TESIS APPROVAL STATUS FORM

JUDUL: SOFTWARE HOUSE OUTSOURCING PROJECT MANAGEMENT MANAGER


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^ Tesis dimaksudkan sebagai Laporan Projek Sarjana Muda (PSM)
SOFTWARE HOUSE OUTSOURCING PROJECT MANAGEMENT MANAGER (SHOPMM)

WONG MING HAI

This report is submitted in partial fulfillment of the requirements for the Bachelor of Information and Communications Technology (Software Engineering)

FACULTY OF INFORMATION AND COMMUNICATIONS TECHNOLOGY
KOLEJ UNIVERSITI TEKNIKAL KEBANGSAAN MALAYSIA
2005
DECLARATION

I hereby declare that this project report entitled

SOFTWARE HOUSE OUTSOURCING PROJECT MANAGEMENT MANAGER (SHOPMM)

is written by me and is my own effort and that no part has been plagiarized
without citations.

STUDENT: ____________________________ DATE: 28 November 2005

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ABSTRACT

Outsourcing can be an extremely complex and complicated undertaking. Each facet of the exercise needs to be carefully considered and properly executed. As the software outsourcing industries rapidly in recent few years, there is a need a tools/system efficiently identify, clarify, and manage all the necessary outsourcing issues such as development resources, equipment, premises, people, third party agreements, and so on. Few Issues had been identified as the main concern that should be manageable during the outsourcing process. There are needs on how the Services Provider consulted out a best practices for every outsourcing software development project for each of their relatively Service Buyer. The implementation of the SHOPMM will effectively reduce problems cope in outsourcing requirement, test and defect, project, and customer data management. It also provides an intercommunion platform between Services Provider and Service Buyer as the outsourcing process carry out. Chapter 1 mainly introduced the concepts and scope of research area. It also defined the background and objectives for the research. Chapter 2 highlights the facts and case studies and suggestion on solution development tools. Chapter 3 concentrated on the analysis phase of development process. It identified out the solution requirements and the business process of outsourcing. Chapter 4 well defines the solution architecture which represented in various diagram. Chapter 5 on implementation, chapter 6 on testing and chapter 7 as conclusion of project. Outsourcing Management will gain advantages as the result born of SHOPMM.
ABSTRAK

# TABLES OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>DECLARATION</td>
<td>ii</td>
</tr>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>iii</td>
</tr>
<tr>
<td>ABSTRACT</td>
<td>iv</td>
</tr>
<tr>
<td>ABSTRAK</td>
<td>v</td>
</tr>
<tr>
<td>TABLES OF CONTENTS</td>
<td>vi</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>ix</td>
</tr>
<tr>
<td>LIST OF FIGURES</td>
<td>x</td>
</tr>
<tr>
<td>LIST OF ABBREVIATION</td>
<td>xii</td>
</tr>
<tr>
<td>LIST OF APPENDICES</td>
<td>xiii</td>
</tr>
</tbody>
</table>

## CHAPTER I  INTRODUCTION

1.1 Project Background 1
1.2 Problem Statement 2
1.3 Objectives 2
1.4 Scope 3
1.5 Project Significance 4
1.6 Expected Output 5
1.7 Conclusion 5

## CHAPTER II  LITERATURE REVIEW & PROJECT METHOD

2.1 Introduction 7
2.2 Facts and Findings 7
2.3 Project Methodology 15
2.4 Project Requirements 16
  2.4.1 Software Requirement 16
  2.4.2 Hardware Requirement 17
  2.4.3 Others Requirement 18
2.5 Project Schedule and Milestones 18
  2.5.1 Gantt chart 20
2.6 Conclusion 21

## CHAPTER III  ANALYSIS

3.1 Introduction 22
3.2 Problem Analysis 22
CHAPTER VII PROJECT CONCLUSION

7.1 Observation on Weaknesses and Strengths 78
  7.1.1 Strengths 79
  The strengths at this part are mentioned that advanced in SHOPMM for outsourcing management.
  7.1.2 Weakness 79

7.2 Propositions for Improvement 80

7.3 Conclusion 80

REFERENCES 82

BIBLIOGRAFI 83

APPENDICES 84

APPENDIX A1 The SHOPMM Package Layering Architecture 85
APPENDIX A2 The SHOPMM High Level Design Logical Class Diagram 86
APPENDIX A3 The SHOPMM Logical Database Entity Relationship Diagram (SHOPMM ERD) 87
APPENDIX A4 The Deployment Diagram of SHOPMM 88
APPENDIX A5 SHOPMM Main Use Case Diagram 89
APPENDIX A6 Sequence Diagram 99
APPENDIX A7 IMPLEMENTATION INSTALLATION 123
  Installing Web Matrix 0.6 126
  Installation of Microsoft Visual Studio .Net 2003 129

