

*Nearshore Software Development*

# WHEN OFFSHORE ISN'T WORKING

How to Nearshore Custom Software  
Development the Right Way



**QAT GLOBAL**  
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# WE DO IT RIGHT!

# How to Nearshore Custom Software Development the Right Way

When Offshore isn't working, how to nearshore custom software development the right way

## Executive Summary:

Nearshore custom software development is rapidly becoming the smarter, more collaborative alternative to offshoring—especially for enterprise leaders who need to scale delivery without sacrificing agility, transparency, or team alignment.

By leveraging high-performing talent in strategic Latin American hubs like Brazil and Costa Rica, nearshoring unlocks real-time collaboration, shared time zones, cultural fit, and faster feedback cycles that accelerate Agile development.

This guide gives CIOs, CTOs, and VPs of Engineering the insights and language to:

- Evaluate the strengths and risks of nearshore delivery vs. offshore or onshore.
- Justify the nearshore decision internally with CFOs, security, and procurement stakeholders.
- Choose the right nearshore partner with confidence.
- Understand the most common pitfalls—and how to avoid them.

You'll walk away with a clear, strategic view of how nearshoring works, when it works best, and what it takes to get it right—with a bonus checklist for internal alignment and successful onboarding.





## Nearshore Custom Software Development: A Smarter Way to Scale

Nearshore custom software development gives you a powerful way to grow your team, speed up delivery, and keep control—without losing sync with your internal priorities or software quality.

When your software project relies on rapid progress and seamless team alignment, outsourcing to a nearby region like Brazil or Costa Rica keeps collaboration close and progress transparent. You gain access to experienced developers who operate in your time zone, speak your language, and work the way your team works.

This isn't about choosing onshore *or* offshore. It's about having the right solution to accomplish your goals—one that fits how your team thinks, builds, and scales.

In this guide, you'll see how nearshoring works, how it compares to other models, and how to find the right partner to move your business forward.

If you're planning your next big initiative—or supporting one already in motion—nearshoring offers a clear path to getting more done, with greater precision and less friction.



## What Is Nearshoring, and Why Is It a Smarter Way to Build Software Today?

Nearshoring your software development project means outsourcing tasks to IT professionals in countries near where you operate your business. This means that they're:

Close enough for real-time sync.

Close enough to feel like part of your team.

Close enough to understand your needs.

Close enough to meet in-person when needed.

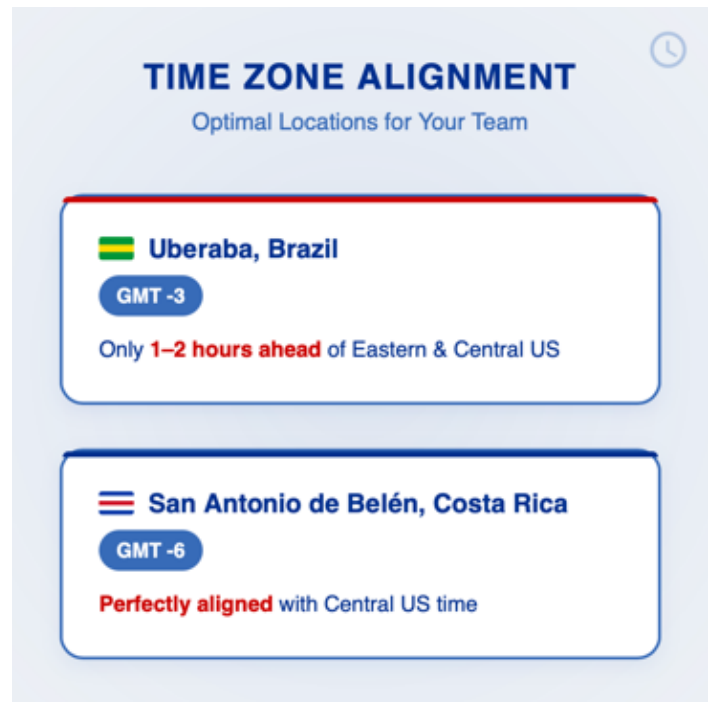
### Time zones that Align with Your Team

When you embrace nearshore custom software development, you're unlocking agility, visibility, and better alignment to build software that drives success.


