



The Ultimate Guide to Outsourcing

Simple and to the point, our eBook is the only guide you will ever need to learn the basics of Outsourcing. From easy-to-understand definitions to a definitive list of what to look for in an Outsourcing provider, you will feel confident that you have the best information at hand made by experts in the field.



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The Ultimate Guide to **Outsourcing**

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Introduction

Outsourcing is here to stay!

Thanks to technology, outsourcing has become an option for thousands of companies looking to better their business. There are hundreds of companies offering **outsourcing services**, which means that **choosing a provider is more challenging than ever** and can seem daunting when first deciding to opt for this route.

That is why we have created a definitive guide to show you how **INVID** is the perfect place for Outsourcing!

After reading our eBook, you will learn:

- What is Outsourcing?
- The Benefits of Outsourcing
- Is Nearshore Outsourcing for you?
- What to look for in an outsourcing provider
- Approximate costs of Outsourcing Services

You will feel confident in knowing that you are making the best decision with the greatest information at hand.

If you want more in-depth content

over some of the topics we cover in this guide, you can contact us through sales@invidgroup.com or visit our webpage invidgroup.com for more details.

Chapter 1

What is Outsourcing?

What is Outsourcing?

Let's start with the basics.

Outsourcing is an arrangement where one company hires another to provide services or processes rather than conducting them internally.

The concept itself isn't new, but outsourcing is a subject that has constantly evolved over the years. There are various services that companies can outsource, from accounting to software, such as the services we provide at **INVID**.

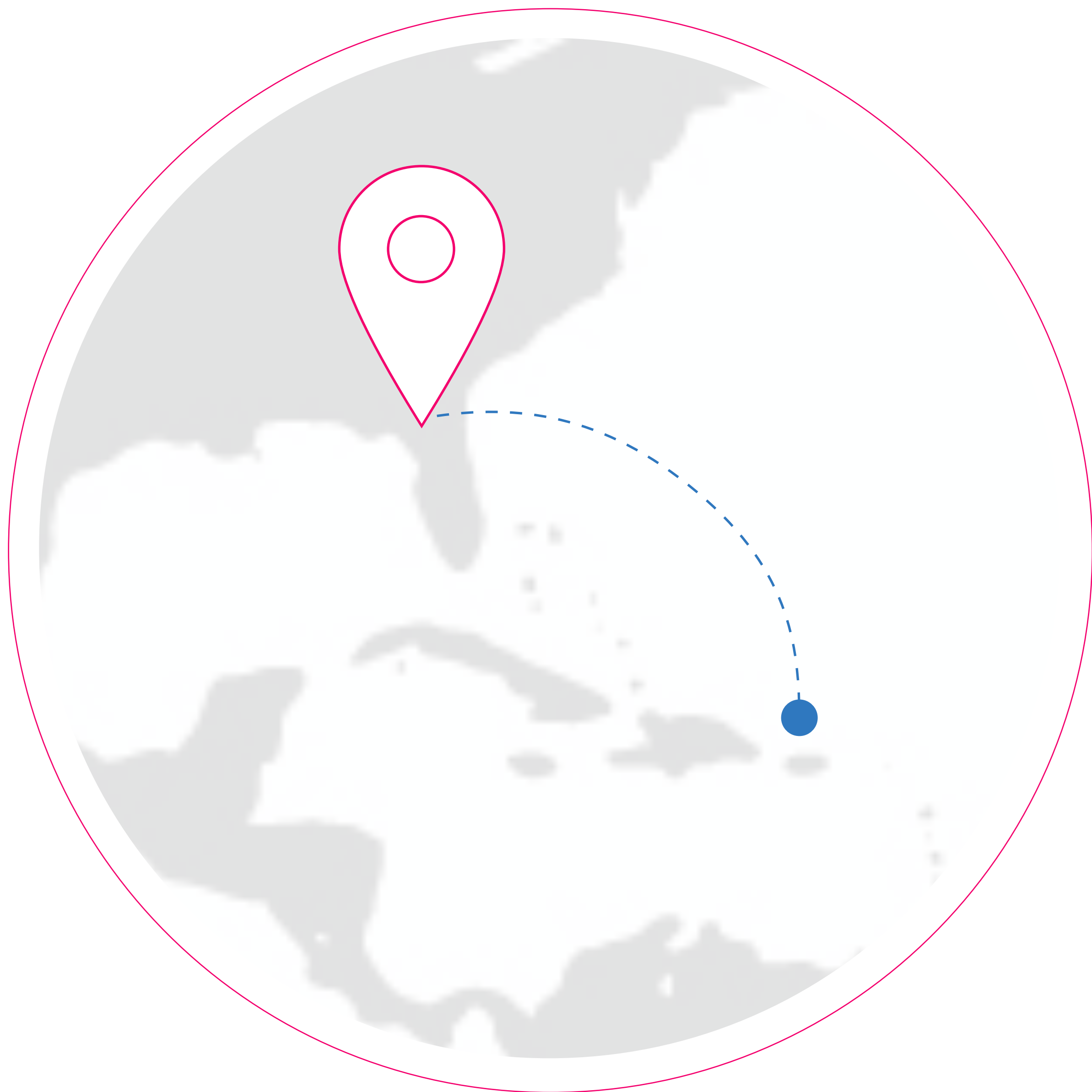
In this guide, we will be focusing on software development but know that the possibilities are endless for outsourcing services.

