Which Countries Are Best for Outsourcing Software Development? Why Vietnam Belongs on Your Shortlist

There is no single best country for outsourcing software development. Still, Vietnam is one of the strongest all-round choices for companies that want skilled engineers, stable teams and lower cost, especially in Asia-Pacific. India offers the largest pool, Poland and Ukraine the best European time-zone fit, and the Philippines the strongest English. Vietnam combines competitive rates, a fast-growing talent base and a rising reputation for quality.

The comparison

Country	Typical developer rate (US$/hour)	Best for	Main trade-off
Vietnam	18–32	Cost-effective engineering, Asia-Pacific fit, stable teams	English varies
India	20–35	Scale and breadth of skills	Intense competition for talent; turnover
Philippines	20–40	English, support, QA	Less enterprise-scale software depth
Poland	40–55	European time zone, strong engineering	Higher cost, tighter talent supply
Ukraine	30–50	Engineering depth, European time zone	Operational risk from the war

Use these rates as a guide.

How to choose: five questions

1. **Where are your users and your team?** Vietnam's UTC+7 time zone has near-complete overlap with Singapore, Hong Kong, Japan, and Korea, three to four hours ahead of Australia, and a late-afternoon overlap with the UK and Europe. The US East Coast is 11 to 12 hours behind, so plan for asynchronous work.
2. **How big is the team you need?** For a few dozen engineers, Vietnam is comfortable; for hundreds in a hurry, India's scale helps.
3. **How senior must the engineers be?** Plentiful junior and mid-level talent is easier to find than top-end specialists everywhere, and Vietnam is no exception.
4. **What is your budget model?** Fixed price, time and materials or a dedicated team change what you pay.

Why Vietnam stands out

- **Talent base:** more than 530,000 IT engineers and developers, with tens of thousands of graduates each year.
- **Momentum:** one industry source calls it the second-fastest-growing IT outsourcing market in its comparison group; market size estimates vary, but all point upward.

- **Global credibility:** FPT Software has surpassed US$1 billion in global revenue, and the Indian IT group HCLTech has established a delivery center in Hanoi.
- **Adjacent strengths:** Vietnam is also a top electronics exporter, so hardware, embedded, and IoT projects can find software and manufacturing partners in a single country.
- **Stability and policy:** a stable risk rating and government support for the digital economy.

Honest limits

Vietnam is not the right answer for every project. If you need very large teams within weeks, deep US-hours coverage or the very top tier of niche specialists, look at India or Eastern Europe, or combine countries. Many companies do exactly that.

How to test the shortlist

Pick two countries, shortlist three vendors in each, send the same brief and run a paid pilot of two to four weeks. Compare quality, communication and total cost.

To find Vietnamese software vendors for that test, browse **Outsource2Vietnam.com** and contact companies directly.