#### Here's why a business like yours would choose to nearshore:


- Extend your in-house team with skilled English-speaking IT professionals
- Support agile development with faster feedback loops and daily alignment
- Access specialized talent without overextending internal hiring cycles or your budget

Whether you're building new platforms, modernizing legacy systems, or supporting existing apps, nearshore software development gives you the flexibility and focus you need to move faster—with confidence.



**TIME ZONE ALIGNMENT**  
Optimal Locations for Your Team

 **Uberaba, Brazil**  
GMT -3  
Only **1-2 hours ahead** of Eastern & Central US

 **San Antonio de Belén, Costa Rica**  
GMT -6  
**Perfectly aligned** with Central US time

# How Nearshoring Works—and Why It Feels Like an Extension of Your Team

Nearshore software development operates on a simple but powerful premise: you partner with a software development firm that has teams located in a nearby country that work alongside your internal staff. These teams or individuals sync with your business hours, use your preferred tools, and follow your delivery methodology - most often some variation of Agile.

There's no one-size-fits-all structure. You can engage a full team to lead a project from start to finish. You can augment your internal team with developers or even outsource a specific function like QA, UI/UX, architecture or development of either front-end and/or back-end.

Here's what the process usually looks like:



## 2. Define Your Scope and Needs

You work with your partner to identify the roles, skills, and project goals needed to realize your vision for success.



## 1. Select Your Engagement Model

Choose between dedicated teams, staff augmentation, or a managed service approach.



## 3. Integrate Your Nearshore Team.

After onboarding, the team members will join your daily standups, follow your process, and integrate with your team to start driving success.



## 4. Expect People Management

Regardless of the model, you should not be left to your own when it comes to managing the team members. Your partner should always take care of the human side so you can focus on results.



## 5. Provide Feedback Fast

This is big. Throughout the engagement and especially in the early days after each team member is onboarded, provide performance feedback to your partner without delay. Success with your partner depends upon this feedback. If you do that, you should in turn expect a lot from your partner. They should show appreciation for positive feedback and respond quickly to constructive feedback. Your partner should also be working in the background to assist with motivation, commitment, and avoiding surprises.

### The result?

Better alignment, faster decisions, and a stronger rhythm across the entire development cycle. It feels less like outsourcing and more like extending your team—because that's precisely what it is.



## Nearshore vs. Offshore vs. Onshore: What's the Difference?

When you're considering outsourcing models, it often comes down to three choices: nearshore, offshore, or onshore. Each has its place, but the differences can significantly impact how your project runs—and how your team collaborates.

### Nearshore

Nearshoring means working with a team in a nearby country, often in Latin America if you're in the U.S. Because nearshore teams work when you're working, you solve challenges fast and keep development agile. These teams also tend to share cultural norms and work styles with U.S. companies, which makes alignment smoother and more efficient.

In addition to these collaboration advantages, nearshoring offers notable cost savings compared to U.S.-based teams—without the trade-offs that can come with long-distance outsourcing. It's a smart balance between quality, speed, and value.

**Best for:** Projects that need high collaboration, tight feedback loops, and strong team integration.

### Offshore

Offshoring typically refers to working with teams in distant regions, such as Asia or Eastern Europe. The time differences often require asynchronous communication. That can lead to slower iteration, delayed decisions, and extra effort to manage progress.

**Best for:** Long-term, clearly defined tasks where cost savings outweigh the need for daily interaction.

### Onshore

Onshoring keeps everything domestic. You work with teams in your own country, which means full language and cultural alignment, shared regulations, and no time zone issues. But the cost can be significantly higher—and available talent may still be limited.