In the era of technology, **outsourcing is more accessible than ever**. When outsourcing, the most critical question to consider is:

where?

Location is everything when choosing a company to delegate one of your services. This is where **nearshore outsourcing vs. offshore outsourcing** comes into play.

Keep in mind that there is a difference between nearshore outsourcing and offshore outsourcing.



Nearshore Outsourcing:

Nearshore Outsourcing is when a business assigns services or processes to a company located in a nearby country, usually sharing a similar or identical time zone.

VS

Offshore Outsourcing:

Offshore Outsourcing is when a business assigns services or processes to a company located in a distant country.

Chapter 2

Benefits of Outsourcing

There are many reasons why companies are turning to outsourcing their software development services, the main one being: **the benefits**. Depending on the location you choose for your outsourcing endeavors, you can unlock more benefits for your company.

Here are just some of the advantages you can obtain when outsourcing with **INVID**:

1. *Outsourcing can save you money!*

Most companies turn to outsourcing to save money on services that would be more expensive if done in-house. Here are a few ways Outsourcing is cost-effective for your company:



a. Lower overhead costs



Recruiting a team or an employee in software development can be costly over time. **An increase in wages, health benefits, workers' compensations**, and more can start to add up and result in ineffective use of money. Some countries offer lower overhead costs.

Puerto Rico, for instance, can offer lower prices. Additionally, we can provide lower-than-mainland operating and personnel costs. This means an **affordable option for your needs without compromising quality and security**.



b. You pay only for what you need.

You only pay for the software and service you require when outsourcing. **There is no need to invest in infrastructure, technologies, and a skilled workforce.**

For instance, say that you are working on a short-term project that would temporarily require IT services. Instead of going through all the hassle of **recruitment and training a new employee**, you can receive these services through outsourcing and use the company's resources within the time frame you need them.



c. Save time

Time is money. You will have what you need with fast results by outsourcing to a professional and certified company specializing in the service you require. It also allows you to **save time in recruitment and training procedures.**

At **INVID**, we use **SCRUM**, a project management system that prioritizes interactive progress, teamwork, and accountability. This approach allows for **faster results and worktimes.**



d. Acquire the latest technologies for less

When implementing new technologies in-house, staying on trend can be expensive, especially in an ever-evolving industry like software development. But you can have **access to the latest in technology and software through outsourcing.**

e. Eliminate employee training costs

Similarly, keeping employees in the loop with the top trends in the software industry can also be a considerable cost.

Software companies worldwide invest heavily in their human capital to provide the best service out there. **You can save this expense by having a company that does train their employees** provide you with outsourcing services. Choosing a company that has a **qualified and highly trained team** can be a huge asset for your company, all without breaking the bank.

f. Scale to meet demands without additional costs

Projects are dynamic and subject to constant changes. With outsourcing, you won't have to worry about how your outsourced team will adapt to any amends done to your plan. **Outsourcing allows for an adaptable team ready to scale up** without additional costs. Our team at **INVID** will be prepared to meet needs such as seasonal demands.

Visit invidgroup.com and **contact us today!**



Suggested Reading:

How Outsourcing a Team can Save you Money

Blog

2. Federal Regulations and Compliance

A drawback that can often come up when discussing outsourcing is the topic of regulations and compliance. Especially for companies that want to outsource and are based in the **United States**, the software produced abroad can be met with **constant changes and miscommunications with teams that don't directly understand or aren't subject to these regulations**. However, if you choose to outsource with a software company in **Puerto Rico**, you won't have to worry about this issue.

Because **Puerto Rico is a U.S. territory**, the island is subject to the same regulations as the mainland. At **INVID**, we have experience in highly regulated industries like education and healthcare. Therefore, you will feel confident that **your product will be optimal and compliant** with the rules established by the United States.

3. A capable and certified team

Most importantly, you will **have a team that gets the job done** and does it well when you outsource. Having a capable team that knows the latest trends in the industry on your side is priceless.

