How to Offshore
The Right Way

Discover a new way companies are choosing to reduce costs and increase the quality of their services.

QAT Global

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Offshoring vs. Nearshoring

In order to keep costs low and remain competitive, many companies choose to offshore a portion of their IT development projects. Traditionally, these offshore destinations have low wages; providing significant cost savings for the company and ultimately benefiting their customers. However, this trend is changing quickly.

Wages in China and India, traditional offshore destinations, are rising – quickly narrowing the cost-benefit difference. In addition, companies are looking for ways to have more oversight over the projects they offshore after experiencing significant time zone and communication challenges. Nearshoring, an alternative to traditional offshoring, has enabled firms to do just that.

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Blue collar pay
has soared between
fivefold and ninefold in dollar terms
in the last decade.
–Keith Bradsher of
The New York Times

Nearshoring is a concept in which a company outsources IT project development and/or maintenance to a location that is geographically closer. When a company nearshores, it is able to collaborate with the offshore staff more easily since they are in a similar time zone. Nearshoring also provides the optimum time-to-market schedules for projects and cost reductions companies expect when offshoring.

Nearshoring Benefits:
Proximity

Nearshoring is an alluring alternative to offshoring because of the geographic proximity of the nearshore destination for a few different reasons.

When a company chooses to nearshore, its onshore staff is able to communicate with the nearshore team in real time. Phone and video conference calls are made easily, without having to inconvenience either of the teams.

When teams are able to communicate, desired outcomes are clearly shared, resulting in quality work. If an error was to occur, onshore teams wouldn't have to wait for several hours in order to fix the problem.

Easier Communication

Faster Decision-Making

Increased Collaboration

Cultural Similarities

The closer the nearshore location is, the more similar the cultures may be. For instance, the majority of professionals in Latin American countries possess a fluency in English. Recently, Gartner reports on worldwide outsourcing markets and trends showed that Latin American economies are emerging as a prominent location for the outsourcing sector and are expected to see a growth of 14.21% by 2018.

Nearshoring Benefits: Cost Savings

Due to rising labor costs in traditional offshore locations like China, India, and Russia, now is a great time to switch to nearshoring.

Labor wage savings are an added benefit to nearshoring. Many U.S. companies choose to offshore to Latin American countries because of advantageous exchange rates and their low costs of living. This means that compared to nearshoring to Canada, Central America or South America would be advantageous.

Nearshoring to Brazil or Costa Rica can save you an average of 30% compared to an onshore solution

"
Don't be afraid to give up the good to go for the great."
John D. Rockefeller

Nearshoring Benefits:
Skilled Labor

In order to evaluate whether a nearshore location is worthy, a company must consider how large and skilled the labor force is.

Brazil, for example, has around 250,000 IT professionals, making it an excellent location for locating offshore talent. Brazilian universities have been overwhelmed by applicants, and their student enrollment has more than doubled in just the last 10 years.

Another example is Costa Rica. Costa Rica is a country dedicated to being the most technically savvy with the best engineers and developers in Central America. Costa Rica has a large talent pool of excellent engineers, graduating more than 3,000 each year from their universities.

