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The benefits of offshore teams for building software

Introduction

Today's software companies **invest a huge amount of time, effort, and capital** into staying at the very top of their game.

However, with the competition for recruiting talent fiercer than ever, most companies are left with mediocre developers and software.

And that's why more and more businesses are turning towards [building dedicated teams](#) **of elite software developers offshore**.

It's fast becoming the most cost-effective, practical, and sustainable solution for the industry.

In this piece, you'll find a proactive comparison of local and offshore tech teams to help you decide if **going offshore is the right move for your business**.

1. How much does it cost?

Staying local

In the US and Western Europe, **hiring local talent means significant outlays**. If you want the best talent, you need to pay an absolute premium.

And **salary is only one aspect**: there's the whole recruitment process (and their generous fees), the office space and equipment, plus employee-centric extras like health insurance, flexible working, and plenty others.

1. How much does it cost?

Building an offshore team

Things are a bit different if you take the offshore route.

For starters, the **cost of living in countries like India and Ukraine is significantly lower than in the West**.

This correlates with salary, so it's **much cheaper to hire equivalent labour through offshoring** than in your local area.

Note we're talking about equivalent engineers and not half-trained programmers with no real experience.

So when you **engage with the right offshore partner**, you can always find developers who meet or exceed, your requirements — all at a much lower cost.

Source: Numbeo

India's cost of living is 65% lower

than the
United States'

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2. Accessing talented and forward thinking engineers

Staying local

The real problem is the **scarcity of local talent**.

Even in major cities like Paris, there tends to be a deficit of quality **software engineers available at an affordable cost**.

Paying full-time employees $60-100 per hour is far above the resources of most companies, but that's what it's starting to take.

2. Accessing talented and forward thinking engineers

Building an offshore team

The abundance of extremely well-trained developers in India is astonishing.

India **produces over 1.5 million new engineers every year,** and they flock to tech hubs like Bangalore. And they speak English with total fluency, too.

By building an offshore tech team, you don't get a blitz of introverted tech wizards lacking people skills; it's a **well-balanced, proactive team of engineers** who can take command of their projects and assimilate perfectly into a team of Westerners.

Source: The HR Director

The demand for tech specialists in the UK could rise 20% by 2030

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Can offshore teams really work?

This is what it comes down to. On a day-to-day basis, can my business thrive with half my developers working thousands of miles away in a different time zone?

Absolutely.

Your **offshore team is a fully integrated extension of your local team**. Including management that reports directly to you. We're talking about full-time, well-compensated professionals who are passionate about their work.

It's your work culture, your ethos, and your rules which all these new employees play by.

How to make offshore teams function well day-to-day

First job? **Implement good communication and task-scheduling tools**, if you're not already using them.

From instant messaging and video calls to task scheduling, there's a lot of simple processes you can put in place which massively streamline everything you do.

It's also **good to emphasise a culture of 'if you're not sure, ask'** — it helps overcome a lot of hurdles early on.

And that's it. If growth is on your mind (or if you simply can't fill the empty capacity in your office), then **extending your team to India might be exactly what your business needs**.

Thank you

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