4. Reduce the risk of technical or logistical hazards

Outsourcing allows companies to **reduce the risks of technical or logistical hazards** within a given software development project, reducing the risk of money loss.

Chapter 2

Summary

The key **benefits of Nearshore Outsourcing** are:

1. **Outsourcing can unlock significant savings.** When you outsource, you can reduce various costs that come with an in-house software development team, like employee benefits, training, and more.
2. **Because Puerto Rico is a US territory,** we are under the same regulations as the mainland! You can say that your software is “Made in the USA” when you outsource in **Puerto Rico.**
3. **Outsourcing firms train and certify their employees** to provide the best service to their clients.
4. **You can reduce the risks** of technological and logistical hazards.



Chapter 3

Is Nearshore
Outsourcing for
me?

Now that you know the benefits that outsourcing can bring for your company, we want to share a few pointers to use when considering whether this service may be an option for you.

Nearshore **Outsourcing can be an excellent solution** for a variety of problems within a given company.

Therefore, this solution is for you if...

*...you are close to the company you wish to provide you with
Nearshore from*

The name itself says it, the company you want to Nearshore must be within your close shores. If your company is based on the mainland, **INVID is a perfect choice for your Outsourcing needs.**

*...you don't want to go through the hassle of recruiting a
software development team*

Recruitment of software professionals is troublesome, especially if your company isn't very knowledgeable on what makes a good developer. Companies that provide Outsourcing services have **tests and special procedures to choose the best professionals available** within their country. If you want to take advantage of this benefit, consider Nearshore Outsourcing as the service for you.

...you need developers for a short-term project and would rather not hire a full-time employee

Let's be honest; **sometimes, you don't need a full-time employee** but rather need someone who can **get the job done and go**. Instead of going through the recruitment process for a project that won't be around for long, you can choose to outsource.

...you need technologies and skills that are beyond your in-house capabilities

Similarly, **some projects require the help of technologies and skills** that aren't available in-house. Nearshore outsourcing is an option that is accessible and affordable for any company looking to **stay ahead of the curve without exceeding their budget**.

Things to consider if you are looking to **Nearshore Outsource**

Are you experienced with working with companies abroad?

If this is your first time outsourcing a service, **it is best to do so within a company close to you** and that you can communicate with. **Puerto Rico** is an excellent choice for companies **based in the United States** because it's in proximity to the mainland, most of the residents are **fluent in English**, and **you don't need a passport to travel to the island**.

Are you able to work with people that you don't see physically every day?

With the rise of technology, remote work is as accessible as ever. However, **you must consider if working with a team that isn't physically in your office** is for you. Software like **Microsoft Teams, Zoom, and Skype** work wonders in connecting teams from all over the world to collaborate on a given project.



Suggested Reading:

Why do companies outsource software development?

Blog

Chapter 3

Summary

Nearshoring is for you if:

1. You are **comfortable with a remote working team**
2. **You don't want to recruit an in-house** software development team
3. You need **software developers for a short-term project** and would rather not hire a full-time employee
4. You **need technologies and skills that are beyond** your in-house capabilities



Chapter 4

What to look for
in a Nearshore
Outsourcing
provider?

Now that you've decided to outsource a service within your company, the biggest question to consider is:

how do I choose a company
that is right for me?

Selecting an outsourcing provider is an important decision.

Here are a few pointers to guide you in your choice:

1. Location

Much like in real estate, **choosing a location from which to outsource is a critical** element in your decision.

Do you want a country that is accessible and close?

Do you want them to speak the same language as you?

Do you want the country to have the same currency?

All these elements are affected by location.



Puerto Rico is an excellent location for companies on the mainland looking to outsource.

Here are a few reasons why this tiny island should be your next destination for outsourcing:

a. Puerto Rico is home to one of the best engineering institutions in the world. 

The University of **Puerto Rico** in Mayagüez has long been one of the academic institutions' companies look for **highly qualified engineers**. **INVID** has a **partnership with the university** to provide the best professionals in the industry.

b. Lower costs 

Because of the lower taxes and cost of living, **Puerto Rico** is uniquely positioned to provide **reduced prices for its services**. At **INVID**, we adapt to your needs within a given timeframe, so you can **avoid the costs and efforts of recruiting personnel**.

c. Location 

Traveling to **Puerto Rico** is easy, and time efficient! Even more, because the island is a **U.S. territory**, you won't need a passport to travel there.

d. Currency 

The island shares a currency with the **United States**, so you won't have to worry about exchange rates.

e. Federal protections 

Because we are a U.S. territory, **Puerto Rico's software is under the same protections and federal regulations** as the mainland. This only means more protections for you and your company.

f. Tax Incentives



The tax incentives that have more impact on software development companies are **Act 20** and **Act 73**. Both offer fantastic tax benefits, **exemptions**, and tax rates to make development prices in **Puerto Rico** more competitive.

g. Certifications



INVID has various certifications that qualify us as a reliable and safe company to work for federal agencies. In addition to being certified as an **SBA 8(a)** company, we can provide information technology services, emerging technologies subarea, and **OCONUS** outreach subarea, thanks to our newly obtained **8(a) STARSIII GWAC certification**. These certifications allow federal agencies to source their IT services from several award-winning small businesses, **saving time and money by avoiding traditional contracting methods**.