Both Costa Rica and Brazil's investments in education have had a tremendous impact on their development, turning making them both remarkable nearshore locations for your offshoring needs.
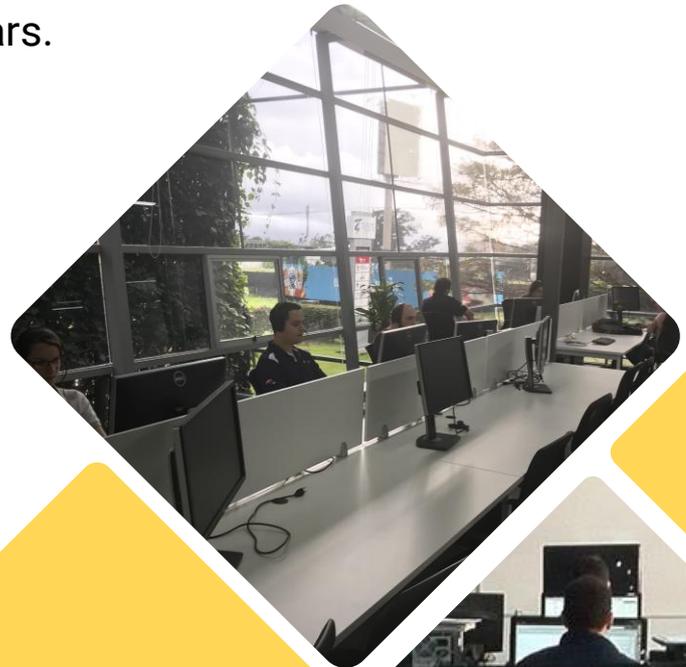
Why Outsource to a Nearshore Team?

| BUILDING YOUR OWN TEAM	OUTSOURCING
Most companies don't have strong connections overseas.	Connections have already been established.
Hiring all new staff on top of onshore staff is a huge investment.	You wouldn't have to hire a whole new staff.
International regulations, compliance, and tax laws would need to be considered.	Complications are taken care of by the nearshore team.
Finding and retaining talent can be quite the challenge.	Nearshore team will take care of retaining talent.

When it comes to nearshoring, many companies have to decide whether to build their own nearshore development team or to outsource to an already established team in the nearshore location.

Building your own team is a complex task involving legal, tax, infrastructure and logistic complexities. In most cases, working with an outsourcing partner proves to be the most beneficial. Picking the right nearshore partner is crucial and can result in strong benefits in terms of risk mitigation, speed, and quality.

QAT Global, Brazil, Costa Rica, & You

At QAT Global, our commitment to quality means two things. First, we are committed to delivering quality solutions, meeting expectations, and satisfying clients. Second, we are committed to continuously improving the processes by which we provide our solutions, so that our work repeatedly hits the mark each time.

- Through training and governance QAT Global provides consistent, quality results both on and offshore.

- Dedicated resources are accountable for timely delivery and long-term success.

- Proven system for on-boarding client teams to provide rapid implementation and ongoing support of new technologies.
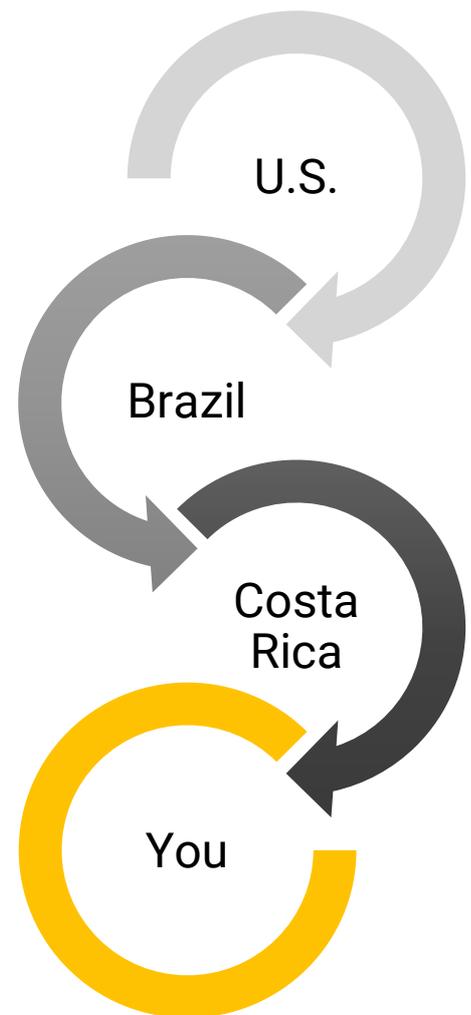
Software Development | Web Development | Testing

U.S.

