The State of
Client Collaboration
in Development & Design

2016 SURVEY REPORT

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931

Number of development & design companies surveyed

The findings point to significant progress that has been made, but also unveil the road ahead.

In recent years, development and design trends and technologies have been changing radically. Companies that provide these services have graduated to more mature service offerings, better structure for collaboration and development, and a more sophisticated toolset.

As in all industries driven by disruptive technology, client collaboration has changed and will continue to morph into new forms and methods in the coming years.

Executive Summary

The State of Client Collaboration in Development & Design Survey Report explores the field of client work and how collaboration is evolving. We surveyed nearly 1,000 agencies, development, and design companies throughout the world and across industries to uncover how client collaboration in development has changed, and how it needs to change.

The findings point to significant progress that has been made, but also unveil the road ahead: the changes that must be made by suppliers of tools for this industry and the revolution that must take place by the companies that aim to dominate this field.

Key Findings

Five main insights from the results of the survey are:

1 Collaborations are morphing into long-term client relationships

A true shift is occurring in how client relationships are structured. Nearly half of web development teams (44%) already offer weekly or monthly retainer-based work. Transitioning from hourly engagements to ongoing collaborations (in some cases lasting for decades), companies are more visionary than ever before: focusing on long-term partnerships. Consistent with the bell curve of innovation adoption, 32% are still working on fixed-scope/fixed-time projects, and 8% are still performing hourly engagements.

2 Employees, companies, and clients are making location-agnostic choices

With collaboration tools and techniques available, companies and teams are no longer limited by geography. Clients can partner with web development companies based on criteria more important than location, and web development companies can hire the best talent regardless of their location.

3 It is time to address the challenges of scope creep and client communication

Most web development companies are confronted with changed client priorities and scope creep (56%) as well as unclear client communication (52%) as their main challenges. Addressing them with new methodologies and an innovative toolset will separate the great firms from the good ones.

4 The Era of Agile & Scrum continues

This year, web development companies seem to finally fully adapt to lean development methodologies, such as Agile and Scrum. The mentioned frameworks work best for small teams, typically up to 5 internal project collaborators and up to 3 people on the client-side. Whereas, more traditional approaches, such as Waterfall, only ranks 4th place.

5 An alternative to email is needed for collaboration

While tools like Slack promised an end to email, 41% of web development companies still choose email as their main method of communication with clients. It seems to be the tool they most love to hate, but are resistant to change (along with Skype - 19% and face-to-face meetings - 16%). The sector is ripe for innovation for an alternative that will allow easy real-time conversations that are interactive, logged, and documented. When tools can truly reduce email clutter while making communication more effective and efficient, their adoption will be widespread.

Survey Participants

Services provided to clients:

WEBSITE DESIGN & DEVELOPMENT
54%

WEB APP DEVELOPMENT
62%

MOBILE APP OR GAME DEVELOPMENT
41%
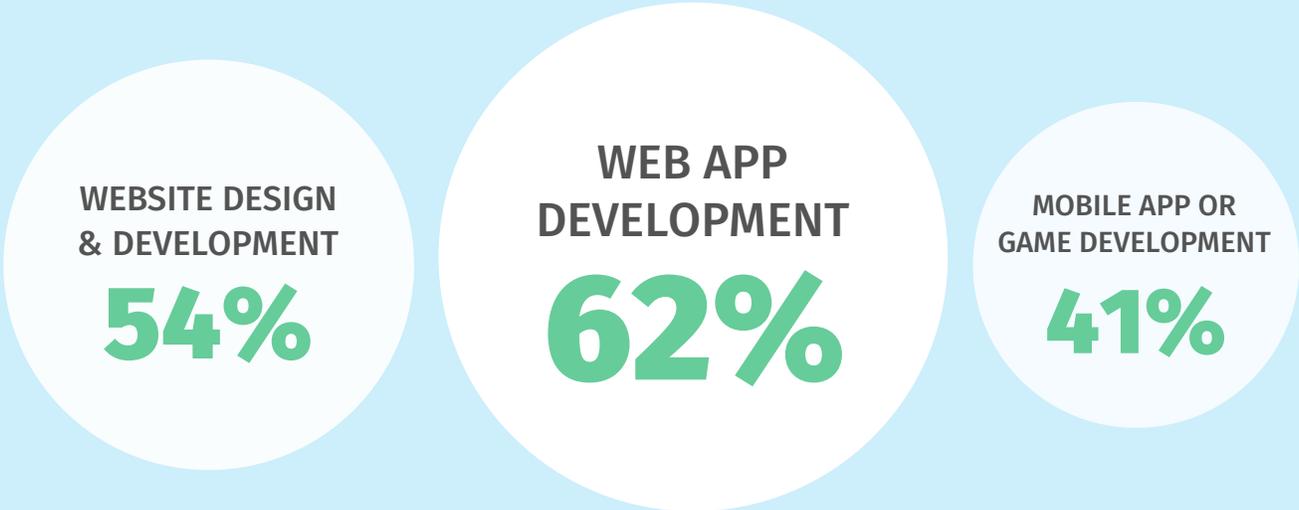
DIGITAL MARKETING   SOFTWARE DEVELOPMENT   MARKET RESEARCH

SYSTEM ADMINISTRATION   ERP   ECOMMERCE   ADS SERVING   DATA ANALYSIS

SaaS PRODUCTS   CONTENT MANAGEMENT   CONSULTANTS

Primary roles of survey respondents:

