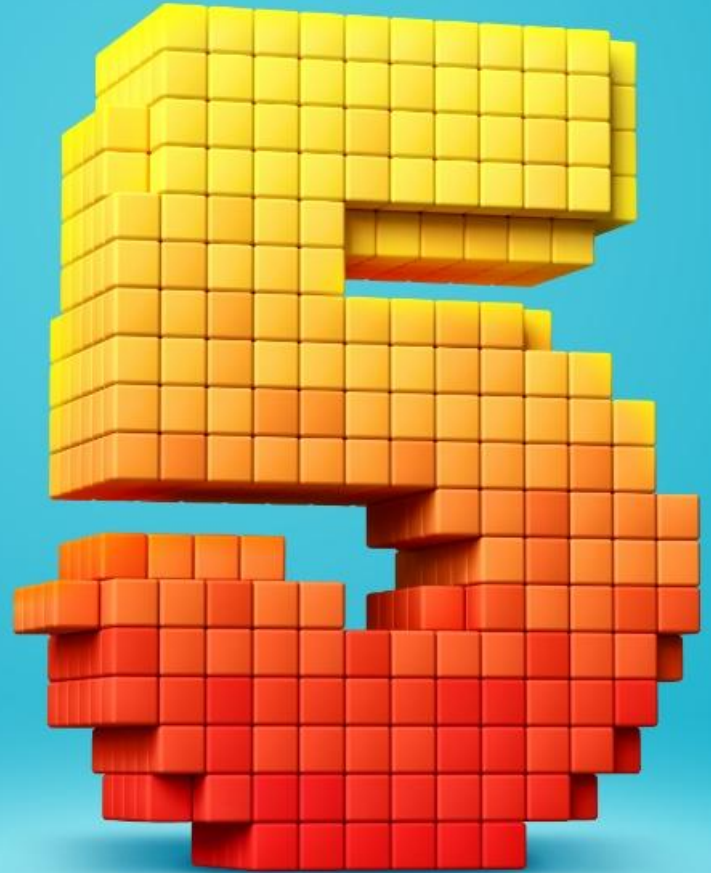




**Top 5 IT offshoring
development trends
changing the way
we work**





Introduction

Since gaining popularity in the early 2000s, the offshore model has **reshaped many global industries**, helping them access niche skills and scale at speed.

As the number of organisations that work with offshore teams continue to grow at an exponential rate, here are some [IT offshoring trends](#) to watch out for in the coming years.



1. Increase in demand for cutting-edge skills

According to experts, the global talent shortage will **reach 85.2 million within the next decade.**


Left unchecked, this will lead to roughly €7.1 trillion in unrealised annual revenues.

The reality is that businesses in the West are simply unable to find engineers **proficient in cutting-edge technologies** such as Machine Learning, Artificial Intelligence, and automation.

In fact, the USA, despite being the undisputed tech leader, could lose out on **over €136 million in revenue** because of the talent shortage.

Source: ManpowerGroup

There will be a global shortage of over 545K software developers by 2026



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Offshore development: A solution in sight?



Building an offshore development team allows businesses to **access massive talent pools** in emerging tech nations.



For instance, according to studies, India will have a surplus of **over 1 million skilled tech workers by 2030**, potentially making it the next tech leader.



And so, one of the top IT offshoring trends in the coming years will be the **establishment of dedicated teams** in countries like India to overcome the increasing requirement for individuals with cutting-edge skills.





2. New offshore locations

Currently, India is the world's **number one offshoring destination**, with 80% of the world's 500 largest companies building dedicated tech teams in the country.

However, as demand for skilled tech workers continues to grow, more businesses are moving to new offshore locations **in Eastern Europe, America, and Asia.**

For example, countries like Ukraine, Poland and Romania are emerging as nearshoring destinations for businesses in Western Europe.

The negligible time difference and cultural compatibility means that they can **save money and access talent** that they can't find locally.





3. Enhanced data security

Low-quality outsourcing and exaggerated offshoring horror stories have led to organisations questioning **the safety of confidential data** with their distributed team.

And therefore, one of the most important IT offshoring trends in 2021 is cybersecurity for distributed teams.

On the one hand, governments are **creating stricter cybersecurity rules**. For example, the DSCI (Data Security Council India) Summit 2020, discussed critical themes such as the national cybersecurity strategy, end-to-end encryption, **data-driven organisations, cyber insurance**, and more.

On the other, businesses are also educating themselves on the **fundamental cybersecurity frameworks** they must implement to mitigate security risks and protect sensitive data, irrespective of where their team is located.





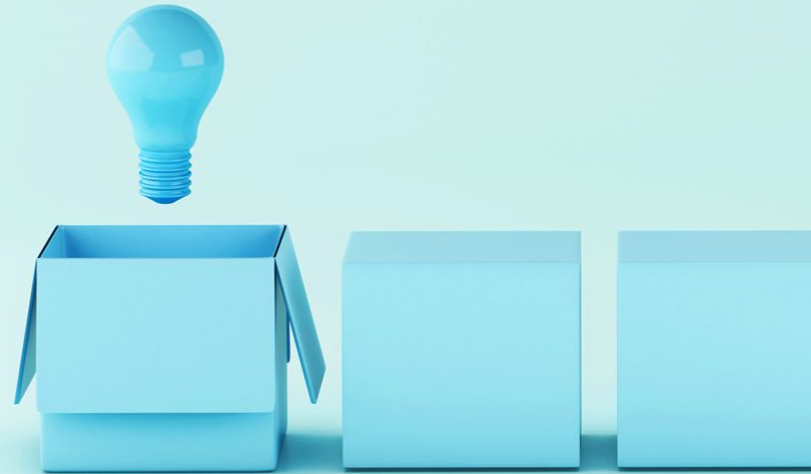
4. Increase in the use of collaboration tools

With the rise in globally distributed teams, a growing IT offshoring trend is the use of digital tools as a bridge between local and offshore teams.

Implementing modern-day collaboration tools means that businesses that work with an offshore team do not have to worry about miscommunication, time management, and costs.

Some of the best collaboration tools that you can use when working with offshore teams include:

- Podio
- Trello
- Asana





4. Increase in the use of collaboration tools

Podio

Podio is an application that **helps teams organise tasks and projects** by using a system that adds content, context, and conversations all in one place.

Trello

Trello uses a **simplified kanban card-based system** to build a ground-level project management framework, create task boards, track progress, attach files, create custom dropdowns, and more.

Asana

Asana helps you **organise your work into shared projects** and access different tasks, visualise checkpoints, share progress, design workflows, attach files, and more.



5. Value over price

Offshoring isn't about hiring employees at the lowest price possible.

It's about gaining **access to talented individuals** who are experts in their industry.

While lower operational costs is still one of the drivers of offshoring, **businesses are paying more attention to the value** that an offshore development team brings to the table.





Wrap it up



By partnering with the right offshore company and building a dedicated team **in emerging tech hubs like India**, businesses can access the skills they can't find locally.

And by keeping abreast of **evolving IT offshoring trends** and following well-thought-out strategies, they can also ensure that they have the **right ingredients for success** irrespective of any challenges which may arise.

Thank you

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