"The Tech Landscape of 2024:
Trends, Challenges, and IT Readiness"

TEAM Insider: **Vol. I**

Team
international

TEAM's top managers and Studio leaders gave their predictions and perspectives on all things tech for the upcoming years.

Team
international

Your Major Takeaways from These Insights:

We hope these insights will provide you with some clarity on identifying areas for improvements in your IT infrastructure and building a robust long-term success strategy for your digital transformation. And most importantly, help you boost your customers' satisfaction and loyalty rates.

III. How Is the IT Industry Dealing with All These Trends and Evolving Business Needs?

IV. Buying, Outsourcing, or Doing It In-House: The Eternal Dilemma

V. Pushing Through 2024 With Tech Advancements in Your Business

I. Tech Trends 2024: What Is Really Going to Matter in the Coming Year

The series of shocks, including the pandemic and the wars in Ukraine and Israel, has had profound implications for the IT industry. Uncertainty brings multiple risks, opportunities, or both because executives are expected to modernize their organizations while building resilience against existing and potential disruptions. And technologies continue to act as a silver bullet and innovation engine for those striving to improve customer experience and expand operations.

By having a future-oriented IT infrastructure, you can secure your business continuity and focus on what's essential for your organization — growing business while retaining employees and clients. That's why, as a leading tech company with 20+ years of expertise, we've decided to discuss our vision of the IT future and the most important tech trends for 2024. Additionally, we will briefly summarize their potential for you to be an efficient business leader and thrive in stormy times.

Key business areas and IT industry trends worth investing in this decade

Disruptions have changed the priorities in digital solution development but have never stopped technology from advancing. Our recent experience and business insights gained from TEAM's global clients prove that in 2024, organizations should focus their efforts on the following areas:

- Net-zero and environmental sustainability
- Security and collaboration in a hybrid work environment
- Business-resilient IT ecosystems
- Effective and automation-driven big data management
- Immersive customer experience

Executives and IT leaders can use the following list of the latest tech trends to prioritize and develop a technology roadmap aligned with their business strategies. So, what should you put at the top of your agenda this year, aside from the apparent boom of generative AI?

Top 5 technological advancements heralding the next 10 months

01.
Sustainable operations

We should admit that historically, IT top managers focused exclusively on utility and price. However, these days, organizations are encouraged to consider environmental aspects of business functions and build corporate sustainability. So, prepare for a push toward more eco-friendly tools in 2024 centered around tracking and reducing CO2 emissions.

New energy solutions

Data centers hosting big servers contribute to millions of tons of pollution from the energy consumed. To reduce consumption and emissions, either optimize your servers or move to energy-efficient **data centers in the cloud.** Notably, cooling infrastructure optimization of data centers helped Fujitsu company reduce energy consumption by **48 percent.** So, energy efficiency is a priority not only in terms of sustainability but also in terms of cost — especially considering that energy bills have skyrocketed.

Emission tracking software

You can significantly reduce your carbon footprint with emission management and reporting tools. Such digital solutions help you improve transparency for the public, clients, investors, and stakeholders, cut bills, and better understand your energy consumption. Once you know how much CO2 your company emits, you can launch initiatives to minimize that amount. Driven by AI, this software can transform collected data into actionable insights that improve decision-making. Traceability, AI, and analytics allow you to explore new markets and opportunities for sustainable growth.

02.
Security, trust, and privacy

With the rising wave of destructive cyberattacks, businesses are realizing the **importance of cybersecurity** as one of the leading tech trends in 2024. According to Gartner, global security and risk management end-user spending was estimated at $188.1 billion in 2023. This year, the forecast says these expenses will hit a total of **$215 billion in 2024,** an increase of 14.3% from the previous year. Moreover, the market will reach $267.3 billion in 2026, with a stable CAGR of 11.0% (2022 to 2026). So, what to expect here? We believe 2024 will see a move toward worldwide consolidation in the cybersecurity space.

Strengthening decentralized future with blockchain

Blockchain continued to gain traction in 2023 as a trust-building technology. It has created a new platform for business relationships that combines ease of use, trustworthiness, and high security. It also provides a new basis of trust in transactions. Besides faster verification, traceability, reliability, and excellent capability of resisting fraud and **cyberattacks,** blockchain unlocks more business capabilities and opportunities. For example, **Shell** launched a blockchain-based initiative to reinvent energy value chains and ensure sustainable energy enters its grid.

Global blockchain technology market size (in $ billions)

Year	Value
2018	1.2
2019	2.2
2020	3.9
2021	7
2022	12.7
2023	23.3
2025	39.7
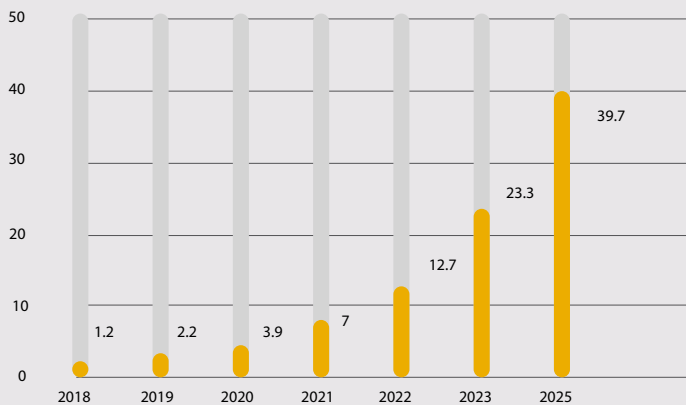
Source: MarketsandMarkets

AI cybersecurity

AI and ML enable a proactive and preventive data and infrastructure protection approach. As it goes, AI algorithms discover anomalies and early signs of intrusion or malware attacks more effectively than most modern technologies. The programs learn from historical and real-time threat data, allowing cybersecurity professionals to identify and block attacks in advance. It's the number one reason to incorporate artificial intelligence and machine learning into your infrastructure, investing in your cyber resilience in early 2024.