Other
10%

Design
5%

Systems/IT
6%

Management
22%

Development
57%
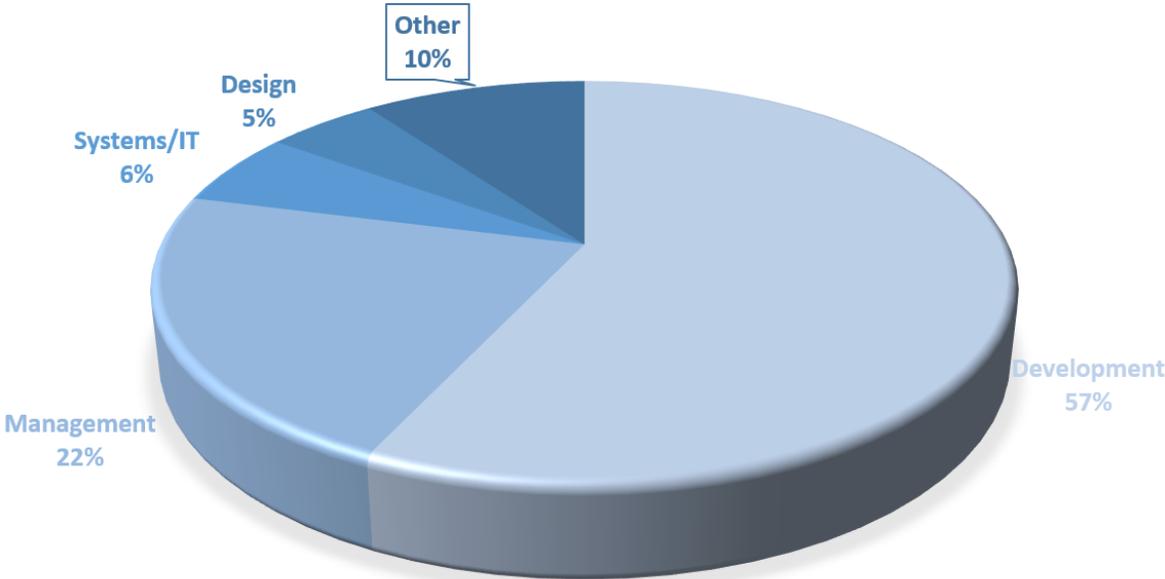
Company size does not have to be a limitation

Of the small companies that serve more than 50% enterprise clients, 87.9% use collaboration tools.
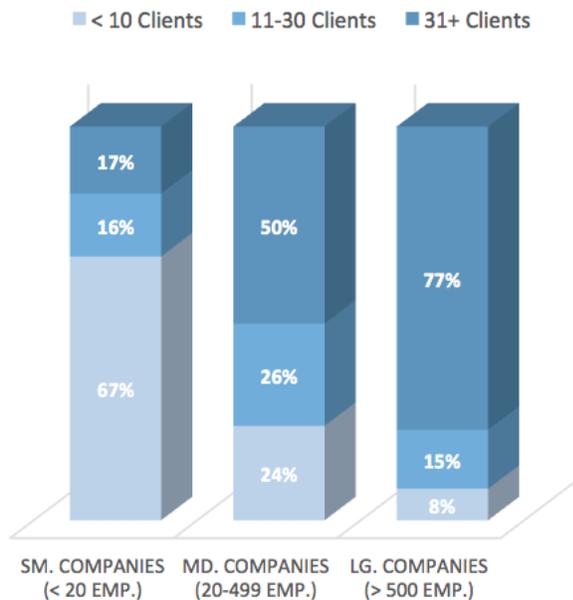
Survey results point to an interesting trend: You don't have to be a big company to serve many clients. Smaller companies that adopt enterprise-grade workflows can also serve many clients like their large counterparts.

Of the companies with less than 20 employees who serve more than 50% Enterprise clients, 87.9% use collaboration tools like Assembla, Atlassian/JIRA, Github, Asana, Trello, Basecamp, Usersnap, Teamwork, or others.
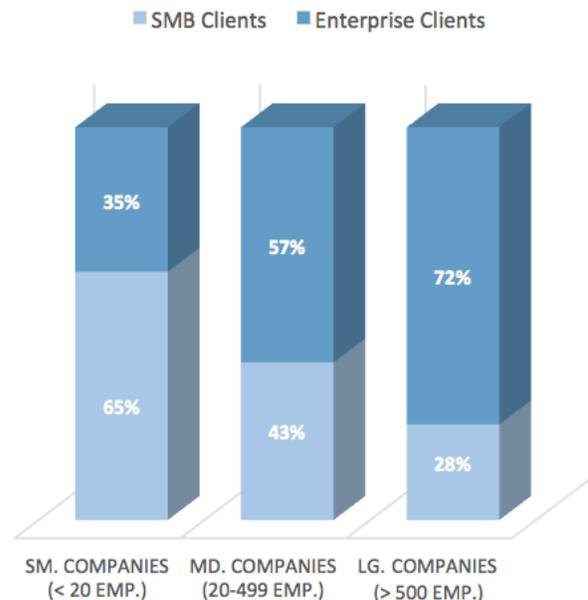
Of the small firms that serve more than 31 clients, 62% use collaboration tools.

It is not the size of the team that enables you to serve many clients, but rather the quality of your collaborations.

NUMBER OF CLIENTS SERVED

■ < 10 Clients   ■ 11-30 Clients   ■ 31+ Clients

	SM. COMPANIES (< 20 EMP.)	MD. COMPANIES (20-499 EMP.)	LG. COMPANIES (> 500 EMP.)
31+ Clients	17%	50%	77%
11-30 Clients	16%	26%	15%
< 10 Clients	67%	24%	8%

TYPE OF CLIENTS SERVED

■ SMB Clients   ■ Enterprise Clients

	SM. COMPANIES (< 20 EMP.)	MD. COMPANIES (20-499 EMP.)	LG. COMPANIES (> 500 EMP.)
Enterprise Clients	35%	57%	72%
SMB Clients	65%	43%	28%

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Web development is a global operation

The web development
and design ecosystem
has truly become a
global village.

With tools and innovations available today, teams are no longer
limited by geography and can instead hire the right person for
the job, regardless of where they are located. The web
development and design ecosystem has truly become a global
village.

Clients can partner with web development companies based on
criteria more important than location. In turn, web development
companies can hire talent anywhere in the world, keeping costs
down and results up.

