COMPREHENSIVE GUIDE TO IT STAFF AUGMENTATION
OVERVIEW

The talent shortage is real. By 2030, an estimated 85 million unfilled positions will hurt business success. Losses will reach $8.452B in unrealized revenues.

Hiring ranges from 36 to 45 days and up to six months for rare skills. You spend 6 – 9 development salaries to find and retain a senior developer, or $60,000 – $75,000.

The better, quicker, more efficient option? Outsourcing and outstaffing services. This is the choice of 76% of executives, according to the Global outsourcing survey 2022 by Deloitte.

This guide walks you through IT staff augmentation. You find, keep, and retain the right skills at the right price—the top challenge to overcome. Plus, hiring & HR costs remain on the provider’s side.

Remember! 51.6% of projects fail because they lack a competent, passionate team who cares.
WHAT IS IT STAFF AUGMENTATION?

IT staff augmentation typically means filling in open (temporary) vacancies quickly by hiring extra developers or a team at a partnering provider.

You save both direct expenditures by paying lower hourly rates and indirect costs by shifting office rent, taxes and benefits, furniture, etc., to a service provider.

WHEN SHOULD YOU USE IT STAFF AUGMENTATION?

You have a surging scope of work but only for a limited period.

You need an urgent replacement under a limited hiring budget.

You periodically need niche expertise.

You must redistribute the workload that requires senior-level developers.

You want to support your strategic goals while balancing development costs.
Staff augmentation is most often a remote option. The specializing partnering provider offers candidates from its internal pool or finds the best opportunities in the market.

The new hires become a part of your team under your direct control and management.

Here is how an augmented team looks:

The augmented staff works from the home or service provider’s office, or in hybrid mode. The provider is responsible for the workplace, equipment, HR, taxes, insurance, etc.

A dedicated account or business development manager on the provider’s side is a quick reach if any question emerges.
## SPECIFICS OF IT STAFF AUGMENTATION

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Freelancers</th>
<th>IT staff augmentation</th>
<th>In-house hiring</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Type</strong></td>
<td>Independent professionals</td>
<td>Service provider’s employees</td>
<td>Your own employees</td>
</tr>
<tr>
<td><strong>Focus</strong></td>
<td>Narrow</td>
<td>Wide and niche</td>
<td>Both wide and narrow</td>
</tr>
<tr>
<td><strong>Scalability</strong></td>
<td>Low</td>
<td>High</td>
<td>Medium</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>Low to medium</td>
<td>High</td>
<td>Medium to high</td>
</tr>
<tr>
<td><strong>Short-term vs. long-term</strong></td>
<td>Preferred short term</td>
<td>Both</td>
<td>Preferred long term</td>
</tr>
<tr>
<td><strong>Full-time vs. part-time</strong></td>
<td>Both</td>
<td>Both</td>
<td>Preferred full time</td>
</tr>
<tr>
<td><strong>Communication</strong></td>
<td>Direct</td>
<td>Direct</td>
<td>Direct</td>
</tr>
<tr>
<td><strong>HR</strong></td>
<td>You</td>
<td>Provider</td>
<td>You</td>
</tr>
<tr>
<td><strong>Replacement</strong></td>
<td>You</td>
<td>Provider</td>
<td>You</td>
</tr>
<tr>
<td><strong>Responsibility for indirect costs</strong></td>
<td>Contractor</td>
<td>Provider</td>
<td>You</td>
</tr>
<tr>
<td><strong>Overall costs</strong></td>
<td>Low to medium</td>
<td>Low to medium</td>
<td>High</td>
</tr>
<tr>
<td><strong>Hiring time</strong></td>
<td>Short to medium</td>
<td>Short</td>
<td>Medium to long</td>
</tr>
<tr>
<td><strong>Best for:</strong></td>
<td>Delivering short-term, simple projects</td>
<td>Balancing project costs, pace, and expertise</td>
<td>Retaining mission-critical competencies</td>
</tr>
</tbody>
</table>

2023 Guide to IT Staff Augmentation
SUCCESSFUL IT STAFF AUGMENTATION IN FOUR STEPS

Working with experts who have in-depth experience is rewarding. A McKinsey study states that top performers are 400% more productive than average employees.

The gap is much bigger in IT: the best software developers are 800% more productive compared to less-skilled peers, according to the study.

How do you find the best performers for your budget?

Go carefully through four consecutive steps:

1. Analysis
2. Sourcing
3. Staff Selection
4. Cooperation

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ANALYSIS

Two important outcomes of this step:

Understand your needs.

Check your processes for weak spots and bottlenecks.

