



Prisma Consulting Oy

# Nearshoring and R&D

Issues to be considered



Prisma Consulting

Successful project delivery



# Jarmo Kinnula and Prisma Consulting



- Jarmo Kinnula is the founder, owner and managing director of Prisma Consulting.
- Jarmo Kinnula has experience from more than 50 mid-size or large programs and projects, mainly in the area of Online-business in large (Internet, intranet, extranet, E-business, Web 2.0; front-end and back-end side and mobile services.
- Customers: StoraEnso, Fortum, Neste Oil, UPM, Onninen, Osuuspankkikeskus, Uponor, Itella, Wärtsilä, KONE, Metsäteollisuus, Luvata



- Prisma Consulting is independent company specialized on project and program management and consulting of ICT, ECM and Online communication services.
- We support our clients in establishing and managing effective, high quality of service and profitable ICT and Online communication services
- We ensure that our customer's project are delivered on timeline, within budget and deliverables.
- Our customers are large corporations, SMB-sized companies and associations in Nordic Countries and Europe in all business areas.
- Our employees are experienced, highly trained senior project managers and use typically industry tailored methods like PMI and IMPA, ITIL, Prince2, best practices and customers own methods in our work.
- We have delivered over 75 projects successfully

# Definitions of Nearshoring and R&D

- **Nearshoring**

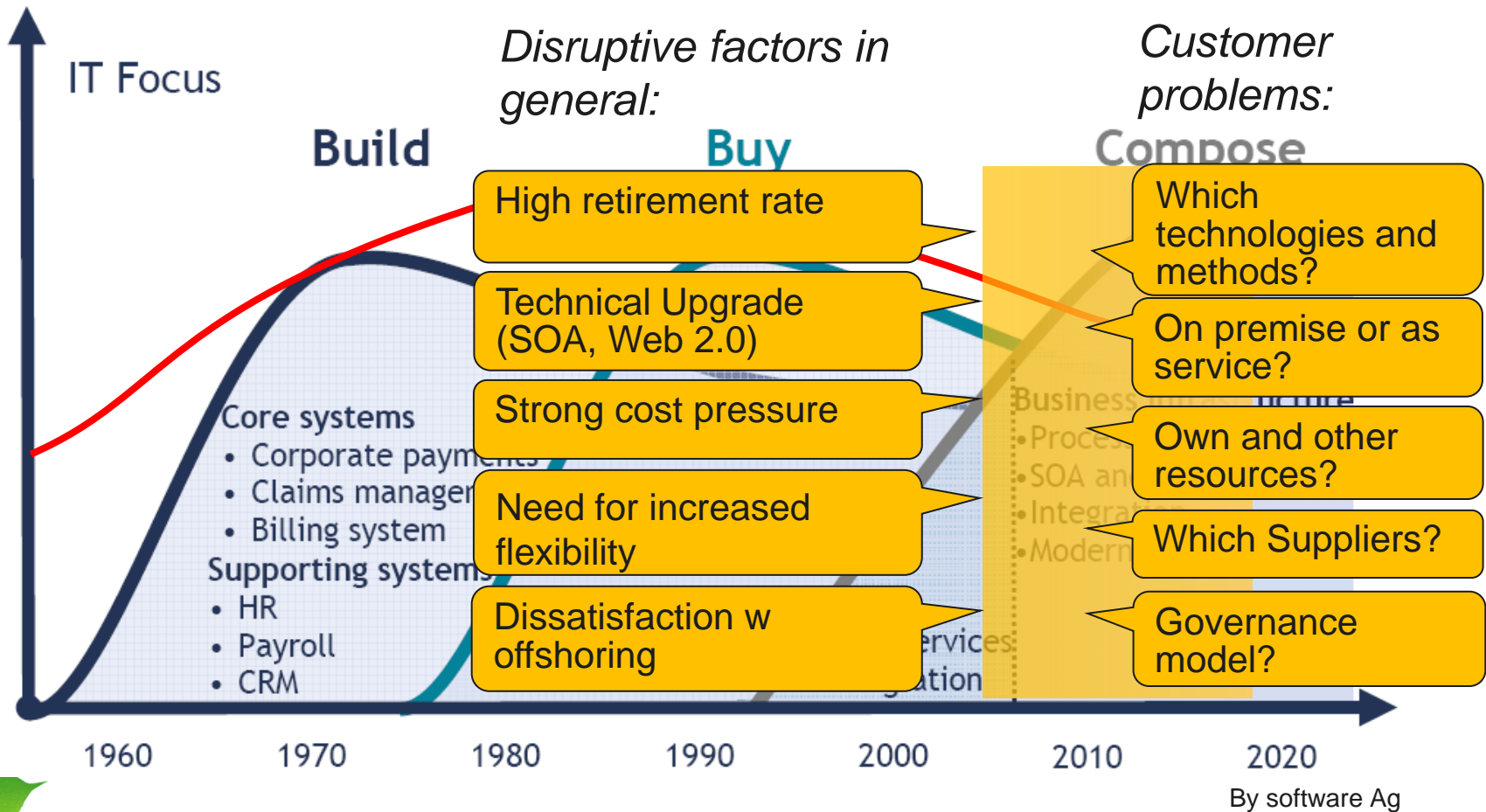
Nearshoring means sourcing activities to a lower-wage country that is relatively close in distance. Eastern European destinations offer low-cost, skilled labor forces, an attractive regulatory environment with a close proximity and cultural ties to Western Europe.

- **R&D**

creative work undertaken on a systematic basis in order to increase the stock of knowledge, including knowledge of man, culture and society, and the use of this stock of knowledge to devise new applications.



# ICT trend in Nordics

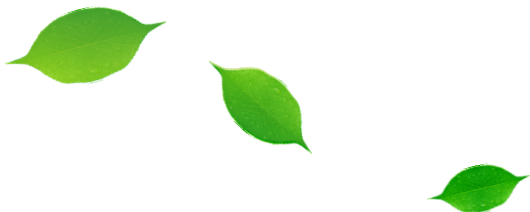


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# Notes about Nearshoring R&D

- Can be used both when R&D is secondary and primary task for the company
- Very large R&D competence centres around country, with pools of experienced, talented resources
- Excellent way to find right kind of competencies
- Normal practices in collocation, collaboration and project management
- Used in ICT specially much, due to engineering focus.
- R&D can focus on Russia as market area



# Success factors in nearshoring R&D

## Top 5 success factors:

1. Strong case owner engagement
2. Executive Management Support
3. Collaborative mode of work on both side
4. Focus on Research first
5. Realistic Expectations
6. Proper agreement model, made for R&D



# Current medium hourly prices in Finland and Russia in development

Role	hourly prices Finland	Russia
• Proj mgnt, Consulting	120-180 €/h	50-> €/h
• R&D	100-120 €/h	45-> €/h
• Planning	90-100 €/h	40-> €/h
• Development and testing	80-100 €/h	30-> €/h
• Maintenance	70-120 €/h	25-> €/h
• Support	70-100 €/h	24-> €/h

*Note: data from proposal during Q4/09. Price inflation from Q4/08 to Q4/09 is around 5-10% due to challenges in overall financial situation*



# Contact info

## Prisma Consulting Successful project delivery

Jarmo Kinnula  
MD, owner and project manager  
Puhelin: +358 40 5493219  
Sähköposti: [jarmo.kinnula@prismaconsulting.fi](mailto:jarmo.kinnula@prismaconsulting.fi)