North America - East
42.2%

North America - West
36.7%

Europe - West
43.7%

Europe - East
25.0%

Asia - Southeast
17.8%

Africa
5.5%

Asia - West
6.8%

South America
17.3%

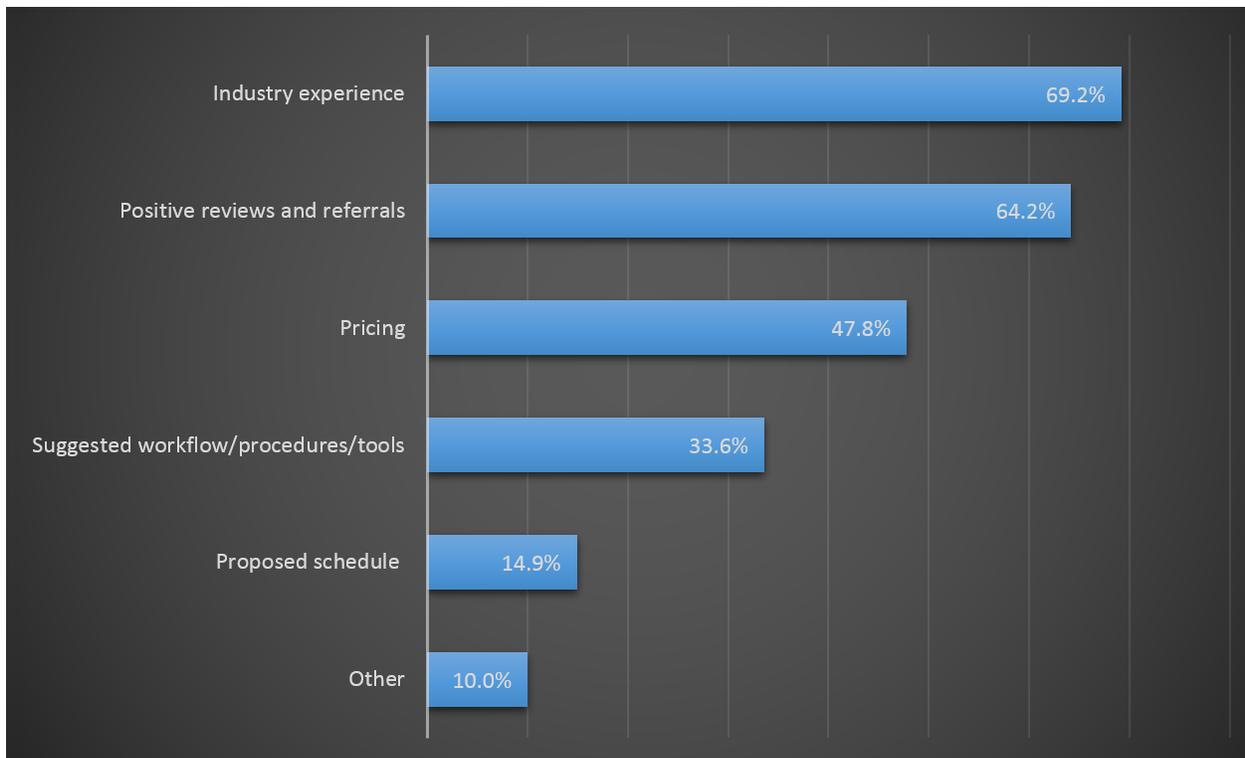Asia - Middle East
11.6%

Australia & South Pacific
12.1%
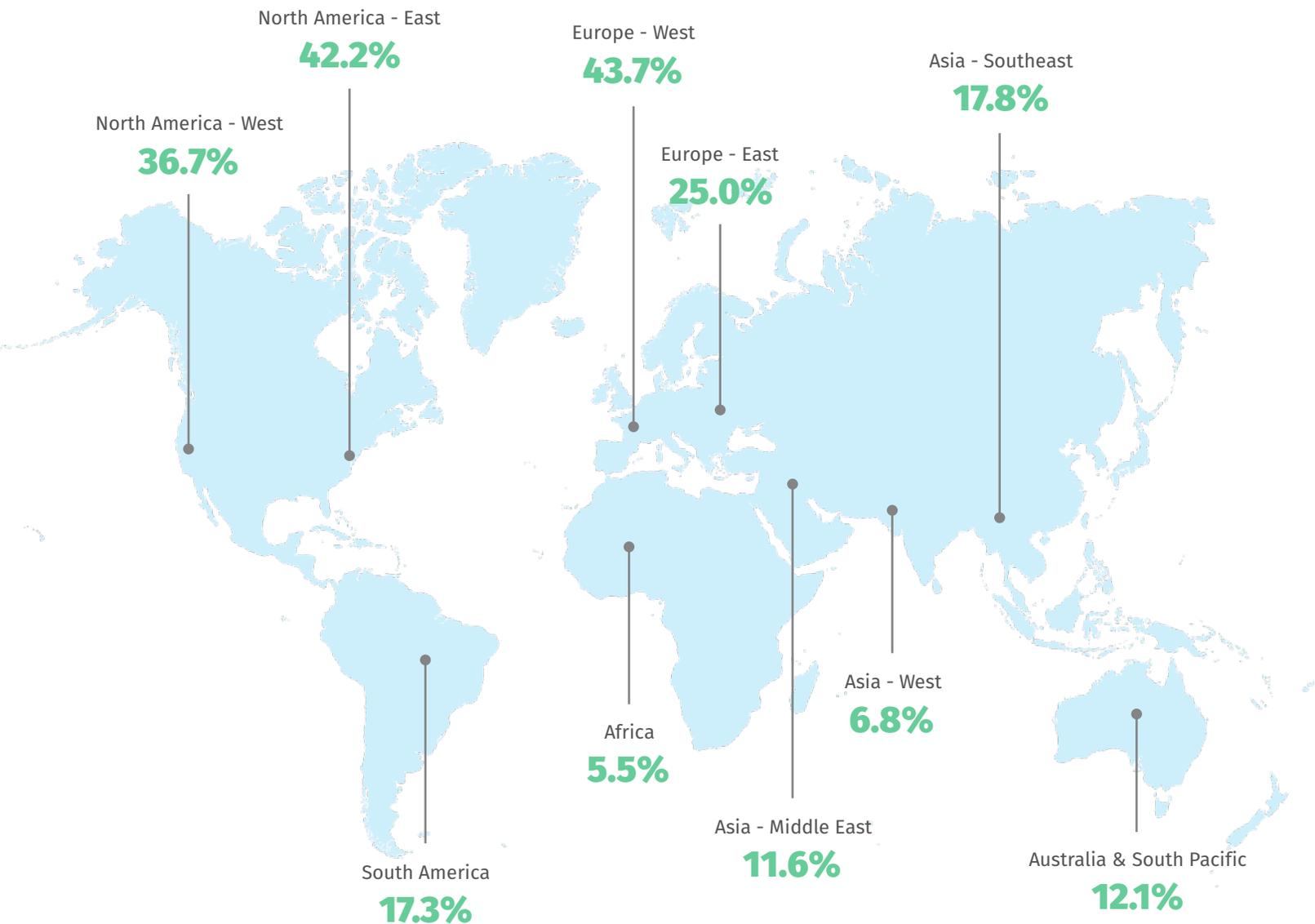
> Web development companies should highlight their experience and their satisfied customers in order to differentiate themselves from competitors.