**Best for:** Projects that require tight control, in-person collaboration, or high compliance standards.

If you need daily collaboration, shared work hours, and enterprise-grade talent, without the onshore price tag, nearshore custom software development offers the best of both worlds.



## Expanding Your Access to IT Talent: Why Brazil and Costa Rica?

When you choose to nearshore, the location matters. Brazil and Costa Rica continue to stand out as top destinations for U.S. companies looking to expand their software development capabilities—without losing time, communication, or control.

Here's why these two countries consistently rise to the top.

### Brazil: Scale, Skill, and Global Experience

Brazil offers one of the largest and most advanced talent pools in Latin America. With a strong emphasis on engineering education and a rapidly growing tech community, Brazilian developers are known for their adaptability, enterprise experience, and problem-solving mindset.

Teams based in Brazil work in time zones that align naturally with U.S. Eastern and Central hours. That makes daily collaboration smooth and responsive, especially in agile environments that rely on real-time feedback.

You also gain access to developers with international experience—teams already working in industries like healthcare, finance, and manufacturing. If you need speed, scale, and technical depth, Brazil checks all three boxes.



## Costa Rica: Precision, Stability, and Communication Excellence

Costa Rica combines political and economic stability with a world-class education system and a bilingual workforce. Developers here are trained not just in technical disciplines but also in working directly with U.S.-based companies.

Many Costa Rican teams specialize in precision roles within software development, QA, DevOps, and cloud integration. They're known for meticulous attention to detail and the ability to plug into client workflows without friction.

As a country, Costa Rica has also invested heavily in its tech sector, making it one of the most business-friendly destinations in Latin America for software development partnerships.



## The Bottom Line

This isn't about cheaper labor—it's about smarter hiring.

Nearshoring lets you fill key roles faster so your internal teams can stay focused, while trusted professionals handle the delivery work that keeps everything moving.

Approximately **37%** of all IT tasks are outsourced, with **78%** of businesses reporting a positive outlook on their outsourcing partnerships – [2023 Zippia Outsourcing Report](#)

## The Pros of Nearshoring

Nearshoring gives you more than just access to talent—it gives you strategic alignment. When your development team operates in the same rhythm as your internal staff, you move faster, communicate more clearly, and reduce friction throughout the entire process.

Here are the most significant advantages of choosing a nearshore team:

### Real-Time Collaboration

You're working in U.S. business hours. That means live standups, instant feedback, and the ability to pivot quickly when priorities shift.

### Cultural and Language Alignment

Nearshore teams—especially in Latin America—often share business values and work expectations with U.S. teams. This minimizes misunderstandings and strengthens team cohesion.

### Project Agility

Nearshoring supports agile frameworks. Frequent check-ins, iterative sprints, and rapid feedback loops are easier to maintain when your developers are online when you are.

### Expanded Access to Skilled Talent

Nearshore hubs like Brazil and Costa Rica have deep, highly qualified talent pools. You're not limited to local candidates or facing competition from every company in your region.

### Balanced Cost Efficiency

Nearshoring offers significant savings compared to onshore development—without compromising collaboration or quality. How you feel about any rate is of course dependent upon results. You may find yourself very happy with a partner that brings effective team members even though they aren't the lowest rate because you trust them, they exceed expectations and make you successful. On the other hand, going with the lowest rate won't feel great if you aren't hitting your goals and your partner doesn't truly consider your success as their mission.

When you nearshore,  
you can expect **3-5%**  
higher alignment and  
engagement than  
offshore alternatives.

[Deloitte Global Outsourcing  
Survey 2024](#)

## Easier Team Integration

Your nearshore developers can join team meetings, attend virtual workshops, and even visit on-site without major logistical hurdles. That helps them feel—and function—like part of your core team.

That's the true power of nearshore custom software development—it delivers the flexibility of outsourcing with the rhythm of a high-performing internal team.

## What to Consider When Nearshoring

Nearshore custom software development offers strategic advantages—but like any business decision, your results depend on how you approach it and of course the partner you choose.

