

Cost Savings Analysis in ServiceNow Developer Sourcing

This case study focuses on a cost savings analysis regarding the sourcing of ServiceNow developers from Latin America (LATAM) as compared to the United States (US) market rates. By examining the significant cost advantage gained from hiring talent from LATAM, this study emphasizes the strategic advantage in the global talent market and the resulting efficiency and value provided to clients.

US Market Rates

In the US, ServiceNow developers' hourly rates typically range between \$100 and \$130. These rates reflect the highly competitive and scarce talent market within the region.

LATAM Market Advantage

In contrast, Latin America, especially the Costa Rican IT community, offers significantly lower rates for ServiceNow developers, ranging from \$45 to \$60 per hour. This presents a substantial cost advantage for businesses considering sourcing talent from LATAM.

Substantial Cost Savings

By sourcing talent from LATAM, companies can offer the same level of expertise at a significantly reduced rate. Assuming an average US rate of \$115 per hour and a LATAM rate of \$52.50 (midpoint of the range), this approach results in savings of approximately \$62.50 per hour.

Long-Term Financial Impact

Over the course of a project, these hourly savings accumulate to a substantial amount. In the case study, the accumulated savings total \$156,000. This financial benefit allows companies to reallocate these funds towards additional talent acquisition or other strategic investments, thereby supporting their long-term growth and success.

Conclusion

This case study demonstrates the cost-effective approach of sourcing ServiceNow developers from LATAM, highlighting the strategic advantage in the global talent market. By offering high-quality solutions at a fraction of the usual cost, businesses can drive efficiency and value for their clients. The substantial cost savings demonstrated in this case study showcase the potential financial benefits and opportunities for growth that can be achieved by leveraging the LATAM talent pool.