Web development is not a price war

On the list of differentiators on which clients base their selections, price was a distant third place. Instead of fretting about price competitiveness, web development and design companies should highlight their experience in their niche and their satisfied customers in order to differentiate themselves from competitors.

DIFFERENTIATORS

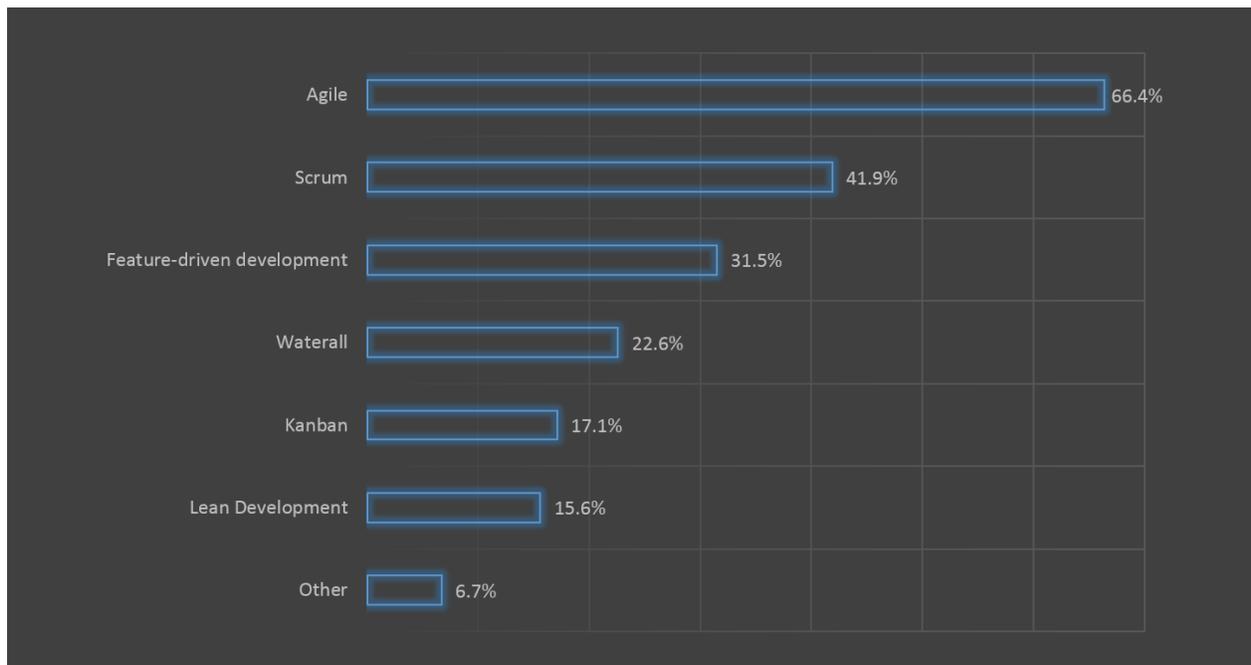| Differentiator	Percentage
Industry experience	69.2%
Positive reviews and referrals	64.2%
Pricing	47.8%
Suggested workflow/procedures/tools	33.6%
Proposed schedule	14.9%
Other	10.0%

Web Development is getting leaner

With Agile and Scrum leading the methodologies chosen by survey respondents, tools must offer solutions within those frameworks to be able to serve web development companies that work with clients. With the traditional Waterfall only occupying fourth place, there's a clear trend going to a more lean approach.

Agile software development will be served by tools that prioritize constantly evolving functionality and rapid delivery of business value for the end-client.

Tools that aim to support Scrum specifically will promote transparency and allow clients to change priorities and requirements quickly.

While many survey respondents revealed that their companies use more than one method, 75.5% of respondents use Scrum or other agile methods.

Tools must promote transparency, prioritize constantly evolving functionality, enable rapid delivery of business value for the end-client, and allow clients to change priorities and requirements quickly.

WEB DEVELOPMENT METHODOLOGIES USED IN CLIENT COLLABORATIONS

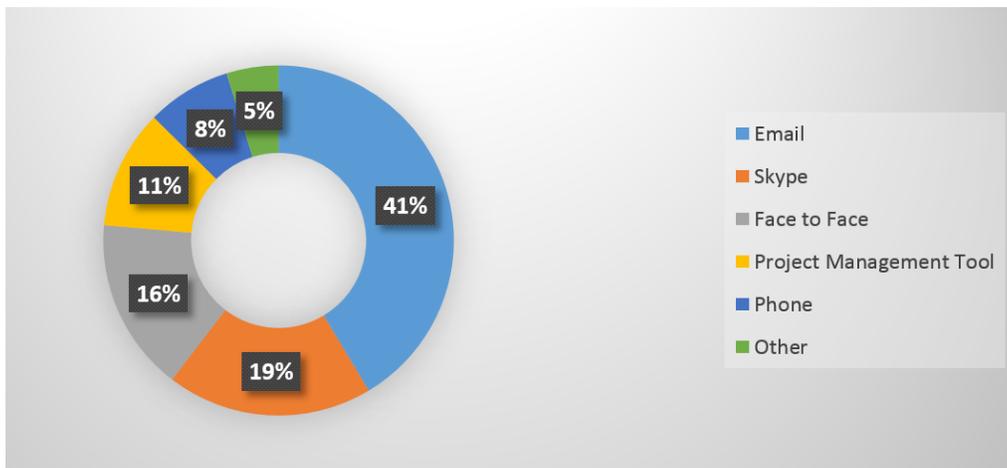| Methodology	Percentage
Agile	66.4%
Scrum	41.9%
Feature-driven development	31.5%
Waterall	22.6%
Kanban	17.1%
Lean Development	15.6%
Other	6.7%