Brazil

Costa Rica

You

Nearshore Outsourcing Advantages

➤ Communication

➤ Long-term relationship building

➤ Cost savings

➤ Flexibility & agility

➤ Strong integration & follow-up

➤ Delivery management

Enterprise Level Company Finds Success in Brazil

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Client Testimonial

Sensus USA Inc. provides smart meters, communication systems, software, and services for electric, gas, and water industries worldwide.

Custom Software Development / Brazil Offshoring

QAT has been a trusted supplier of software development services to Sensus for 5 years. We have turned to them over and over for both short term projects as well as long running programs. Our teams have come to trust their technical leadership and decision making when they are part of a larger team and also when they are delivering a project independently. We appreciate that the architects and engineers think about the big picture and bring to our attention implementation options to consider that affect our system flexibility and cost of ownership down the road. The quality of deliverables has been excellent and we have measured a far lower defect rate per lines of code committed than any other team. Code delivered is tested by the engineer who wrote it and test automation used when possible. Frequent demonstrations of work and progress keeps our stakeholders engaged with progress improving quality and ability to meet schedules. Not only is the planning well executed to be confident in the schedule but the Agile process used insures there are no surprises. We feel informed and up to date on all aspects of risk and schedule at all time.

Matt Ferguson, Sr. Director of Analytics Solutions, Sensus

Health Startup Finds Success in Brazil

Client Testimonial

Custom Software Development – Nearshore and Onshore

Starting with my first impression from our initial meeting with QAT. The meeting was very inviting and professional. Vitalistics discussed our business plan and vision in an open manner which was received very well. Both parties expressed ideas, technical concerns, timelines, revenue streams, as well as marketing strategies. My partner and I left the meeting with a positive feeling about QAT for we had met with several other companies which in turn we did not feel it would be a good fit. Shortly after the first meeting Vitalistics and QAT met for more in depth overview and planning. Our business plan is very technical and demands a lot of developmental programming interacting with medical devices transmitting data to healthcare providers. In a very positive and approachable way we came to terms that were acceptable to both businesses.

Once we came to terms and got started, I was very encouraged about the attitude, commitment, momentum, and accountability that QAT has demonstrated. From day one they set up a timeline which they hold themselves accountable too. These timelines are called sprints where they set realistic goals to get accomplished in each sprint. They in turn assigned the appropriate staff to accomplish not only the timeline but to overcome the technical challenges as well. Every morning we had meetings to address progress, challenges, new ideas or concerns. After each sprint was complete we had a team meeting to demonstrate the progress of the application and challenges we had overcome. QAT has also been very open for discussing modifications and have suggested improvements that has made Vitalistics exceed my expectations. This has carried on throughout the process. The implementation process has been impeccable.

I have owned and operated several national healthcare companies and have worked with many other companies throughout my career. QAT has been one of the best companies that I have had the privilege to work with. I absolutely would recommend QAT for your business ventures for they have helped put together a product far superior than our competition, met all our timelines, and worked with us to develop this application that was within our budget.

Jeff Wurgler, CEO, Vitalistics

About
QAT Global

For over 20 years, QAT Global has been an innovation partner-delivering quality results efficiently in a cost-effective manner. QAT Global offers a comprehensive range of technical and strategic consulting services.

We focus on the numerous ways IT can make a real difference to your organization. We do so by building in agility, streamlining business processes, integrating data assets in new ways, and transforming technical assets.

At QAT Global, our commitment to quality means two things. First, we are committed to delivering quality solutions, meeting expectations, and satisfying clients.

Second, we are committed to continuously improving the processes by which we provide our solutions, so that our work repeatedly hits the mark each time.

QAT Global is committed to delivering quality solutions and client satisfaction.

Start the Conversation **Today**

Tell us about your needs and we'll help you meet them — whether if you only have an idea, a concept or a short problem description. We'd love to connect with you and discuss your company's goals and what makes us the right partner for the future.

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