Before Install 129
  Install the Visual Studio .NET prerequisites 131
  Install Visual Studio .NET 132
  Installing Crystal Report 10 136

APPENDIX A8 USER MANUAL 144
LIST OF TABLES

Table 2.5.1: Schedules and Milestones ........................................... 32
Table 3.3.5.1: Extended Use Cases ............................................... 47
Table 3.3.5.2: SHOPMM Suggested Software Requirement .................. 48
Table 3.4.1: SHOPMM Suggested Hardware Requirement ................... 49
Table 4.2.1.1: Software Specification for WAAS/EGNOS decoder module .... 52
Table 4.2.1.2: Extracted Information ........................................... 53
Table 4.2.1.3: Outsourcing Information Files ................................... 54
Table 4.2.3.2.1: Input Design of SHOPMM .................................... 65
Table 5.2.1 Developer Tools ..................................................... 72
Table 5.3.1 Version Control ..................................................... 75
Table 5.3.2 Implementation Status .............................................. 77
Table 6.2.1 Test Schedule ....................................................... 83
Table 6.3.2 Level of Testing .................................................... 84
Table 6.4.1 Unit Test Cases ..................................................... 85
Table 6.4.2 Integration Testing .................................................. 86
Table 6.4.3 System Testing ..................................................... 87
Table 6.4.4 Security Testing .................................................... 88
Table 6.4.1 Test Data ........................................................... 89
Table 6.5.1 Test Result .......................................................... 90
Table 7.2.1 Suggested Solutions ................................................ 94
LIST OF FIGURES

Figure 2.2.1: Conceptual Framework .............................................. 24
Figure 2.2.2: Boundary crossing using a black-box approach ............. 26
Figure 2.2.3: Knowledge overlaps in outsourced software development 26
Figure 2.2.4: Navigation From A Chart To A Panel ....................... 28
Figure 2.3.1: Customized Object-Oriented Rational Unified Process .... 29
Figure 3.3.1: The Current Outsourcing Process Applied at GSM (MSC) Sdn. Bhd. 42
Figure 3.3.2: Improved Outsourcing Process as Involving Of Management Tools 43
Figure 3.3.3: The SHOPMM Main Requirement Use Case ............... 44
Figure 3.3.4: The Use Case Maintain Project Profiles ..................... 45
Figure 4.2.2.1: The SHOPMM Package Layering Architecture .......... 56
Figure 4.2.2.2: The SHOPMM High Level Design Logical Class Diagram 57
Figure 4.2.3.1: Draft Design of SHOPMM Main Login Interface ....... 58
Figure 4.2.3.2: SHOPMM Portal Homepages Interface (Web) .......... 59
Figure 4.2.3.3: The SHOPMM Standalone Input forms design .......... 60
Figure 4.2.3.4: SHOPMM Web Packages Standard Input Design ....... 61
Figure 4.2.3.5: SHOPMM Standalone Output Graph Presentations Interface 62
Figure 4.2.3.6: SHOPPM Web Packages Output Analysis Graph Interface 63
Figure 4.2.3.1.1: Standalone SHOPMM Basic Navigation flow ........... 64
Figure 4.2.3.1.2: SHOPMM Web Basic Navigation flow ................. 64
Figure 4.2.3.3.1: Report Output Design ...................................... 66
Figure 4.2.3.3.2: Sample of Report ........................................... 66
Figure 4.2.4.1.1: The SHOPMM Logical Database Entity Relationship Diagram (SHOPMM ERD) ................................. 67
Figure 4.2.5.1: The SHOPMM Deployment Diagram ..................... 68
Figure 5.2.1: The SHOPMM Web base Architecture ...................... 71
Figure 5.3.1 Solution Explorer .................................................. 73
# LIST OF ABBREVIATION

<table>
<thead>
<tr>
<th>Abbreviate Word</th>
<th>Full Word</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. SHOPMM</td>
<td>Software House Outsourcing Management Manager</td>
</tr>
<tr>
<td>2. IIS</td>
<td>Internet Information Server</td>
</tr>
<tr>
<td>3. ASP.Net</td>
<td>Active Server Pages .Net</td>
</tr>
<tr>
<td>4. LAN</td>
<td>Local Area Network</td>
</tr>
<tr>
<td>5. KBps</td>
<td>Kilobyte per seconds</td>
</tr>
<tr>
<td>6. VGA</td>
<td>Video Graphic Accelerator</td>
</tr>
<tr>
<td>7. GB</td>
<td>Gigabyte</td>
</tr>
<tr>
<td>8. HDD</td>
<td>Hard disk</td>
</tr>
<tr>
<td>9. IBM</td>
<td>International Business Machine</td>
</tr>
<tr>
<td>10. MS</td>
<td>Microsoft</td>
</tr>
</tbody>
</table>
## LIST OF APPENDICES