When done right, nearshoring extends your team's capabilities, not just your capacity. It becomes a smarter way to build without overloading your internal resources.

## Prioritize Fit Over Price

Rates across Latin America vary depending on specialization, region, and experience level. While nearshore isn't always the lowest-cost model, it's chosen by teams that value long-term partnership, not just short-term savings. The real return comes from efficiency, clarity, and better outcomes—not just hourly rates.

## Know What You Need Before You Scale

Nearshore teams are agile by design. That flexibility works best when you have a clear vision of what you're building, the skill sets required, and how you want your team to engage. Whether you need full lifecycle development or targeted staff augmentation, alignment upfront leads to better outcomes every time.

## Choose a Partner, Not Just a Provider

What separates successful nearshoring from generic outsourcing is true partnership. Your team should work with you—not just for you—communicating clearly, bringing ideas to the table, and adjusting as your priorities change.



# Maximizing the Value of Nearshore Software Development

Nearshoring isn't just a resource decision—it's a strategic move. And like any strategy, the real value comes from how well you execute it. When your nearshore team functions like your own, you move faster, fix blockers sooner, and release better software more consistently. That's the smarter way to scale.

Here's how to get the most from [nearshore software development](#):

## 1. Start with Clarity

Before onboarding a nearshore team, define what success looks like. The more specific your vision, the faster your team can get in sync.

## 2. Communicate Like They're In-House

Daily standups, shared tools, and live feedback loops build momentum. Real-time collaboration is one of nearshoring's biggest strengths—use it to eliminate guesswork and shorten iteration cycles.

## 3. Align Around Agile

Most nearshore teams are built for agile development. Sprints, demos, and backlog grooming become more effective when your external team operates just like your internal one.

## 4. Make Time for Onboarding

Even experienced developers need context. Invest in onboarding your nearshore team just like you would for internal hires. Share your goals, user stories, and technical frameworks for faster contribution and more substantial alignment.

## 5. Use Metrics That Matter

Track team velocity, code quality, and release readiness—not just hours worked. Nearshoring is about outcomes, not output. When your metrics reflect that, performance naturally improves.

When you build the relationship right, your nearshore team doesn't feel outsourced—they feel connected, aligned, and invested. And that's where the real value comes from.

## Don't Just Find a Vendor. Choose a True Nearshore Partner.

Choosing a nearshore partner isn't about tools or titles—it's about working with a team that understands how to solve problems, communicate clearly, and move your business forward. Here's what to look for:

### Proven Experience in Solving Complex Problems

Look for a partner that has delivered solutions for organizations like yours. Whether you're modernizing legacy systems, scaling a platform, or building something from the ground up, you want a team that's done it before—and done it well.

### Alignment with Your Workflow

Your nearshore team should plug into your process without disruption. Daily standups, backlog refinement, sprint planning, and issue tracking should feel like second nature—not forced adaptations.

### Clear Communication and Cultural Fit

The right partner will show you how they work, not just what they can deliver. You should have visibility into timelines, performance, and blockers at every stage.

### Stability and Developer Retention

Ask how long developers typically stay. Teams with low turnover deliver better continuity, a more profound understanding of your business, and smoother handoffs over time.

### Process Transparency

Your nearshore team should plug into your process without disruption. Daily standups, backlog refinement, sprint planning, and issue tracking should feel like second nature—not forced adaptations.

### Partnership Over Production

You want more than bandwidth. You want a team that engages with your goals, offers input, and helps you avoid blind spots. That's what turns a vendor into a partner—and work into progress.

## What Is an Example of Nearshoring?

To see nearshore [custom software development](#) in action, look at QAT Global's collaboration with PIC, a biotechnology leader in the global pork supply chain.

Say your organization relies on a legacy tool that no longer supports how your teams collaborate. That's precisely what PIC leadership faced before partnering with a nearshore team to rebuild their system—fast.