Understand your needs
Evaluate your requirements:

- Monthly/overall budget limits (some regions might appear expensive)
- Scope and activities to be covered (number of engineers and their roles)
- Cultural competencies (understanding you and your work ethics)
- Goals of project augmentation (preferably with specific metrics)
- Certificates and compliances (if required in your industry)
- Timeline (certain providers might require a minimum contract length)
- Cooperation start (vetting takes time)

Important note! Prioritize your requirements from the most to least important.
CHECK YOUR PROCESSES FOR **WEAK SPOTS AND BOTTLENECKS**

Working processes might cause a productivity drop. Adjust processes and augmented team’s needs:

- Ensure the in-house team understands and accepts changes.
- Appoint a manager responsible for onboarding, account setting, and coordination.
- Decide on optimal and workable time differences when developers reside in a distant location.
- Revise and update security policies.
- Prepare an NDA.
- Provide new team members access only to specific documentation, tools, code, or infrastructure they need for work.
- Consider special training new team members might need.
Select 5 – 10 trusted providers based on their profiles matching your initial criteria.

The most popular search platforms include:

- Clutch
- LinkedIn
- GoodFirms
- Upwork

Choose a provider that:

1. Has relevant industry expertise, proven with cases
2. Works with your tech stack
3. Responds actively
4. Has regular review updates
5. Ensures similar mind stack
6. Can handle your budget limits
**HOURLY RATES**

Hourly rates fluctuate based on location of company.

Hourly rates by regions

- **USA/Canada**
  - $100-$250/h.

- **Western Europe**
  - $65-$170/h.

- **Central and Eastern Europe**
  - $30-$65/h.

- **India**
  - $20-$45/h.

- **South-Eastern Asia**
  - $20+/h.

- **Australia**
  - $100-$150/h.

- **Central and Eastern Europe**
  - $30-$65/h.

**Asian** companies are the least expensive, but cultural barriers are high. The initial estimate might not include QA or PM, thus becoming sources of hidden costs.

**North American** companies have no overt cultural barriers but the highest hourly rates.

**Central and Eastern European** companies charge 2 – 4 times less than North America and Western Europe. They share a similar mind stack. Quality is high.

Check the average company’s rate in the profile summary on Clutch or GoodFirms. Or contact them directly to get a confirmed rate.
SERVICES

Some companies focus solely on staff augmentation services. Yet, it makes sense to broaden your search and add a provider based on:

- **industry expertise** (eCommerce, Healthcare, FinTech, and more)
- **tech services provided** (web, mobile, business process optimization, UX/UI, DevOps, testing, etc.)

Outsourcing providers are flexible
Staff augmentation services cannot be at the top, but they are still on the list. Therefore:

- ensure the provider has relevant focus and experience first
- check staff augmentation among services provided

Can’t find staff augmentation services in a directory?
Check out provider’s website:
CLIENT REVIEWS, AWARDS, AND CERTIFICATES (IT CRAFT EXAMPLE)

Check Clutch & Upwork

<table>
<thead>
<tr>
<th>OVERALL REVIEW RATING</th>
<th>Quality</th>
<th>Schedule</th>
<th>Cost</th>
<th>Willing to Refer</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>4.8 ★★★★★</strong></td>
<td>4.8/5</td>
<td>4.7/5</td>
<td>4.9/5</td>
<td>4.9/5</td>
</tr>
</tbody>
</table>

See all 41 Reviews ›

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**THE PROJECT**

- Confidential
- May 2022 - Ongoing

**PROJECT SUMMARY**

A traffic light control company has hired IT CRAFT for staff augmentation. IT CRAFT supplies DevOps engineers, and the team primarily assists the client with UI/UX development on various projects.

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**Recognized awards and certificates**

- [Certified](#)
- ISTQB Certified Software Testing Professional
- CSM Certified
- CSPO Certified
- AWS Certified Solutions Architect Professional
- Microsoft Certified
- Google Cloud Certified
- PMI PMP
- Certified Scrum Master
- Zend Certified Engineer
- HIPAA Compliance
- Kanban Certified Professional
- ICP Certified
- Certified Scrum Practitioner
- AWS Certified Cloud Practitioner
- AWS Certified Security Associate
- AWS Certified Solutions Architect Professional

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2023 Guide to IT Staff Augmentation
DECADES OF BEING A DEPENDABLE SERVICE PROVIDER

At IT Craft, you get:

80%
Of our talent pool are middle and senior engineers

No hiring limits & expenses
They remain on our side

3+ days
CVs of vetted candidates

Up to 50%
In saving IT budget due to competitive hourly rate

2+ weeks
Onboarding time

Get an Expert
STAFF SELECTION

Go through this proven, five-step path:

01. Send your request to your chosen vendors. Ensure a signed NDA.

02. Receive their responses containing the CVs of matching candidates.

03. Filter unsuitable CVs. Schedule interviews with preferred candidates.

04. Write down your impressions. Compare results to your needs.

05. Select the most-qualified engineers based on their development competencies, communication skills, and experience.
# NEGOTIATIONS

Discuss specific cooperation details with the provider, such as:

- working hours and time overlap
- communication and contact points
- security measures
- deliverables
- payments
- guarantees and replacement
- scaling

**Important note!** Clarify all details before signing on the dotted line. If a provider urges you to sign a contract as soon as possible without sufficient clarification, it might be a warning sign of future difficulties.

