

ISBSG Analysis Report

Government and Non-Government Software Project Performance

Key Findings

Outsource versus In-house Government Software Project Performance

1. Government organisations that outsource their software projects can achieve productivity¹ that is almost twice as good as government projects developed in-house. Well negotiated and managed outsourcing contracts should deliver savings of around 40%.
2. Government software projects that are outsourced deliver at almost twice the speed of projects developed in-house. Well managed outsourced projects should see software delivered significantly quicker than in-house developed projects.

Government versus Non-Government Software Project Performance

1. Productivity for software projects undertaken by non-government organisations is more than twice as good as for projects undertaken by government organisations.
2. Non-Government projects deliver at more than twice the speed of government projects.

Recommendations

1. Government organisations investing in new software applications should seriously consider the productivity and speed of delivery benefits that come from outsourcing software development.
2. Government organisations that develop software in-house should analyse why non-Government organisations can develop software in-house significantly more productively and faster.

¹ Measured using Project Delivery Rate (PDR). PDR is the number of hours it takes to deliver a functional unit of functionality (for this report a Function Point).