They brought in a team of nearshore developers and testers based in Brazil to lead the technical build, paired with a U.S.-based solution architect and delivery manager to provide oversight and alignment.

In just three agile sprints, a new Vet-to-Vet web application was delivered that:

- Works across desktop, tablet, and mobile
- Enables streamlined, role-based communication
- Alerts users in real time through in-app notifications, email, and SMS
- Aligns with PIC's internal security and infrastructure
- Can be expanded to host future internal applications

This new platform supports deeper collaboration between internal teams and external stakeholders, helping veterinarians act faster and stay aligned on health concerns. The nearshore team delivered quickly and integrated seamlessly—and fully met PIC's standards for security, usability, and business value.

If your team is facing similar legacy challenges—or needs a more connected way to collaborate across stakeholders—this is the kind of result a nearshore partnership can help you achieve.

**Read the full case study here:**

[Modernizing Vet-to-Vet Communication for Biotechnology Leader PIC.](#)

## FAQs About Nearshore Outsourcing

If you're exploring nearshore custom software development, and still have questions, you're not alone.

Here are the answers to the most common questions IT leaders ask—designed to give you clarity, context, and confidence.

### What is nearshore custom software development?



It's outsourcing software work to nearby countries—like Brazil or Costa Rica—for real-time collaboration, cultural fit, and time zone alignment.

### What is considered nearshore?



For U.S. companies, “nearshore” refers to countries in Latin America offering geographical, time zone, and cultural proximity.

### What is a nearshore strategy?



A nearshoring strategy builds partnerships with nearby development teams to expand capacity, reduce friction, and support Agile delivery.

### How does nearshore outsourcing work?



You engage dedicated professionals or teams that integrate with your internal staff—attending standups, following your tools, standards and delivery processes.

### Nearshore vs. Offshore: which is better?



Nearshore offers greater alignment, faster iterations, and fewer management hurdles. Offshore may save cost but increases risk.



## Why Brazil and Costa Rica?



Both countries offer enterprise-caliber talent, U.S. time zone alignment, bilingual teams, and successful delivery track records.

## Is nearshoring more expensive than offshoring?



Yes, slightly—but you gain faster delivery, stronger collaboration, and fewer costly missteps.

## What makes a good nearshore partner?



Proven experience, strong communication, a commitment to transparency, cultural fit, and high team retention.

## What industries benefit most?



Fast-paced sectors like healthcare, logistics, SaaS, fintech, and enterprise IT—where speed and collaboration are critical.

## Build Smarter. Move Faster. Stay Aligned.

Nearshore custom software development is more than a resourcing decision—it's a strategy for scaling with control, increasing velocity, and extending your team's capability without adding complexity.

When your developers work in your time zone, speak your language, and understand your vision of success, you don't lose visibility—you gain it. You move faster without working harder. And you deliver results without compromising flexibility.

If you're navigating growth, legacy transformation, or aggressive timelines, nearshoring creates the space—and the support—to move forward with confidence.

Ready to build smarter, scale faster, and stay aligned? Schedule your consultation today—and see how nearshore custom software development can propel your business to new heights!

QAT Global works as a single united team with market-leading firms to solve their problems and accomplish their strategic goals with custom software solutions and smart IT staff augmentation.

For over 30 years, QAT Global has been an innovation partner delivering high-quality results on time and on budget. QAT Global provides a comprehensive range of technical and strategic consulting services; we focus on how IT can make a real difference to your business by building in agility, streamlining business processes, integrating data assets in new ways, and transforming technical assets. We also help our clients quickly get to market with new or enhanced SaaS products.

Partner with QAT Global to build your custom software solution and transform your frustrations into success. Whether you're looking to modernize existing software, develop new software, or IT staff to realize your vision, our global team is passionate about delivering quality results.

Let's talk about your needs and see if we can do the same for you.

## Your Success is Our Mission!

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Get dozens of in-depth guides and more on business & leadership, custom software development, nearshoring, digital transformation, staff augmentation, and more by visiting:

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