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Ten mortal sins in digitization outsourcing

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o. Lets make a poll!

- Please answer truthfully by raising your hands:
 - 1. Who has googled Klaus A J Riederer / KAR Ltd me before this presentation?
 - 2. Who is **old fashioned**, i.e., traditional?
 - 3. Who is not old fashioned, i.e., **liberal**?
 - 4. Who is a **project manager**?
 - 5. Who believes in **God/gods**?
 - 6. Who believes in **law and order**; loves the acquisition law?
 - 7. Who believes in **Google**?
 - 8. Who **trusts** also **other people** than themselves?
 - 9. Who only trusts her/himself?
 - 10. Who is tired?

1. I am the expert!

- I am always **correct!**
 - Because I look and act like an expert & that what it says on my business card!
 - Because I, the customer, am **paying for the bills!**
 - Because I, the provider, have **done these things** for +20 years..!
 - So, we need no other experts telling us how to do your business!
- Forget the "I", instead: **we = the project**. What is best for the project?
 - Don't look into your own belly button, but to the common good for the project
 - Are you willing to learn new things: **can I be taught?**
 - Are you willing to put the whole knowledge in the house for use?
 - Why to outsource, if you can everything yourself already?
- Do you want to **be right**, get the **job done** or get the **job done & learn new things?**

My benefit is your benefit and your benefit is my benefit!

2. I have no responsibility!

- I could not care less, because:
 - I, the customer, am paying for the bills
 - No, it's the entrepreneur (= service provider) who takes all the risks that is why she/he gets all the money. No risk no money..
 - **The boss** takes all risks; I am (hmm.. or was) just working here
 - The **ministry / government / EU** gave us too little money and no resources and too late: nobody could have done things better
- Every one carries **responsibility**, at least for own work – or no good end result:
 - No money for the service provider
 - No success for the customer – no support in the future for the institution
- Who carries the biggest responsibility of the project?
 - If everything goes haywire: a contract is made between **two parties**:
 - who pays the legal costs?
 - what **righteousness** is given in the court of law? **Morals, ethics..** are casted away
 - to be right or to be right?

The one who pays the bills carries the greatest responsibility!

3. Always outsource!

- Planning is getting things half done:
 - **What?**
 - **Why?**
 - **How?**
- Finding a balance may not be easy, or it may: every case is different
 - It is much **easier** to get the money if we will / will not do the digitization work ourselves?
 - We do **not have** the people, equipment, knowledge?
 - It will be **cheaper** / more **expensive** to outsource, but we do not have the **time**?

What is your main "line of business"?!?

4. Always call for tenders!

- Making public price contest will bring the best **price-quality** relation?
- Making the call for tenders is just copy-paste from previous document?
- We tender because of the **acquisition law**. Although, guess which provider we will use (**again**)?
 - National limit in **obligatory tender making**? (Finland: 30 k€ VAT 0 % maximum bid price, goods & services)
 - EU limit in obligatory tender making? (Finland: 130 (central government), 200 (others) or 400 (special sector) k€ VAT 0 % maximum bid price, goods & services)
- **Market courts** are getting filled because of ambiguous invitation for tenders, dissatisfied outcomes of purchase decisions, etc.
- Always consider the project as a whole: do not take things for granted!

Pacta sunt servanda!

5. Quality is everything, price (per se) is nothing!

- Price can always be calculated, but how do you measure quality?
 - The more pixels (ppi) the better?
 - In absolute terms you cannot measure quality: so, quality is nothing.
 - What is QC, **Quality control**? Who controls the quality, who is **the expert**?
- Less **time** is more **quality**?!
 - We are in a hurry: **all budget money** must be consumed this year, or nothing will be got next year!
- Old wisdom: **time | quality | money**: you can only pick 2 at a time!
 - **Quality is time and money**?
 - **Time is money**?
 - $Quality = Time \times Money$ || $Time = Money$
 - $Quality = Money^2$
 - **Money is the root of all problems**?
 - $Quality = Money^2$ || $Money = \sqrt{Problems}$
 - $Quality = (\sqrt{Problems})^2$
 - $Quality = Problems$
- The most **cost-efficient price** will win, **IFF** the supplier has name in the field

Price is everything, and quality itself is no more: "adequate" quality will do!