2. Intellectual property security

Currently, information security is essential in every company's policy. As you research a company to outsource your services, **ensure that employees know federal regulations and security protocols**. At **INVID**, our personnel complete training related to **HIPPA, PII/PHI**, and secure coding practices as part of their onboarding process when hired and annually as a refresher to **ensure ongoing compliance**.

3. Their recruitment processes

When outsourcing, **personnel is the company's most important asset.**

Therefore, how they recruit those assets is a necessary aspect to consider when choosing a company to outsource your services to.

Do they have a rigorous testing process?

Do they contact references?

Be sure to check if the company is committed to choosing the best personnel in the market.

4. Continuous Education

The software industry is constantly evolving and **requires developers to continuously look to better their knowledge** about the newest technologies and trends. If you wish to implement the latest technologies to your project, be sure to check if the company you want to hire is skilled in them and encourages their employees to **keep up to date with new certifications and skills.**

5. Cultural Similarities

Another drawback that is usually mentioned is the **cultural difference** between the companies that are part of an outsourcing agreement. This aspect is often overlooked, but it **can result in misunderstandings that lead to money loss and time wasted.** However, if you choose a company that speaks the same language and follows the **same cultural norms**, this isn't an element that you will have to worry about.

6. Awards and Reviews

Awards are a great way to see if companies excel in the industry. **INVID** has received various **recognitions that reiterate the quality** of the software we produce. Furthermore, **Clutch** is a software development review platform that has clients write and rate the services of software developing companies. This can be an **excellent resource to see the customer experience** of other clients with the company you are looking to hire.

7. Technologies

Infrastructure is the element that enables good software to happen. By having an outsourcing provider that keeps their technologies updated, they will have the means to provide outstanding services. **INVID's** personnel is **knowledgeable in various software platforms, tools, and more!** For your convenience, here's a list:

Platforms and Tools

Azure
Office 365
SharePoint
WordPress
Power Platform
Azure DevOps
Visual Studio
XCode
Android Studio
Kubernetes
Docker
Twilio
Stripe

Web Front-End

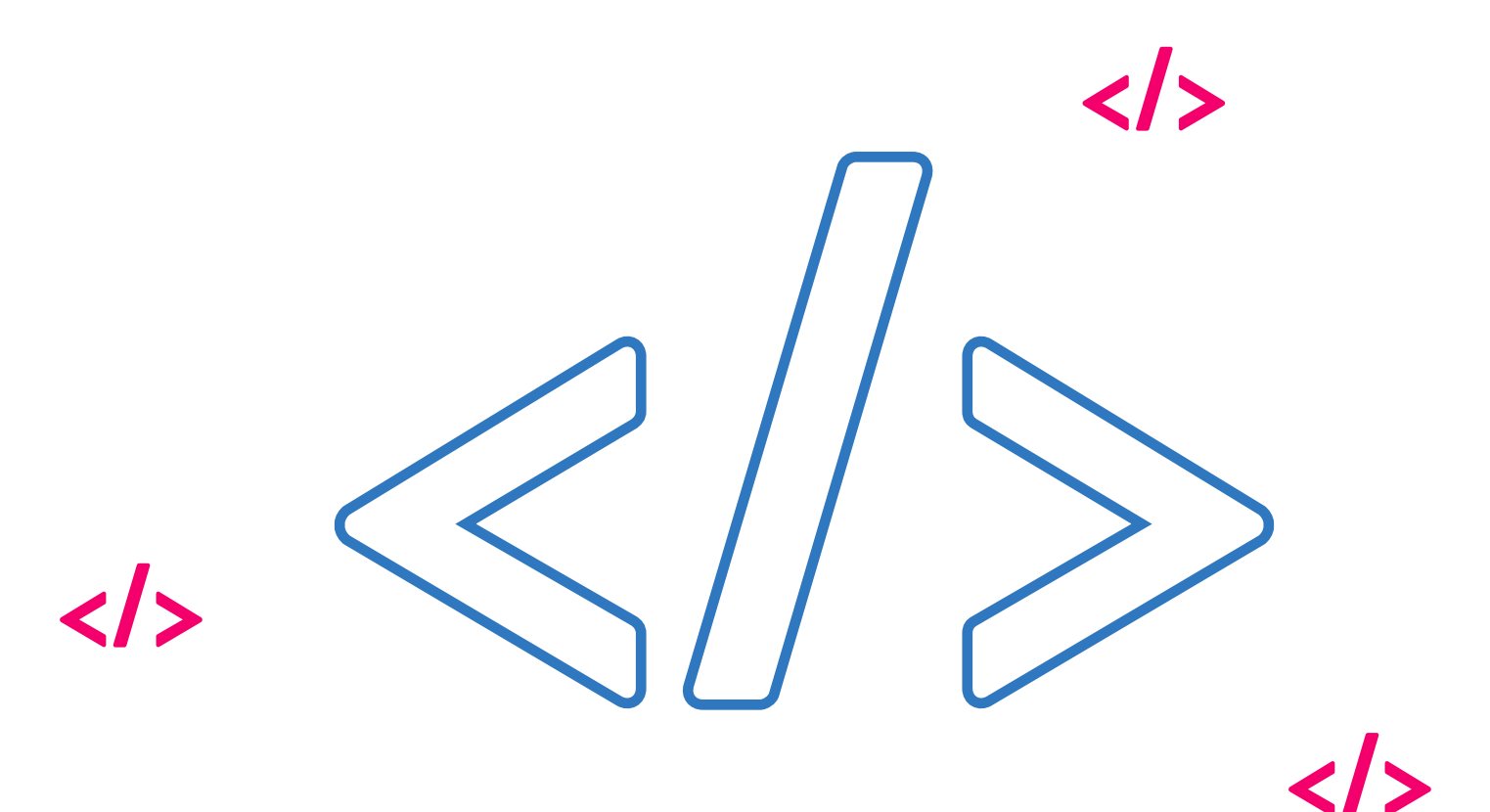
HTML
CSS
Bootstrap
JavaScript
TypeScript
Angular
React

