IT Outsourcing Vietnam: Why Software Teams Are Moving East

IT outsourcing in Vietnam gives foreign companies access to a large, young engineering workforce at rates well below those in Western countries. Industry bodies count more than 530,000 IT engineers and software developers, and InCorp's 2026 outlook puts the wider ICT workforce above 1.26 million. The trade-off is a thinner pool of senior specialists and English that varies by team, so vendor choice matters.

What Vietnam does well

- **Software engineering.** Vietnam built its outsourcing industry on code. Outsource Accelerator notes that Japanese and Korean clients established the market before Western buyers arrived, which gave Vietnamese firms years of experience with demanding process cultures.
- **Cost.** Skilled developers are commonly quoted at US$20 to US$35 an hour, and senior dedicated engineers at US$2,200 to US$5,000 a month.
- **Growth.** Estimates of market size vary widely depending on the definition: one research house puts IT outsourcing at US$810 million in 2025, while broader IT services estimates run to US$2.63 billion in 2026. Every source agrees the direction is up.
- **AI and emerging tech.** Vietnam ranks among the leaders in Southeast Asia for AI start-ups, and most Vietnamese IT companies are investing in AI infrastructure.

Services you can outsource

Service	Typical use
Custom software development	Web, mobile and enterprise applications
Dedicated development team	A long-term extension of your engineering department
Software testing and QA	Test automation, regression and performance testing
Maintenance and legacy modernization	Mainframe migration, version upgrades, support
Data, AI and machine learning	Data pipelines, annotation, model development
IT support and managed services.	Help desk, cloud operations, monitoring

Honest risks

- **Senior talent is limited.** Ask who your tech lead will be.
- **Wages are rising.** Regional minimum wages rose an average of 7.2% in January 2026, and developer salaries move faster in hot skills.
- **Communication varies.** English is stronger in Ho Chi Minh City and Hanoi tech teams than the national average suggests, but test it.

- **Data rules are tightening.** The Personal Data Protection Law took effect on 1 January 2026 and may apply to foreign companies that handle Vietnam-related personal data.

How to start

A directory such as **Outsource2Vietnam.com** lets you browse Vietnamese software companies and contact them directly, with no go-between.

1. Run a two- to four-week paid pilot.
2. Scale up only after the pilot meets your quality bar.

Browse Vietnamese IT companies. Start with **https://outsource2vietnam.com/sector/it/index.php**.