks for both sides and solidifies the commitment between the provider's project team and the client. It also demonstrates mutual engagement, laying the foundation for a productive and successful partnership.



Over to you

>

As you well know, selecting the right software development company is a critical decision that can significantly impact the success of your project. We hope that by following the key steps outlined in this guide, you will now be able to navigate through the myriad of options and find a partner that will align with your specific requirements, budget, and timeline. Of course, the whole process will take time and effort, but eventually will be worth it.

Remember, that there are some experienced companies on the market that will certainly give you advice, answer your questions or help you clarify some of the issues described above. If you need any assistance in creating a custom solution for your organisation, or you are simply interested in exploring the topic of the ebook further, feel free to contact our team, who will gladly address your needs.

Contact

THANK YOU FOR READING!

If you have any questions about the ebook's content, or you are interested in collaborating with Spyrosoft, feel free to contact us. Book a free consultation with our expert or get in touch via LinkedIn.



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