Back-End

RESTful API
JSON
XML
C#
Java
Spring
.Net / .Net Core
Node JS
SQL Server
Solr
Redis
Mongo DB
Cosmos DB

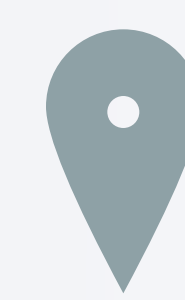
Mobile App

iOS
iPad OS
Watch OS
Swift
Kotlin
Objective-C
Xamarin
React Native



In addition, though **Puerto Rico** is in an area prone to hurricanes, **INVID** has an **infrastructure set and ready for any natural disaster** that may occur.

We have **electrical generators to provide electricity to our entire office building.**



To know more about our facilities, visit:

<https://my.matterport.com/show/?m=WhMfLapgLyM>

... to get a virtual tour



Chapter 4

Summary

The key elements to consider when choosing an Outsourcing provider:

1. **Location.** Choose an Outsourcing Company that is in an **accessible place** and that minimizes misunderstandings by **speaking the same language.**
2. **Evaluate their recruitment process.** After all, you are hiring a team of specialists to work for your company! See how the company recruits' personnel and **tests their qualifications.**
3. See if the software developers are constantly looking to up their game by **staying educated on the latest trends and technologies.**
4. Though often overlooked, **cultural similarities can play a big part in communicating** effectively with your team. Speaking the same language is priceless in ensuring that you share your needs.
5. **Awards and reviews** can be a great way to see a company's past work! Clutch is an excellent platform for this endeavor.



Our customers are our best references!

Here's what some of our clients had to say about **INVID's** services:



"INVID, LLC consistently produces high-quality experts who fulfill the project's requirements, satisfying the client. Furthermore, they're a team of excellent communicators who collaborate well with the client. Overall, they are a reliable and dedicated team, allowing for a smooth partnership."

- **Senior Director, IT Consulting Company**



Santa Clara, California



"A crisis response project, speed was a priority during this engagement, and INVID delivered. The team quickly identified talented staff members, impressing both the vendor as well as the health department. Along the way, they were flexible, responsive, and reliable."

