

BAWAG P.S.K. to Build a Team of Developers in Ukraine with Ciklum

KIEV, Ukraine – July 15, 2010 – Ciklum has built and supports a dedicated team of Ciklum software developers that work for BAWAG P.S.K., an Austrian banking group located in Vienna, Austria. Ciklum, a Danish IT outsourcing company, is specialized in nearshore software development and has several subsidiaries in Ukraine, amongst others in Kiev. Currently, one development team of BAWAG P.S.K. in Vienna works together with the nearshore development team of Ciklum in Kiev on the implementation of a brand new Internet Banking for BAWAG P.S.K. and its subsidiaries.

After careful market analysis and considerations, BAWAG P.S.K. has chosen Ciklum as the right nearshore fit for the company's development needs. The formalized selection criteria used included amongst others proof of effective service delivery, ability to support BAWAG P.S.K. cooperation model, pricing options, industry expertise and technological skills, as well as cultural fit. Out of fifteen in depth assessed potential cooperation partners Ciklum showed the best performance during the evaluation and proved to be most cost-efficient.

Essentially BAWAG P.S.K. was looking for a supplier that was able to provide developers that have experience with Agile software development and were the right market fit for the company's nearshore team needs. Furthermore, being close in terms of distance and culture was very important as these two factors, also collectively sometimes called the lost in translation cost of outsourcing, can have a significant negative impact on the development cost that could turn the whole outsourcing process into a big fiasco.

Being aware that successful development projects are based on continuous, efficient communication BAWAG P.S.K. decided to go nearshore, not offshore, to avoid work disturbances caused by time delays and to ensure that nearshore team members are reachable within a convenient travel time. Additionally the dedicated team model offered by Ciklum fits BAWAG P.S.K. essential requirement of (as far as possible) stable teams.

The cooperation between the two companies started in May 2010 with seven developers being hired and sent for initial training and knowledge sharing to Vienna, Austria. The long term plan is to extend the nearshore team considerably to supplement BAWAG P.S.K. in-house development capacity.

Together with ten BAWAG P.S.K. analysts and software developers the nearshore team members will build a brand new Internet Banking for BAWAG P.S.K. and its subsidiaries within the next months. Advanced new functionalities combined with a state-of-the-art user interface are implemented by a mixed Vienna-Kiev team using BAWAG P.S.K.'s well-established framework, J2EE technologies and Scrum (as methodological background of BAWAG P.S.K.'s software development process).

BAWAG P.S.K. sees the Ukrainian team as one of their development units, which happens to be located remotely. The first developers go through onsite training in Austria, learn the company's culture and policies, and then pass on the knowledge to the future colleagues to be added later, guided and supported by the onsite senior developers and architects of BAWAG P.S.K.'s IT development team. Continuous remote as well as onsite face2face support, coaching and consulting offered by the onsite team members will enable the nearshore team members to develop a detailed knowledge about BAWAG P.S.K. technologies, applications and products.

About Ciklum

Ciklum (www.ciklum.net) is a Danish IT outsourcing company specializing in nearshore software development by establishing and servicing clients' own development teams in Ukraine. The environment of services and knowledge sharing within the company helps clients to market quickly and with less risk and minimal investment. Established in 2002, Ciklum employs more than 800 specialists with more than 100 global client teams. Ciklum has four development offices in Ukraine and two in Pakistan, as well as representative offices in Denmark,

Sweden, United Kingdom, Switzerland, Germany and the Netherlands. Ciklum is a winner of the Red Herring 100 Europe 2009.

About BAWAG P.S.K.

BAWAG P.S.K. (www.bawagpsk.com) is the fifth largest banking group in Austria and the leading retail customer bank for the Austrian middle class. BAWAG P.S.K. sees itself as modern, service oriented one-stop financial institution with well funded market know-how, full range of individual support and innovative products both for retail customers and commercial customers. The bank group has a balance sheet total of 41.2 billion Euros and administers customer deposits to the value of 22.7 billion Euros. With about 150 BAWAG branches and more than 1000 Post offices BAWAG P.S.K group has the biggest centrally managed distribution network in Austria. 1.6 million Retail customers and 60,000 corporate customers place their trust in the bank. The group is the first address regarding Austrian payment transactions. In total the group has approximately 5000 employees.

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