<table>
<thead>
<tr>
<th>Appendix</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>The SHOPMM Package Layering Architecture</td>
<td>85</td>
</tr>
<tr>
<td>A2</td>
<td>The SHOPMM High Level Design Logical Class Diagram</td>
<td>86</td>
</tr>
<tr>
<td>A3</td>
<td>The SHOPMM Logical Database Entity Relationship Diagram (SHOPMM ERD)</td>
<td>87</td>
</tr>
<tr>
<td>A4</td>
<td>The Deployment Diagram of SHOPMM</td>
<td>88</td>
</tr>
<tr>
<td>A5</td>
<td>SHOPMM Main Use Case Diagram</td>
<td>89</td>
</tr>
<tr>
<td>A6</td>
<td>Sequence Diagram</td>
<td>99</td>
</tr>
<tr>
<td>A7</td>
<td>IMPLEMENTATION INSTALLATION</td>
<td>123</td>
</tr>
<tr>
<td>A8</td>
<td>USER MANUAL</td>
<td>144</td>
</tr>
</tbody>
</table>
INTRODUCTION

1.1 Project Background

Outsourcing activities and process can be an extremely complex and complicated undertaking. Each facet of the exercise needs to be carefully considered and properly executed. This project nascent from observation during industrial training, there are no efficient tool that helping Software Company manages the whole outsourcing process yet to meet the customer satisfactions.

The research project aims to provide a better outsourcing project information system for managing complex IT outsourcing process by proposing a descriptive project management base framework containing relevant toolkits. It specialize designed aims to provide manageable outsourcing project framework contrapose in commonly outsourcing raised issues. The tile of this project is Software House Outsourcing Project Management Manager (SHOPMM).
1.2 Problem Statement

Outsourcing failures occurred during process of outsourcing are related to unmanageable process. The unclear requirements specifications and a mutual lack of understanding for each other’s expectations due to lack of bridge communication platform between the Services Provider and Services Buyer. The needs of outsourcing management tools minimized the risk of failures and increase outsourcing satisfaction. The solution should give user manage project information, sharing within groups member, being a communication platform and support center virtually for any project.

1.3 Objectives

This project employs below goals to assess IT outsourcing managements

(a) Outsourcing Project Management Tools
   The specifically designed project management tools dedicated for outsourcing of information system (IS) expertise to supplement offshore development project.

(b) Bridged Communication Platform
   It provided a manageable monitoring platform for both services provider and buyer.

(c) Outsourcing File management
   Systematically manage all outsourcing related documentations.

(d) Project Progress Report
   It provides analysis report on the performance of the outsourcing project in progress, defect and scheduling monitoring.
1.4 Scope

SHOPMM comprises only web base implementation.

The web base of SHOPMM provides an intercommunion platform for the outsourcing process related stakeholder. It provides functions in add, edit, monitor, track, each task completion. Both services provider and buyer can performed various actions due to the changes in any task for related outsourced project.

(a) Online Outsourced Project Profile Module

(i) Outsourced Project Center

This center provides every detail setup for each new outsourcing project, track progress for services supplier project manager.

(b) Online Customer Profiles Module

(i) Service Buyer Information Center

This center provides detail maintenance of customer (services buyer) information profile, outsourced project contract detail and web account maintainability.

(c) Outsourced Task Maintenance Module

(i) Provider Task Center

This center provides user with the maintain task ability for project manager and administrator.

(a) Online Outsourced Personalization Module
(i) Outsourced Member Area
   This provides user ability to change their preference setting for the system such as login password and view their message box.

(ii) Outsourced MyWork
   This provides user ability to view and update task assigned to him/her.

(b) Outsourcing Portal maintenance Module (SHOPMM Service Support)

(i) Service Buyer Information and Support Center
   Provide a digital helpdesk for services buyer. It has function to answer back any enquiry made by visitor to the site.

1.5 Project Significance

   The SHOPMM combined basic project management tools that had been specifically designed to outsourcing services provider. It also provides a bridge communication platform between the Services Provider and Services Buyer. The project will benefit for all outsourcing stakeholder.