- **Senior Specialist, Association of Public Health Laboratories**



Washington, DC

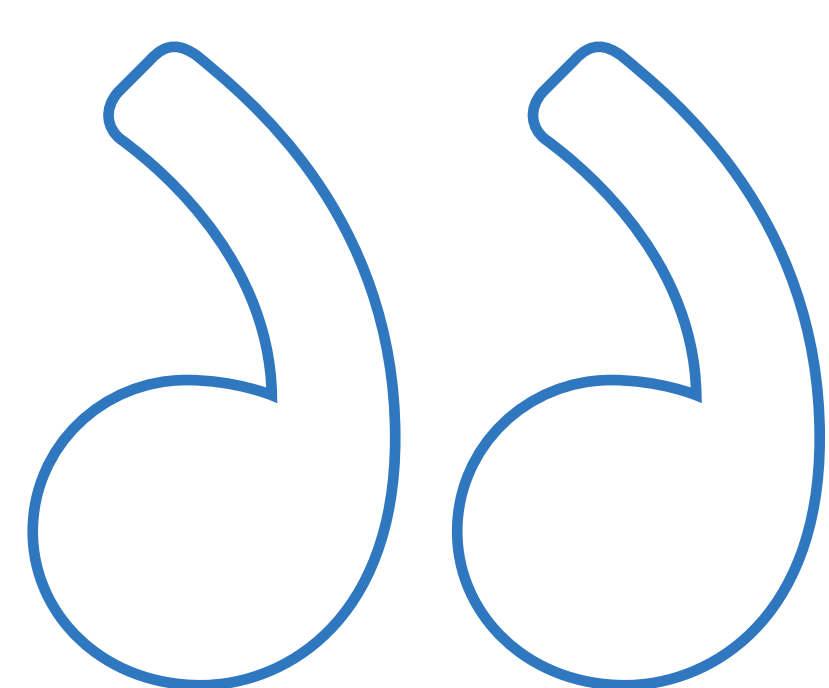


"INVID, LLC's work has made the grade. The team is effective, responsible, and timely. Customers can expect a talented team that's both easy to work with while also maintaining strong communication."

- **Founder, eCommerce Provider**



Milwaukee, Wisconsin



"INVID delivered high-quality frontend development work that significantly enhanced the platform overall. Highly flexible and responsive to client needs, their team was proactive, responsive, and easy to work with from start to finish. They acted in the best interests of the organization."

- **Project Manager, Public Health Informatic Institute**



Atlanta, Georgia

Chapter 5

Costs of Outsourcing

Now, let's break down the numbers.

What is essential?

When considering costs for outsourcing, you have to **evaluate what is essential for you and where you are willing to compromise**. Your priority may be to lower prices in the short term, but it can come at the expense of the quality of the product in the long run.

Here are **five factors** that affect the costs of Outsourcing around the world:

1. In-demand Skills

Like any piece of technology, the more features it has, the more expensive it is. Likewise, outsourcing firms will charge more for the skills that their software developers have under their belt. **Expect to pay a higher price if you are looking for specialized skills.**

2. Language Proficiency

Many companies worldwide offer outsourcing services, but not all dominate the English language. **Language barriers can obstruct communication and lead to errors and confusion**, causing delays and additional expenses if a product needs to be redone.

3. Location

Location is a huge factor in pricing outsourcing services. **Certain regions in the world have specific expertise** and can charge more for providing those services.

Similarly, companies can drive up the prices if **time zones** coincide and are located closer to a first-world economy.

4. Experience

The more experienced a software developer is, the more expensive they are. **A knowledgeable developer can be a great asset** and provide top-notch quality products. However, keep in mind that this price may vary by region.

5. Length of Engagement

The length of the project you wish to outsource will affect the price an outsourcing firm will set for it. However, keep in mind **that firms extend better pricing for longer projects.**

It's essential to gain perspective when considering the costs of outsourcing. As of 2021, **software development hourly rates** can range from :

\$75 - \$275 if hired domestically.