Still waiting for email's successor

Implementing new tools inside project and client teams remains a challenge to be recognized, addressed, and solved.
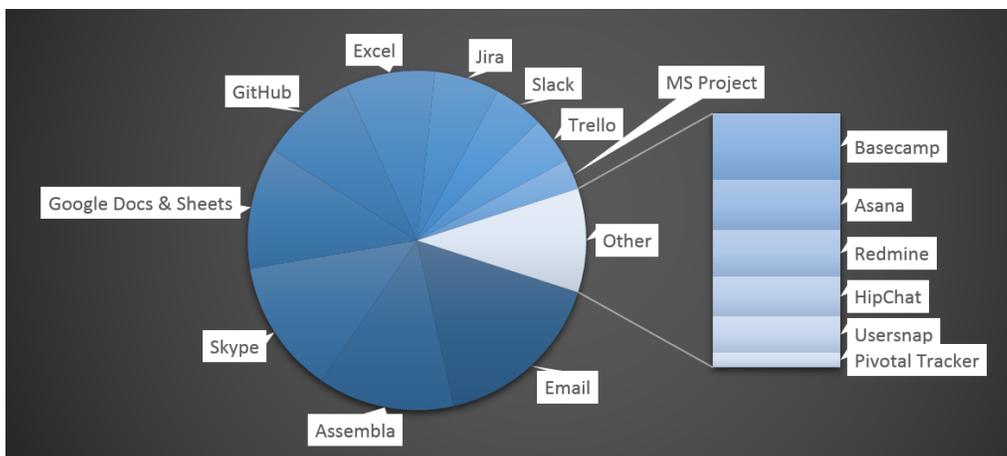
An overwhelming majority of web development companies are still using tools like email, Google Docs, and Excel with their clients. While tools like Slack and publications like Inc. promised an end to email, it seems that web development firms still use it.

Perhaps the tools that aim to replace it are too complicated for clients or not strong enough for web development firms, or perhaps we are still waiting for the perfect balance of power and simplicity. Overall, there's a clear sign that implementing new tools inside project and client teams remains a challenge to be recognized, addressed, and solved.

PREFERRED METHOD OF COMMUNICATING WITH CLIENTS

- 41% Email
- 19% Skype
- 16% Face to Face
- 11% Project Management Tool
- 8% Phone
- 5% Other

WEB COLLABORATION TOOLS USED WITH CLIENTS

Excel, Jira, GitHub, Slack, MS Project, Trello, Google Docs & Sheets, Other, Skype, Email, Assembla

Basecamp, Asana, Redmine, HipChat, Usersnap, Pivotal Tracker

Web development companies need a straight-forward single place to manage their clients, projects, feedback, and bugs.

Client collaboration toolset must-haves

The survey reveals that while they are still preferred, traditional tools like email, Skype or phone calls still lack some overall project management features.

When asked what is missing in the tools available, web development and design companies chimed in, overwhelmingly pointing toward a need for a straight-forward single place to manage their clients, projects, feedback, and bugs:

A simple, clean and slim collaboration tool, mainly to clients.

Everything in one tool.

A visual interface, and easy-to-follow conversations.

Choose what information can be shown to clients.

High level tracking.

A solution without too many options and not overly technical for clients.

The ideal integrated experience for a distributed team collaborating on client engagements.

A tool that is capable to replace whiteboards, flipcharts, lists, KANBAN and Scrum boards, which is completely open and flexible, but could also be efficiently structured.

Bug Tracking and Document Tracking.

A collaborative Gantt chart to keep high level order of tasks.

A good tool to manage tasks and control the budget of project.

A universal communications tool.

A requirements repository.

A good task-management tool or time-tracking application.

A simple to use, but comprehensive, time tracking system with billing capabilities.

A good task-management tool or time-tracking application.

Better prototyping tools.

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Multi-client, portfolio management to avoid the need to manually merge ticket system tickets (where billing is done) with source control tickets.

Single application with all features.

A good bug tracking application.

A visible (and affordable) project management tool that makes it easier for my clients to get a better view as to what's happening in the project.

A ticket system with extremely end-user-friendly interface facing the client.

Better integration across all toolsets.

We need a way to view all projects in one view.

To be able to configure each ticket field as "full control"/"read-only"/"not visible" for watchers/members/owners.

A visual interface, and easy-to-follow conversations.

An easy way for clients to submit testing feedback for a project we are currently working on that integrates to the other project management tools we are using.

An innovative tool that will facilitate better communication flow with clients.

An easy way to collaborate with remote teams.

A tool with the technical features we need, that isn't too technical for our clients to use.

I am missing a tool that properly separates the client area from our internal area. Now, to be able to control what the client sees, I create 2 projects with the same name - one internal and one for the clients to interact with.

Web development
companies need to
infuse better tracking
into their workflows to
increase profit by over
30%.

Chaos in billing is leading to lost funds

Web development and design companies are shouldering
financial burdens as a result of poor tracking. Billable hours
remain uncaptured, companies spend resources handling
regular billing disputes, and hours are forfeited due to poor
documentation.

If they could find a way to infuse better tracking into their
workflows, web development shops could bill 30% more, collect
30% more, reduce 5 billing disputes, and increase profits by
over 30%!

Too much money is being left on the table with current tracking.