6. References are everything!

- They have done these things before, so they most know what they are doing?
 - The best sign of quality is **experience**?
- **Big** (company) is always good?
 - Big = **security** (although there is only one person in control..)?
 - Big = **speed**, fast delivery (although the customer's work flow is not able to..)?
 - High speed = **quality** (although our/their QC etc. is slow..)?
- The biggest provider with most experience shall win the case?!
- What do references as such tell you:
 - Boasting always stinks, except in CV: are we always 100 % **truthful**?
 - How many customers actually **verify the references** in order to see how successful the work has been done?
 - One party says the project ended well, according to the other party the end result was horrible: who is **correct**?
 - Can you really **compare** one project with another?
- How to **evaluate** the success of a project?

You need to have references but they do not count as anything!

7. Complying is a must!

- We, the customer, **stipulate the terms** and you, the provider, must yield!
 - No explanations are needed why we want to have the originals scanned at 300 ppi @ A0 size, saved nothing but in 75/100 -level JPGs!
- (Even according to the acquisition law:) the **requirements** for the **supplier** can be set arbitrary (high) and not clearly told a priori, but the **customer** has no (minimum) requirements for **knowledge/understanding**
 - There is nothing wrong in our call for offers; it is not **ambiguous**!
 - Provider, do you want to win the bidding or to be right, teach us you.. wise guy?
 - We cannot accept your bid, it is **open to interpretation** whether or not our demands are met!
- How many uses an **outside consultant** (except an **attorney**?) while making the call for tenders?
 - Hmm.. who is **the expert**, who is always right?
 - If you, the customer, made a bad contract: too bad, not only the provider but also you must **honor the contract**!

Common sense is more precious than a good expert that will never be hired!

8. Originals must be insured!

- Our company has **liability insurance** of 1 M€, so your goods are insured for 1 Million euro, right?!
 - Which type of insurance do we need, what does it **cover**?
 - How to **calculate the value** of a unique, **irreplaceable** original that could be destroyed beyond repair in a fire/flood etc.?
 - How much does the insurance **cost**?
- Because we are insured:
 - All our risks are **covered** and we can sleep your nights quietly
 - We do not need to care about the logistics, **work flows**...:
 - the vehicle, transportation boxes?
 - **amount** of objects transported at once, **weather, time**?
 - by the way, do we really need these cotton gloves?

Do you rather believe in false truths than just do your best?!

9. Trust no-one but reference scans!

- Before the contract is signed, the supplier must make **acceptable reference scans**, which makes everything ok?
 - We, the customer, choose the most demanding examples, and..
 - How is the **QC done** and **who** does it?
 - by **visual inspection** from the scanned image files?
 - **making prints** (how?!) of the scanned files and comparing them to the originals?
 - **Aiming at:** the black may not be black and white not white (e.g., 10-240, instead of 0-254 intensity)
- How is the quality defined by absolute, **objective**, terms?
 - Should we not use clear (trivial?) descriptors: no **artifacts** caused by the scanning equipment/process etc.?
 - Could we not use objective measures, e.g., **test scan targets**, such as **UTT**?
- Well, the reference scanning.. we kind of went astray with it, but at least:
 - We do have a signed **contract** with dozens of **legal** attachments and
 - We are **the customer**, so we are always **right!**
 - When a line becomes something more than a line:
http://www.digiwiki.fi/fi/index.php?title=KAR_Oy:n_ensimm%C3%A4inen_massadigitointihanke_%282010%29

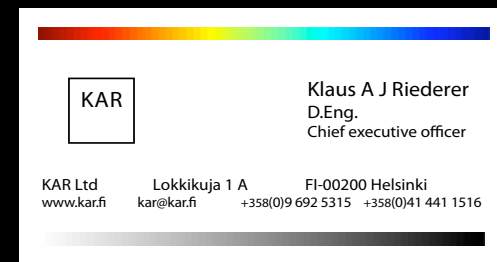
Trust between the customer and the supplier is everything!

10. It was not my fault!

- Shit happens, but **never to me!**
 - It was not our fault that **the ministry / government / EU** gave us the money at the last moment thus making the project timetable impossible!
 - Who will take the fall: it was **the guy**, who does no more work at us / for us
- “The one who made the mistake should also fix it!” (Pekka Herlin, a famous Finnish businessman)
- **Every project is unique**, of which nothing can be learned for the future?!
 - If the next project will be done with new personnel, how can we **learn** from the previous project, both from the success and failure?
 - How to fight against humility, **shame** and **fear** (of loosing **work**, name/ reputation, money, **influence** etc.)?
 - Who has the courage to **share public information** about things that went to haywire?

Everybody makes mistakes – the art is to learn from the mistakes, also from those you did not do yourself!

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**You most likely have not
learned a thing –
but hopefully you have at least
thought of something!**

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