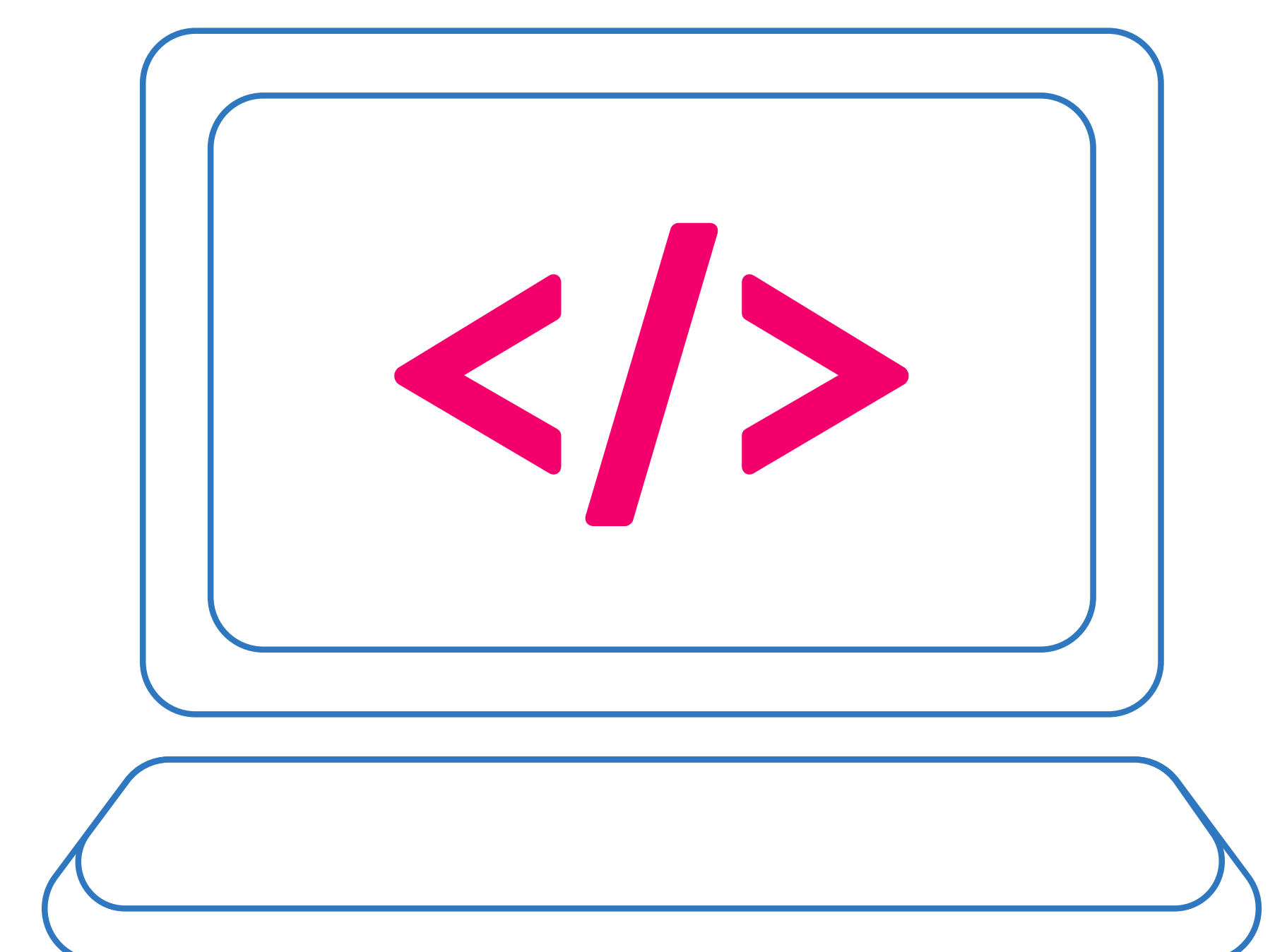
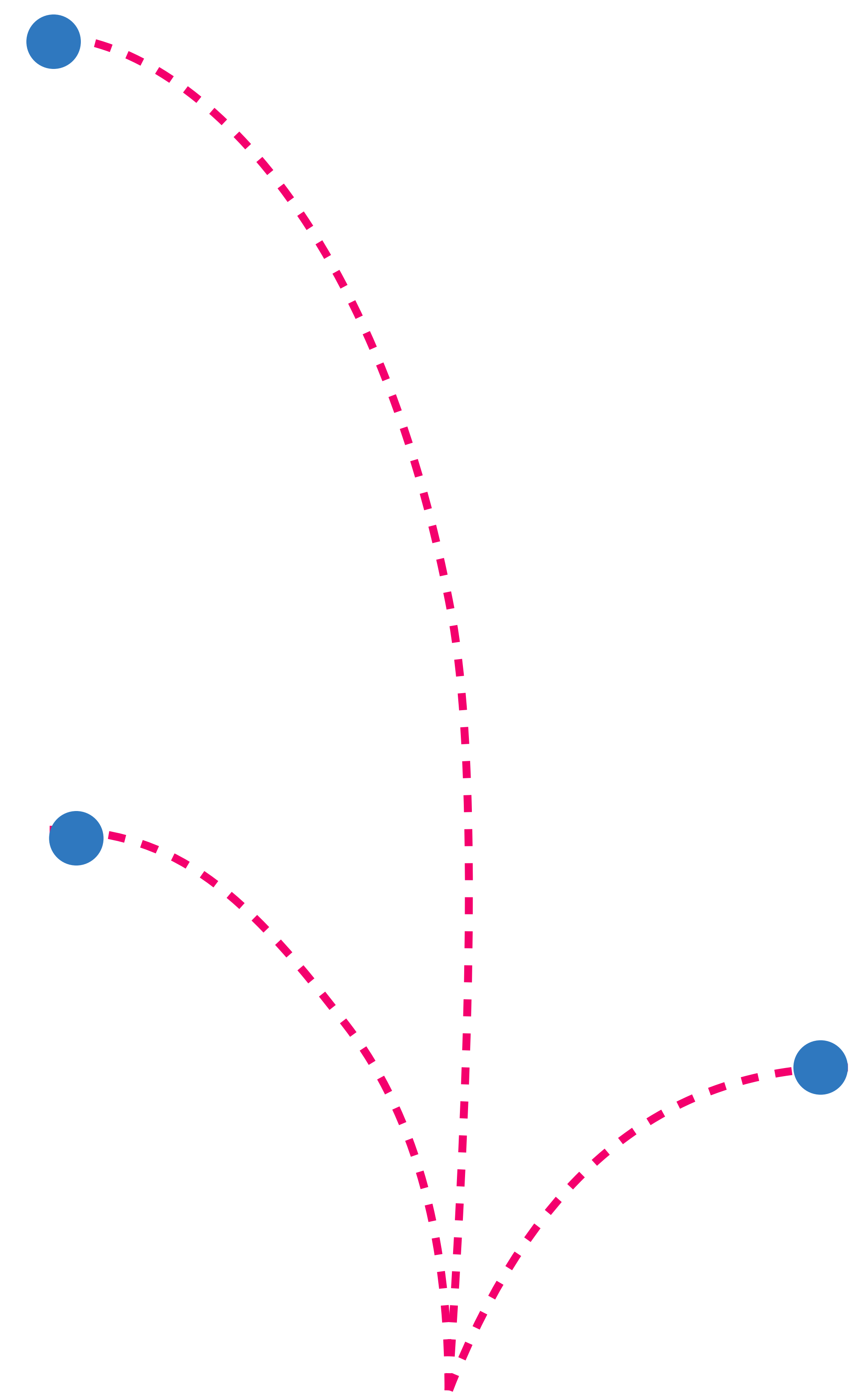
In contrast, **outsourcing software development can decrease this price to as low as**