70.8%

Average rate of captured billable hours

5.05

Average number of monthly billing disputes

10.8

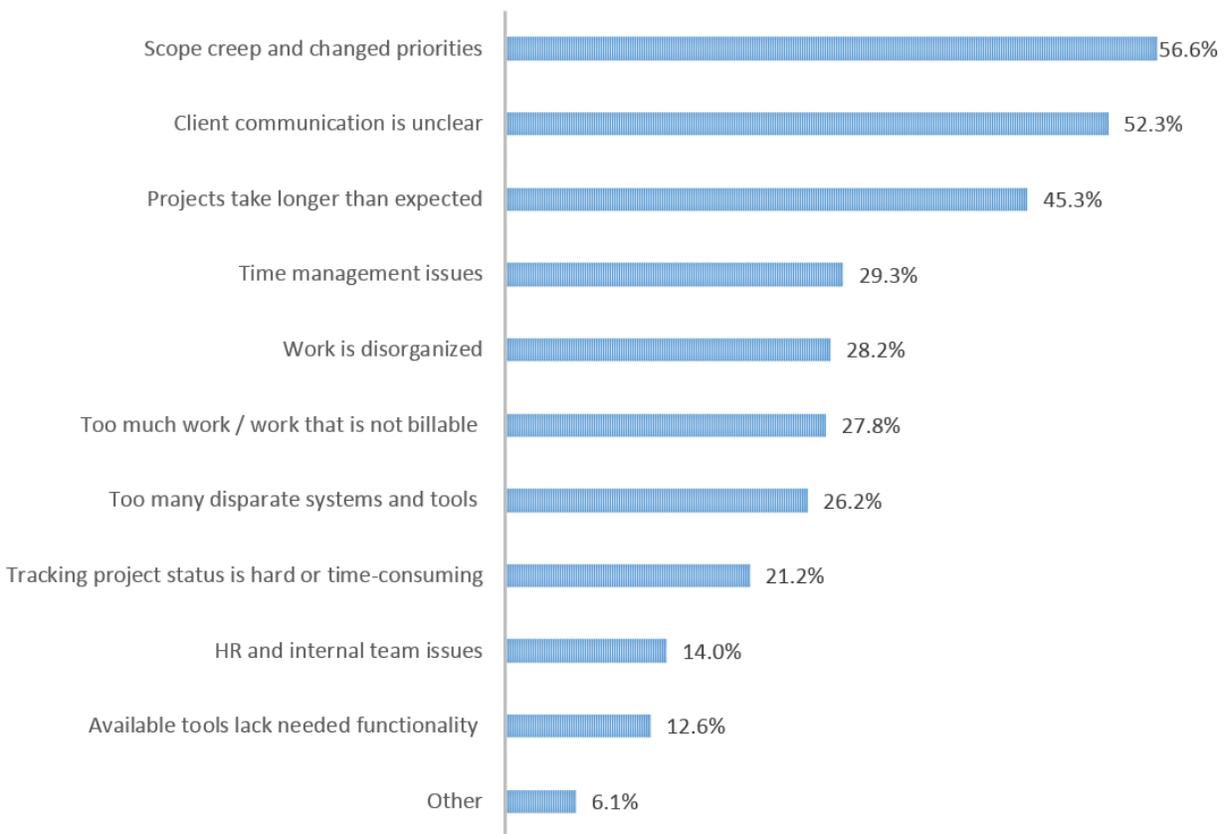**Average number of hours forfeited due to improper documentation**

Frustration caused by lack of clarity

Web development firms get frustrated most by changing priorities and scope creep, as well as unclear client communication.

Given a way to simplify and clarify correspondence with clients and engage with them in a way that allows the client to set (and change) priorities, and the company to always work on the tasks that are most important to the client, will alleviate the major frustrations for web development companies.

Visibility will alleviate the major frustrations for web development and design companies.

FRUSTRATIONS OF COLLABORATING WITH CLIENTS

Frustration	Percentage
Scope creep and changed priorities	56.6%
Client communication is unclear	52.3%
Projects take longer than expected	45.3%
Time management issues	29.3%
Work is disorganized	28.2%
Too much work / work that is not billable	27.8%
Too many disparate systems and tools	26.2%
Tracking project status is hard or time-consuming	21.2%
HR and internal team issues	14.0%
Available tools lack needed functionality	12.6%
Other	6.1%

Client satisfaction can be improved with Agile methodologies

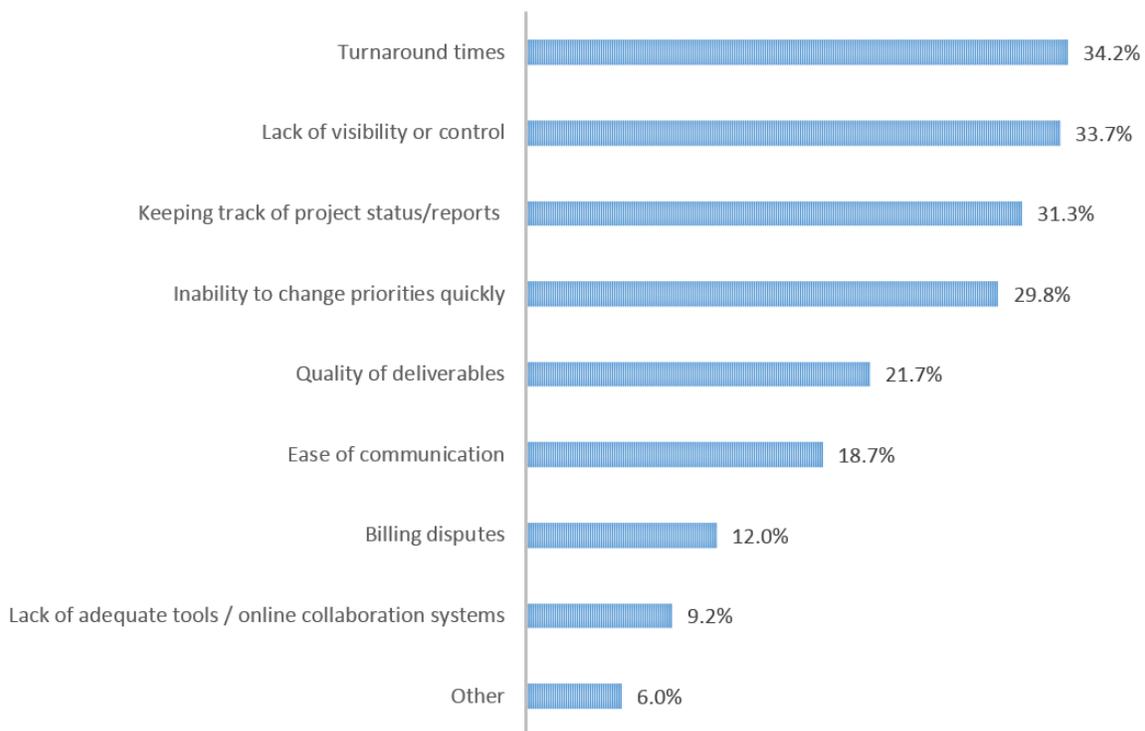**Client frustrations can be resolved with Agile fundamentals.**