Always take your time to weigh all options carefully. Show the contract to your lawyer if doubts emerge in defending your interests.
USEFUL TIPS

**Cooperation**
Working processes determine your team’s effectiveness. Turn everyone into a cohesive unit. Invest your time in proper integration and management of remote talents.

**Onboarding**
Strong onboarding processes improve productivity by 70%. Discuss your expectations with the new members. Introduce them to your team. Set up corporate accounts and provide necessary access.

**Project delivery**
Treat external developers as part of your team. Ensure there is a contact point in your in-house team with whom they can discuss project-related issues. Promote autonomy and ownership to leverage their expertise.

**Performance reviews**
Regular performance reviews enable you to understand whether your project is moving in the right direction. Compare plans and real outcomes to reevaluate priorities and identify improvement areas.

**Project transfer**
Do not leave the provider alone in the dark. When the project is complete and the contract is over, discuss contract extension or offboarding. Ensure knowledge transfer and revoke credentials or prepare new contract terms—depending on requirements.

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TIPS FOR SUCCESSFUL PROJECT DELIVERY

The following points help you stay on track:

1. **Check identity**
   Always complete identity check. Ensure you onboard the same candidate you have interviewed and approved.

2. **Leave no room for guesses**
   Although autonomy is important, ensure external developers can discuss issues with the right person to make an informed project decision.

3. **Start with a pilot task**
   Test your new team members in real-world conditions by giving them a small pilot task. It helps you detect possible issues.

4. **Provide (and receive) feedback**
   Discuss achievements and improvement areas regularly with developers and contact points on the service provider’s side.
IT STAFF AUGMENTATION
AT IT CRAFT

Experts Start Working for You within 2+ Weeks.

Our Staff Augmentation Process

01 Initial request
Request as many engineers as needed.

02 Selection
3+ business days to pick up CVs and schedule interviews.

03 Interviews
30- to 60-minute interviews to evaluate and select the best fit.

04 Settling
Detail clarification to remove guesses and inconsistencies.

05 Kickoff
Onboarding commences immediately after settling details.

Desired Results Achieved
WHY CHOOSE IT CRAFT

- 2x – 4x difference in hourly rates compared to NA/EU
- up to 35% decrease in onboarding time
- access to a wide pool of development experts
- efficient workforce balancing

Get an Expert
Amesto

Complex portal for straightforward translation workflow.

**Team:** 5 members  
**Industry:** Translation  
**Years:** 2017 – 2019

The client sought experts able to take over the growing workload and integrated features, thus granting the product a competitive edge.

IT Craft engineers worked on a series of tasks, including one project delivery from scratch for which the architecture was also designed. Developers integrated multiple systems into a seamless solution via APIs. Support and maintenance were a part of provided services.

**$13.3M+**  
Annual Turnover

**$378K**  
Of Budget Saved

**Group in 2018**  
Acquired by Semantix

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**Client’s Testimonial**

“IT Craft delivers on time and on budget. We are really happy with their whole team—they’re professional and transparent, giving us access to everyone on the team. They provide feedback and make suggestions, acting more like a colleague than a hired agency.”

**Head of Product Development, Amesto**
SUCCESS STORIES

Adorama 🇺🇸

Ecommerce platform of the biggest US media retailer.

**Team:** 5 – 54 members  
**Industry:** Ecommerce, retail  
**Years:** 2008 – 2019

- .NET  
- C#  
- MS SQL  
- JQuery

The client’s small in-house team faced the task of modernizing, maintaining, and expanding a legacy platform, which served as the basis for six large retail businesses.

The IT Craft engineers started with a small pilot task and quickly expanded. They focused on implementing the client team’s vision and requirements, working on everything related to development, testing, and monitoring.

- 54 Members At Peak  
- $500M+ Annual Recurring Revenue  
- Of Budget Saved $39M

**Client’s Testimonial**

“They never promise something they don’t believe is going to happen. This allows me to rely on them, and I know that when they do promise something, they will be able to deliver.”

**CTO, Adorama Inc.**

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FIND US ON SOCIAL NETWORKS AND REVIEW PLATFORMS:

- Clutch
- GoodFirms
- upwork
- LinkedIn
- DESIGNRUSH
- Bēhance