\$40 - \$80 an hour.

There are even lower options available on the market, **but compromises in quality will be unavoidable.**

What can this price range provide?

- Cost savings
- High-quality talent comparable to domestic outsourced firms
- Professional services level maturity
- Lower risks
- Excellent English proficiency from the entire development team
- Cultural understanding
- Leading quality, industry, and partner ecosystem certifications
- Time zone overlap
- Recruitment of top of their class personnel with rigorous testing systems.
- Excellent retention of talent by outsourcing firms



Chapter 5

Summary

The key elements to consider when evaluating the costs of an outsourcing firm:

1. **Five elements will affect the pricing** of outsourcing:

- In-demand skills
- English proficiency
- Location
- Experience
- Length of engagement

2. **Hourly rates around the world can vary from \$55 to \$275.**

Remember that the cheaper the hourly rate, the more compromises must be made in the end-product quality.

3. **Outsourcing firms can offer services with a range of rates of \$40 to \$80 an hour**, which is an accessible price and guarantees good results.



So, you have decided that Nearshore Outsourcing is the best option for you?



Choose **INVID** as your Outsourcing provider!

Located in the U.S. territory of Puerto Rico, we can provide lower than average costs! We are also under the same regulations as the mainland and **speak English fluently**.

We are an award-winning company! Over the last few years, **Microsoft** recognized us as **“Partner of the Year”** twice. We have also been featured in the prestigious **INC. 500 List of Fastest Growing Private Companies in America in 2020 and 2021**.

We have over 60 full-time employees committed to providing the best software development services. We have established a **pipeline to source local talent from the island’s best universities** as part of our recruiting procedures.

We operate within the **East Coast time zone!**

Security is one of our top priorities! We specialize in serving customers in audited markets that require regulatory **compliance**. **INVID** routinely completes projects that meet **508 compliance, HIPAA, PII/PHI, and secure coding requirements**. Furthermore, our president, **Alberto Lugo**, has a **Top Security Clearance**.



We have the **latest and most advanced technologies** to provide you with the **best quality software**.



INVID also has a competent team that **stays up to date with the current trends in the industry**. Because of this, we continue to raise the bar for professional and modern software development that optimizes the processes of businesses around the world.



Contact us and turn your challenges into solutions!

-  **Phone:** 1+833-827-2878 (Toll-free)
-  **Email:** sales@invidgroup.com
-  **Location:** BASE Bldg. 1666 Av. Juan Ponce de León, San Juan, PR 00909



Join the hundreds of companies that have used **INVID** as their means to create a more productive and modern work experience.

Our team is available and ready to assist you.

The best option for Outsourcing



What's next?

Check out the following resources to further expand your knowledge of outsourcing!

BUILDING AN APP
WHILE NEARSHORE
OUTSOURCING

Article

OFFSHORING VS
OUTSOURCING

Video

EVERYTHING YOU
NEED TO KNOW
ABOUT
NEARSHORING IN
PUERTO RICO

Free Webinar