Clients of web development firms are frustrated by four main areas:

1. Turnaround times

2. Lack of visibility or control

3. Keeping track of project status

4. An inability to quickly change priorities.

By adopting more principles of the Agile methodology in their relations with clients, web development companies can reduce frustration (and increase satisfaction) for their clients.

When clients are given visibility into the project progress, they can control how often they track progress, change priorities on the fly, and gain understanding into the effects such changes have on turnaround times.

CLIENT-SIDE FRUSTRATIONS

Category	Percentage
Turnaround times	34.2%
Lack of visibility or control	33.7%
Keeping track of project status/reports	31.3%
Inability to change priorities quickly	29.8%
Quality of deliverables	21.7%
Ease of communication	18.7%
Billing disputes	12.0%
Lack of adequate tools / online collaboration systems	9.2%
Other	6.0%

Global collaboration can be streamlined with asynchronous answers

By far, the biggest frustration about working with distributed collaborators is time zones.

With tools that enable conversations to continue asynchronously, time zones matter less and distributed teams can work together more effectively.

Team members need a way to make clear requests and call the attention of the right people at the right time. This way, when they return to work at their time, all of the answers they need will be waiting for them at the right place.

The solution to distributed time zones is clear conversations that create answers.

With the right tools, time zones matter less and distributed teams can work together more effectively.
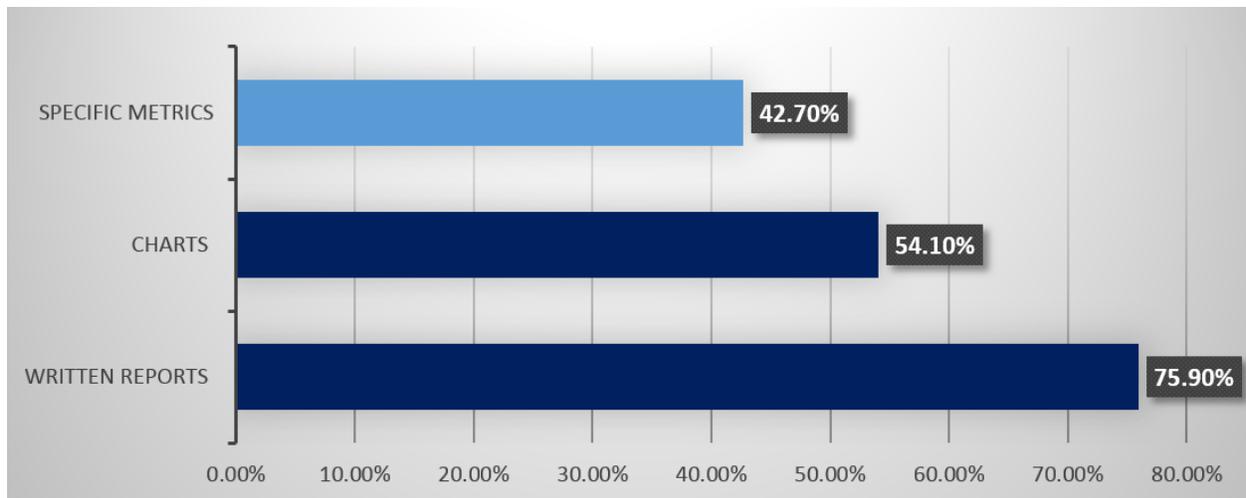
GLOBAL COLLABORATION FRUSTRATIONS

