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Which route to take: offshore development company vs freelancers

# Introduction

Talent gaps in Australasia, Western Europe, and North America aren't going anywhere anytime soon. So, IT leaders need to look for **alternative ways of building their tech teams.** But, with the different options out there — which one is best?
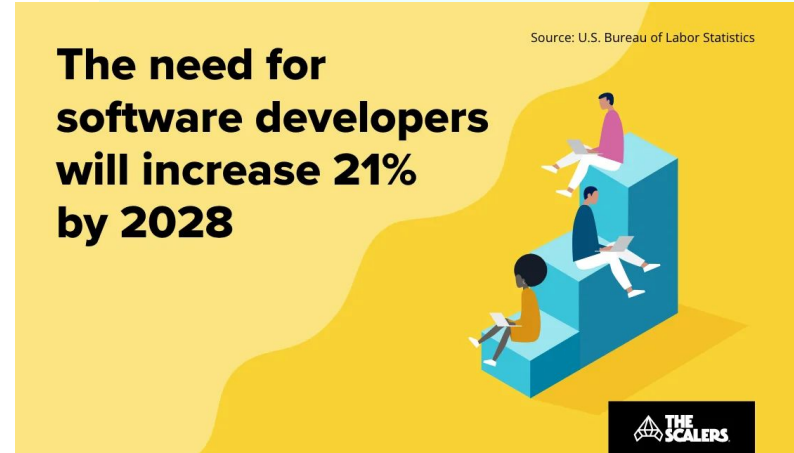
Let's take a closer look at the differences between [offshore development vendors](#) and hiring software engineers as freelancers.

# 1. Building a relationship

When partnering with an offshore expert on the ground, building a relationship is key. In fact, if it's going to be a success then it's inevitable.

- Freelancers are **a short-term fix, not a long-term investment**. So while work will be completed, will there be a strong bond formed?

- An dedicated team built with an offshore partner is **a long-term, high-value extension** of your current engineering setup

- Ask yourself which option is best for ongoing fixes and iterative improvements of your products and services



Source: U.S. Bureau of Labor Statistics

**The need for software developers will increase 21% by 2028**

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# 2. Acquiring and retaining elite talent

Both options give CTOs the ability to leverage talent from talent-rich locations **in the global marketplace of engineers**. However, there's some key differences to be aware of:

- Freelancers are external support and not full-time employees of your company
- As a result, can you really expect them to be fully aligned with your mission and values?
- And will they deeply care about the products and services they work on?

With an offshore development company you'll have a **fully integrated team of developers** totally committed to your business and its long-term strategic objectives.

# 3. Data protection and security

In the IT sector, **confidentiality is critical for survival.** As freelancers operate on a small scale and for multiple clients, they lack the necessary infrastructure to protect data privacy and security. On the flipside…

- An offshore development partner adheres to NDAs, legally protecting your IP ownership

- They implement advanced security and conduct regular security checks

- They'll typically mirror your protocols at home in your offshore development centre



Source: Findstack

**By the end of 2023, IT outsourcing should exceed a spend of $1.3 trillion**

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# 4. A question of quality assurance

It's hard to verify if freelancers are adhering to industry-best standards. And, they might be working for **multiple clients and focus on speed,** so quality can take a hit. On the other hand, with an offshore development company:

- You get the best services from project requirements, to business process analysis, R&D, technical support, and coding

- You have **continual oversight over the quality** and direction of the product

- Meanwhile the offshoring company's senior experts ensure that everything runs smoothly

# 5. Scaling without limits

Hiring freelancers means hiring a single person at a time. But if the project requires multiple experts, hiring them across different stages of development becomes **a complex and expensive issue**, causing unnecessary delays.

You'll need to find new talent again and again if you want the **right expertise to develop ongoing iterations.** Businesses that work with freelancers have to deal with multiple contact points since they are independent contractors.

With an offshoring partner **you're able to scale up or down on demand,** in line with your specific capacity and technological requirements. It's as simple as speaking to your dedicated account manager.

# **Wrapping it up**

Due to freelancers' solid expertise, they can be beneficial hires for small projects that last 2-3 months. Software development companies ensure that the **teams they build for their partners have expertise** across the entire required technology stack. This is why they make a better choice for complex projects that can take years of development and require complex execution.

# Thank you

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