   The SHOPMM is not like ordinary project management tools as ordinary only concentrated on how to schedule out the project activities plans and resources allocation. It’s more focusing on how to help outsourcing processes gaining success and improve quality. SHOPMM provide a intercommunion platform for both parties. In this way, general dissatisfaction due to lack of communication and appropriate monitor platform for both side is eliminate.
1.6 Expected Output

SHOPMM is specifically designed to ease the management work for outsourcing information system (IS) expertise. The system more likeness act as project management tools that help both services buyer and supplier to monitor, tracking, maintain and analysis outsourcing processes related issues. It does include a web base management interface platform that gives share outsourcing management repository. Both parties can analysis and view diversification of outsourcing reports regards issues of interest.

Deliverable of SHOPMM is a total outsourcing project management system. It include centralize information server and the ease to use standalone application for supplier administration.

The package module is pluggable as add-in and updates of information module will not affect the presentation layer of the management interface. SHOPMM is not restricted to software development methodology, it adapts the need and changes by user self configure the processes of the outsourcing.

1.7 Conclusion

Managing outsourcing for IT services is a complex processes. Adequate management tools not only will simplify the management works, in the same time, quality of outsourcing will be increase while the risk of failures reverse. SHOPMM
provide monitoring, maintenances, analysis function to help improved the quality of outsourcing processes.
CHAPTER II

LITERATURE REVIEW & PROJECT METHOD

2.1 Introduction

This chapter aims to explain and narrates the keys issues and findings related to software house outsourcing of information system (IS) expertise to supplement others corporate in-house development resources. A suggested methodology has been tacks to intend develop and deliver successful solution against outsourcing management problems and issues.

2.2 Facts and Findings

Marq R. Ozanne provides a general definition of outsourcing. He describes it as:

"The use of outside partners to perform tasks that traditionally would have been
performed inside the company."

It should be possible for an organization to outsource parts of its software development, and thereby meet the challenges of a business world in change. This type of engagement requires a specification of requirements on those responsible for managing the external resources, e.g. assuring a high level of quality and achieving and maintaining trust and solid relations in the engagement. Thus, the main research question is: how can a software house manage outsourcing services for software development to Services Buyer?

First of all, let's study the Asia outsourcing situation now, below is the press clipping from the Conference articles titles "Managing an IT-outsourcing partnership in Asia. Case study: the relationship between a global outsourcing company and its global IT services supplier" by Beulen, E. and etc. (Refer Appendix for full articles)

Most IT suppliers in Asia are relatively inexperienced with the management of IT outsourcing relationships. But not only the IT suppliers are inexperienced, also the outsourcing companies do not have a track record in the management of IT-outsourcing relationships.

Asia is a growth market for IT services; however, the level of experience with the management of IT outsourcing is low compared to the rest of the world. Gartner presents for 2001 a general higher average growth for the Asian IT market than the 10% yearly growth for the rest of the world.

The question addressed in this paper is how IT outsourcing partnerships can be managed properly in these inexperienced, high power distance, and collectivist countries.

When discussing culture Hofstede writes: "The collective programming of the mind distinguishes the members of one group or society from those of another....Management within a society is very much constrained by its cultural context, because it is impossible to coordinate the actions of people without a deep understanding of their values, beliefs and expressions."

The outsourcing company is the company that decides to start a long-term contractual relationship with one or more IT suppliers to provide all or part of its IT services. The IT supplier is responsible for the delivery of the IT services to the outsourcing company.
The outsourcing services are the traditional IT services such as infrastructure services, desktop services and application management services. These IT services support the business processes but are not an integral part, there are range from hardware and software changes were also frequent candidates due to rapidly changing and complex technology, including network management and telecommunications, along with associated education and training. While application packages, contract programming, and specific processing services comprised the major portion of services outsourced in the 1970s and 1980s, outsourced IS services are more likely to be complicated undertaking.

From the press edit, IT outsourcing is a complex processes that do need proper management system especially for Asia situation that which the maturity of outsourcing is not high and complicated of culture and differ relationship in business culture. The key findings in this articles identifies the issues raised due to unmanaged and tracking of outsourcing relationship and its impact on outsourcing relationship between the global client and its services provider.

Now we focus on the outsourcing communication issues, e-services of outsourcing and its problems through the 2 articles as below.

The specific context for interorganizational learning was an IT outsourcer and three of its clients. The degree of organizational transparency and degree of receptivity were two key factors examined in the facilitation of the collaborations. Other factors examined because of their potential to impact the interorganizational learning outcomes in the relationships included: absorptive capacity (capacity of the partners to learn), relative absorptive capacity (similarity of the organizations) and the intent of the partners. Organizational transparency, organizational receptivity, intent and absorptive capacity were all found to have influenced the levels of interorganizational learning resulting from ICT use in the collaborations.

Transparency is the level of openness of a firm to its partner and Receptivity is the capacity of the collaborating partners to absorb the knowledge provided by one another.