TIME ZONES	60.3%
LANGUAGE	32.1%
CULTURE	29.7%
OTHER	12.9%

Information-sharing is misguided
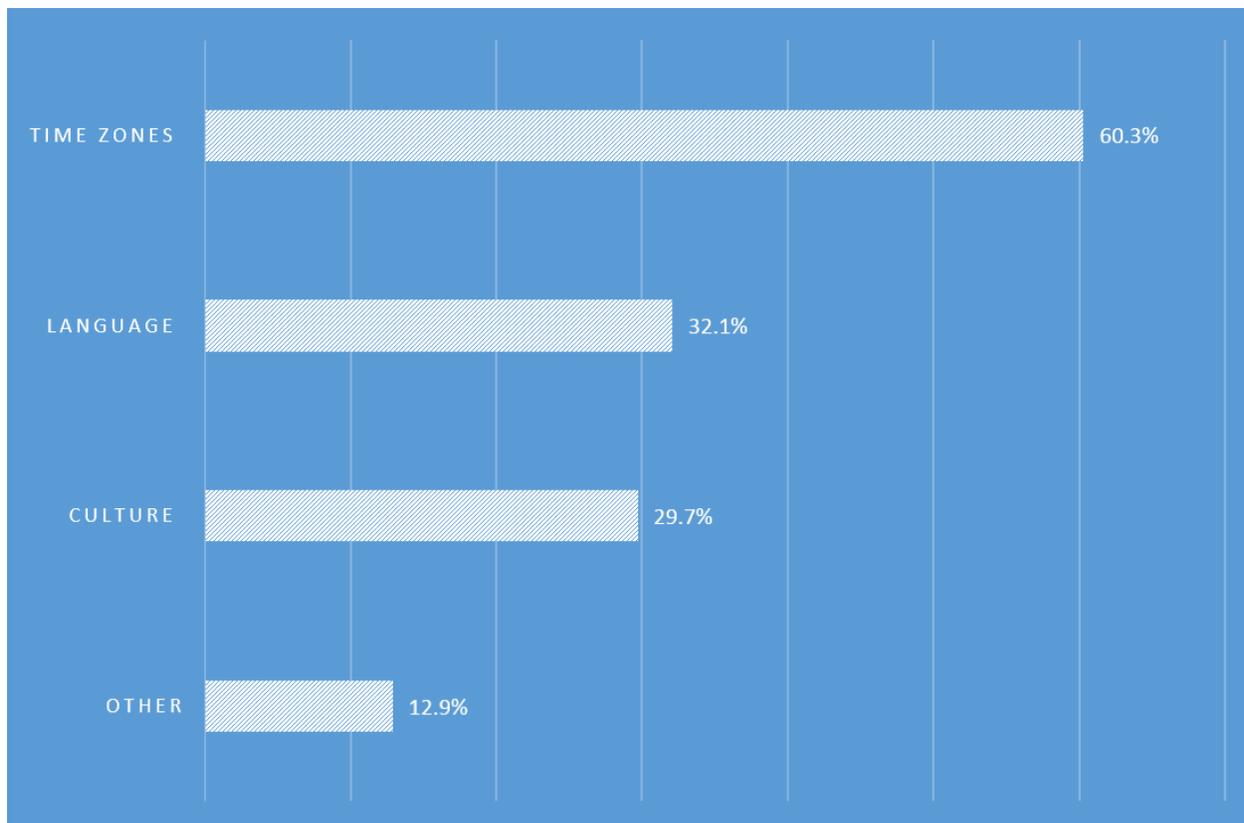
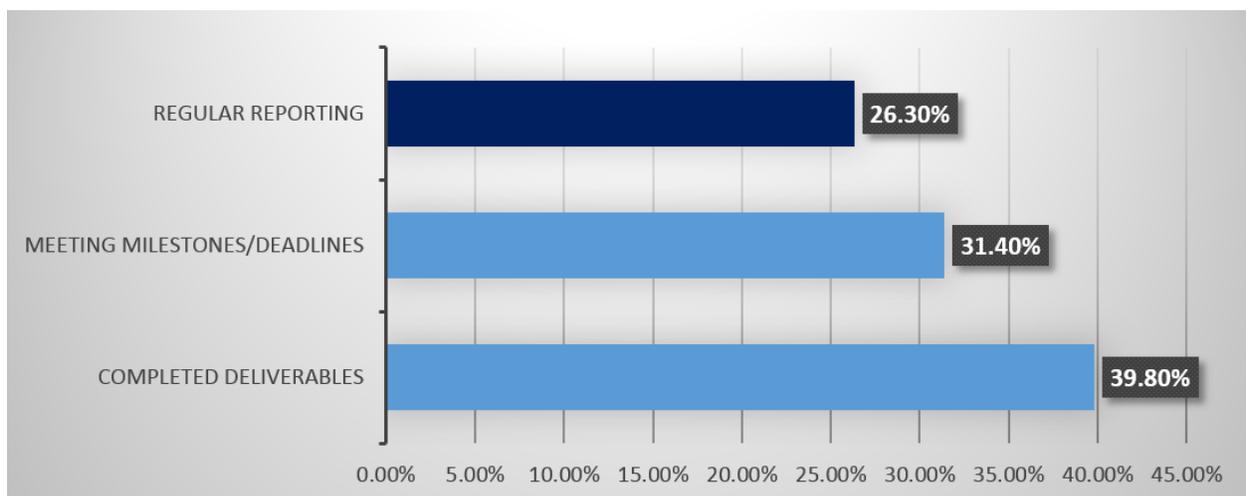Reports, charts, and graphs are time-consuming. More importantly, they are not what clients want.

Web development companies are spending resources to create written reports, charts, and graphs; but in fact, clients want more useful (real-time) view into progress.

Giving them ongoing visibility into status will build trust and save time spent compiling unnecessary reports.

INFORMATION SHARED WITH CLIENTS

Category	Value
SPECIFIC METRICS	42.70%
CHARTS	54.10%
WRITTEN REPORTS	75.90%

CLIENT'S MOST USEFUL INDICATOR OF PROGRESS

Category	Value
REGULAR REPORTING	26.30%
MEETING MILESTONES/DEADLINES	31.40%
COMPLETED DELIVERABLES	39.80%

Closing Thoughts

In analyzing the results of this survey, we were pleasantly surprised by several factors.

First, it seems that companies are finding that the same methodologies that have proven successful in internal collaborations are also delivering success when used with clients. Namely: visibility, agility, and clarity.

Furthermore, we are thrilled to see more companies blurring boundaries set by geography and finding solutions to create the best team that will deliver the best product quickly. With global development teams and streamlined communications, wonderful things are possible.

Finally, it is refreshing to witness the shift from hourly work to long-term engagements from clients. This is further proof that trust is being built, partnerships are being forged, and true collaboration is happening.

We are looking forward to next year's survey and seeing what surprising results we will find after a full year of advancements from companies, team members, clients, and the tools that serve them all.

Assembla Portfolio is a SaaS tool that provides one home for web development client collaborations:
projects, teams, files, code, and tasks.

With a portfolio-level view that integrates the workspaces that house tickets for tasks, repositories for code, and real-time conversations, client collaborations are effective, web development teams are empowered, and clients are satisfied.

Find out more:

assembla.com/portfolio

Usersnap makes bug reporting & collecting feedback through visual communication fun again.

People working on website projects are often fed up with the endless email threads concerning website bugs, change requests and general feedback.

With Usersnap, those annoying email threads are replaced by screenshots allowing everybody to immediately understand each other by making use of this visual form of communication.

Find out more:

usersnap.com