

Offshore Vendor Selection Checklist

A practical checklist to help you evaluate and select the right technology vendors.



Plan B Consultants

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Introduction

Offshoring offers immense benefits—from cost efficiency to scalable access to specialised skills—but success depends on more than just cost savings. Many SMEs and startups rush into offshore engagements without a robust framework for evaluating potential partners. The result is often misaligned expectations, communication gaps, and avoidable rework.

This checklist has been designed specifically to help smaller businesses make confident, informed decisions when selecting offshore vendors. Whether you're engaging a development team, support function, or digital service provider, this tool offers a structured way to assess whether a vendor is not only technically capable, but also culturally aligned and operationally mature.

A good offshore partner should:

- Understand your business domain and goals
- Communicate clearly and proactively
- Demonstrate process maturity without excessive bureaucracy
- Offer transparency around staffing, security, and delivery models
- Integrate smoothly with your internal workflows and tools

Use this checklist during your vendor evaluation process to guide discovery calls, compare options side by side, and establish internal alignment before committing to a partnership. It covers key dimensions such as business alignment, communication protocols, delivery structure, and team continuity—areas where mismatches often lead to project failure.

Remember: offshoring is not just a cost decision. It is a strategic investment in your ability to grow and adapt. The best offshore partnerships feel like an extension of your team.

Essential Vendor Questions

These are the foundational questions you should ask every offshore provider—regardless of the role or size of engagement.

Time Zone Alignment:

Will the team or candidate work within our core business hours, or operate in their local time zone?

Clarify overlap windows, responsiveness expectations, and flexibility around meetings.

Performance Assurance:

What happens if the assigned candidate does not meet our expectations or underperforms?

Look for clear escalation processes, replacement guarantees, and support mechanisms.

Termination Terms:

What are the notice periods, termination clauses, and associated costs (if any)?

Ensure flexibility, especially during early-stage engagements or pilot projects.

IP Ownership & Data Security:

Who owns the work produced, and how is our data protected?

Confirm intellectual property clauses and security policies are clearly defined.

Team Continuity:

What steps do you take to ensure consistency if a team member leaves or is unavailable?

Vendor maturity often shows in how they handle staff turnover.

Communication Standards:

How do you manage day-to-day communication, reporting, and updates?

Ask about tools used (e.g. Slack, Jira, Zoom), communication frequency, and point of contact.

Trial or Pilot Options:

Do you offer short-term pilot engagements or paid trials?

This allows you to assess compatibility before a full commitment.

Reference Clients:

Can you provide references or case studies from similar businesses or industries?

Look for local or regional relevance, not just logos.

Section 1: Company Profile and Capabilities

Area	Question	Ready?
Business Profile	Does the vendor have a track record in your industry or vertical?	
Business Profile	Can they provide case studies or references?	
Location	Do they operate within your preferred regions (e.g. Philippines, India)?	
Compliance	Are they familiar with your local compliance or data requirements (e.g. Privacy Act)?	

Section 2: Communication and Collaboration

Area	Question	Ready?
Communication	Do they offer fluent English-speaking project managers or liaisons?	
Communication	Do they have structured communication cadences (e.g. daily standups)?	
Tools	Are they open to using your tools (e.g. Slack, Jira, MS Teams)?	
Timezone	Have they worked with clients in your time zone before?	

Section 3: Technical Fit and Security

Area	Question	Ready?
Process	Do they have documented SDLC or delivery processes?	
Security	Do they follow secure development practices and offer IP protection?	
Skill	Are their developers certified or experienced in your required tech stack?	
Trial	Do they offer a trial or pilot project before long-term commitment?	

Section 4: Cost and Engagement Models

Area	Question	Ready?
Pricing	Do they provide transparent pricing and scope boundaries?	
Flexibility	Are they flexible with engagement models (e.g. fixed, hourly, dedicated teams)?	
Scalability	Do they offer scalable options as your needs grow?	

Section 5: Cultural Alignment and Stability

Area	Question	Ready?
Values	Do their core values align with your business culture?	
Wellbeing	Do they support work-life balance for their team (reduced burnout risk)?	
Retention	What is their staff retention rate?	
Stability	Are they a long-established company or a new agency?	

Section 6: Red Flags to Watch For

Engaging the wrong offshore partner can cost time, money, and operational momentum. Be vigilant for these warning signs during your evaluation:

- **Reluctance to Provide References or Case Studies**

If a vendor is unwilling or slow to share past work examples or client references, this may indicate a lack of successful experience, poor client outcomes, or a limited history of delivering similar projects.

- **Vague or Inconsistent Communication**

Offshore teams must demonstrate clear, prompt, and consistent communication. If you find early conversations confusing, delayed, or full of generic promises, consider how this might worsen during a live engagement.

- **No Clear Documentation or Project Tracking Methods**

A professional vendor should already have systems in place to manage project scope, timelines, task assignments, and accountability. Lack of standard documentation or reliance on ad hoc tools is a red flag for poor process maturity.

- **Pressure to Sign Long-Term Contracts Without a Trial**

Be wary of vendors who discourage pilots or short-term proof-of-concept engagements. Reliable partners are confident in their delivery and open to earning trust gradually before scaling.

- **Inability to Align with Your Hours or Time Zone**

Collaboration often suffers if teams cannot attend daily stand-ups, provide overnight responses, or accommodate overlapping hours. If a vendor cannot offer partial coverage during your workday, clarify how communication delays will be managed.

- **High Developer Turnover**

Ask about retention rates and how long team members typically stay on a project. Constant team changes can disrupt delivery, impact code quality, and result in lost context. If turnover is high, explore whether the vendor offers continuity planning or shadow resourcing.

Next Steps

Selecting the right offshore partner can feel overwhelming, especially when dealing with unfamiliar regions, legal frameworks, and working styles. Whether you are just starting your search or have a shortlist of candidates, a second opinion or structured advice can help avoid costly missteps.

If you would like tailored guidance on evaluating offshore providers, interpreting proposals, or setting up your engagement for success, we invite you to book a free 30-minute strategy session with our team.

👉 [Schedule a strategy session](https://www.planbconsultants.com.au/contact) at [planbconsultants.com.au/contact](https://www.planbconsultants.com.au/contact)

We will help you clarify priorities, evaluate risks, and ensure your offshore partnership supports your long-term goals.



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