# **A Step-By-Step Guide to Set Up Dedicated Offshore Development Center**

According to recent reports, experts in these fields are hard to come by. Adding additional employees, setting up a new office's infrastructure, and completing other activities associated with expanding a business all necessitate a large financial commitment. It's a breath of fresh air to build an offshore development center in partnership with an established service provider in the current context.

Check out the real advice on how to set up a **dedicated offshore development center** to extend your business in faraway areas.

## **Outsourcing Development Centers: The Basics (ODC)**

Using an offshore development center (ODC) is a cost-effective way to increase the production of software products in a foreign country. Typically, offshore development centers are located in countries with a large pool of tech expertise, good economic conditions, and good value for money.

**Offshoring vs. outsourcing:** What is the difference? The primary distinction between ODC and traditional outsourcing is the latter's offshore location. Nonetheless, that isn't the sole distinction. A critical distinction between ODC and other forms of outsourcing is that ODC has a dedicated team, infrastructure, and operations focused on a single client.

One of the most common ODC models used by **dedicated offshore development centers** is the two-tier approach. They consist of:

### **Build-operate-transfer (BOT) —**

Clients employ a service provider to build up ODC, and the service provider pays for all funding, recruiting, and infrastructure expenditures on behalf of the customers. The service provider may receive a fee from the center, but the center is transferred to the consumer at some point.

### **Managed ODC —**

This model also necessitates the supplier's responsibility for the development and administration of infrastructure. If you're looking for an ODC, you can receive one from the service provider.

There are a variety of ODC configuration models you can use.

## **Problems You Might Face If You Open ODC by Yourself**

A lot of work goes into setting up a new offshore development center in a country you are unfamiliar with. Setting up an offshore development center on your own has various advantages and disadvantages that you should keep in mind.

For offshore sites, you must be familiar with the local legal requirements for foreign organizations.

Opening a development center in another nation may be complicated by red tape and take significantly longer, especially if the jurisdiction is offshore and remote from your main office.

Working without a local partner can be difficult when it comes to juggling administrative duties, the acquisition of new office equipment, and repairs on existing equipment.

As an employer, you must know the local tech community, job-hunting profiles of computer engineers, and the market for local job seekers to hiring offshore developers.

An offshore development center can't be established without the help of an expert in the field. As a result, you'll want to work with a local consultancy on this.

## **Benefits of Using an Offshore Development Center**

While opening your own ODC can be challenging, there is an alternate option – working with an offshore development firm. The following are some of the most significant advantages of working with an ODC based in another country.

### **Infrastructure costs are reduced**

An ODC model saves you money on hardware and office supplies because it eliminates buying and maintaining them. The offshore service provider is responsible for all infrastructure costs.

### **To cut down on the expense of employment and administration**

You, as a consumer, are spared the expense of hiring new employees, paying their wages and benefits, and so on. This component is the responsibility of the service provider.

Consistent compliance with your company's policies. ODC models allow for long-term cooperation with people solely focused on your project and working according to your company's standards and requirements.

### **The ability to grow and change on the fly**

You don't need to spend much on infrastructure and operations to grow your business.

An offshore development center can be set up by following these steps:

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### **Determine what you want and what you need**

Consider your requirements carefully before choosing to engage with an offshore development team. Make sure you clearly know what you want to accomplish before deciding which ODC model is appropriate for you. You'll know if offshore development services are a good fit for your project delivery once you've established your project plan. There are several situations where an ODC model may be the ideal option, such as when the scope of a long-term project is enormous and the requirements constantly change.

### **Learn if ODC is right for you**

Due to the fact that ODC isn't appropriate for all projects, you must determine whether or not this engagement model is suitable for your situation. Consider an offshore development center structure if you find yourself in the following situations:

* Technicians with specialized knowledge are required
* You must rapidly expand your business.
* Infrastructure, operations management, and staffing all need to be cut.
* A long-term partnership and strict adherence to your company's standards are essential to your success.

### **Choosing a Country for ODC Setup**

The most compelling argument for locating your offshore ODC in a lower-cost region is always the cost savings. However, the setup of an ODC isn't just about low prices; therefore, you need to take into account other variables as well. When looking for an offshore development company, here are some factors to bear in mind:

* specialized knowledge of one or more technologies
* a command of the language
* Information technology (IT) sector development level
* Developer wages and hourly rates

We've done the legwork for you so that you don't have to think about where to open your ODC. Offshore development has seen a significant increase in Eastern and Central European participation. They've become regional centers with deep tech skill pools capable of solving even the most complex technical issues. When it comes to setting up an offshore development team, Poland is a popular choice. IT expansion in the region has made it well-known for its diverse pool of software development firms and the high technical know-how available in its workforce. Aside from being fluent in their language, local technicians are also exceptional communicators. Poland comes in at number 16 in the EF EPI 2020 rankings.

We'll compare hourly rates and developer wages in Poland with those in the United States to show you how much it may cost to set up an offshore development center.

Clutch estimates that there are 834 software development firms in Poland. Rates range from $25 to $99, with 362 companies costing $25-49 per hour and 373 charging $50-99 per hour, significantly cheaper than in the United States. In Poland, the average salary for a software engineer is $2700 a month, according to Glassdoor's data.

## **For ODC Partners, select the right one**

Finding a **dedicated offshore development center** partner you can trust is critical if you don't want to get your feet wet in the ODC setup on your own. They'll be there for you from the beginning of your project to its completion and beyond. To identify a reliable source, you must conduct a thorough investigation. Here are a few pointers to get you started:

* Check out a service provider's ODC setup experience and the ODC models they support.
* An offshore software development company should be familiar with your area's market and your requirements.
* Use review sites like Clutch to see if prior customers are happy with their service.
* Analyze the return on your future investment by comparing the expenses of implementing ODC with those of alternative solutions.
* Your supplier's ability to adapt to your project's requirements should be examined.

## **Participate Actively in the Formation of Your Team**

You first need to recruit an offshore development partner to get your dedicated staff up and running. You need to pick if you want to participate in every phase of the process, if you want to join interviews, or if you want to be a final approval step. When working with offshore development companies, it's important to note that there are various ways to get involved.

## **Consider your Offshore Team as a Company Part**

A software development firm in another country employs members of your staff. That's why they're an extension of your business. Don't get caught up in the "we versus. them" mentality.

Regular meetings and video chats can help foster better communication and involvement. Bring in new members of your company's staff whenever you recruit an offshore development team or individual. Keep your customers informed of your company's most important news. Also, don't micromanage them; let them work independently.

## **Engage Experts as an ODC advisor**

**Dedicated offshore development center** setup is a challenging endeavor; you need a trustworthy companion to help you along the way. Companies of all sizes can rely on assistance. Our flexible and rapid project scaling is supported by a cost-effective infrastructure. We're happy to answer your difficulties if you're looking for a trusted partner that can reduce your hiring costs.

**Are You Looking for Expert’s help to Set Up Dedicated Offshore Development Center?**

**Contact Us**

If you'd like an estimate on the price of setting up an ODC, look into our option for requesting an offshore team and contacting our specialists.