Sergiy Povolyashko

CIO/CISO Information Technology,
TEAM International

> I'd stress the importance of GDPR and AI usage. While there is no explicit information on AI usage in GDPR, due care should be applied when you think of AI usage towards personal data. The questions to consider:

01.
Do you inform data subjects that you are going to apply AI to their personal data?

02.
Therefore, does it pose a risk of losing some audience who will not be willing to supply their data to AI?

03.
Will you be able to fulfill the right to avoid automated decision making, which (depending on how you use it) AI really is?

04.
Are you breaking the territorial scope of GDPR when supplying personal data to AI

05.
Finally, what does AI's Terms of Use or Privacy Policy say regarding personal data processing?

zero trust approach

Based on the idea of never trusting and consistently verifying, this approach uniquely addresses the challenges of securing remote workers, hybrid cloud environments, and ransomware threats. Instead of assuming every attempt to access resources is safe, the zero-trust framework takes breach and checks each request regardless of where it originates. With this security approach, each access to your data will undergo strict identity verification, preventing the most common attacks responsible for **83 percent** of breaches.

03.
Digital customer experiences (CX)

We see two main ideas around the next level of the internet — decentralization and immersion that will add new dimensions to user interactions and digital experiences, presenting untapped business value streams.

Key consumer trends to consider in 2024

Source: Qualtrics XM Institute "Consumer Trends Report"

04. Post-purchase experience drives consumer decisions

02. High-quality service prevails over low prices

01. Human-driven AI plays a crucial role in attracting buyers

03. Great customer support boosts loyalty

05. Digitalization of a business attracts younger audiences
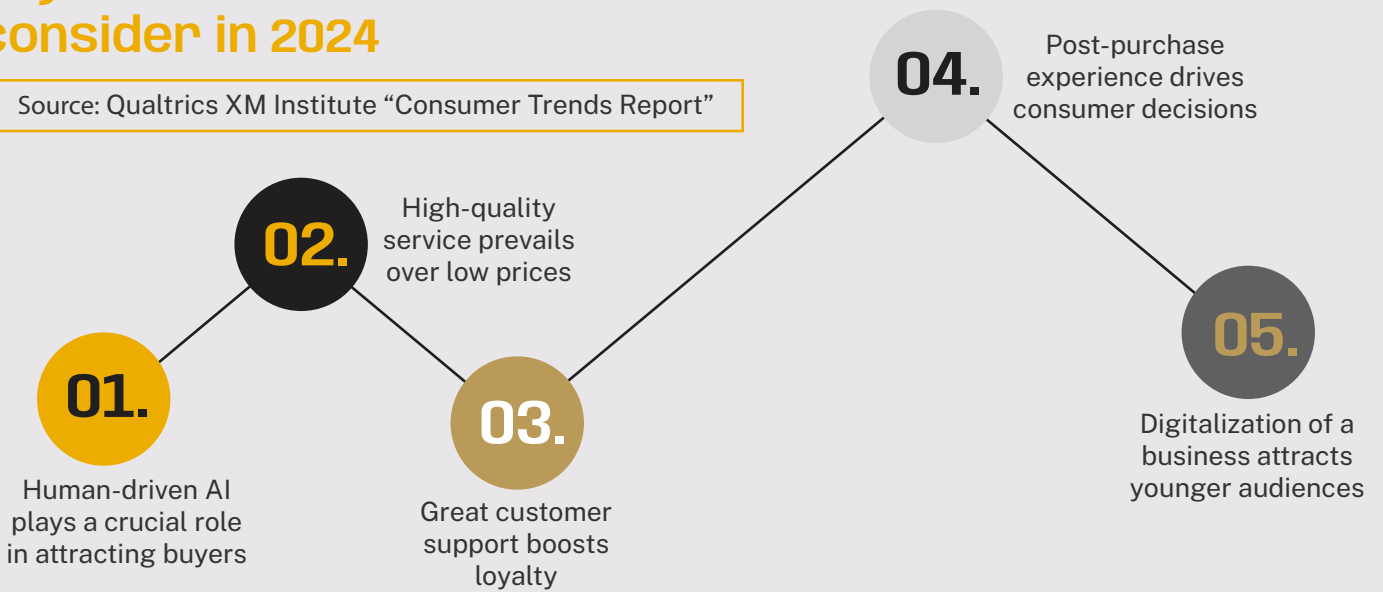
How satisfaction impacts the likelihood of return

48% of consumers are comfortable interacting with a company's AI

● Digital channels   ● Human channels

	Getting information	Making a purchase	Receiving support
Digital channels	2,1x	2,2x	2,7x
Human channels	1,9x	1,9x	2,5x
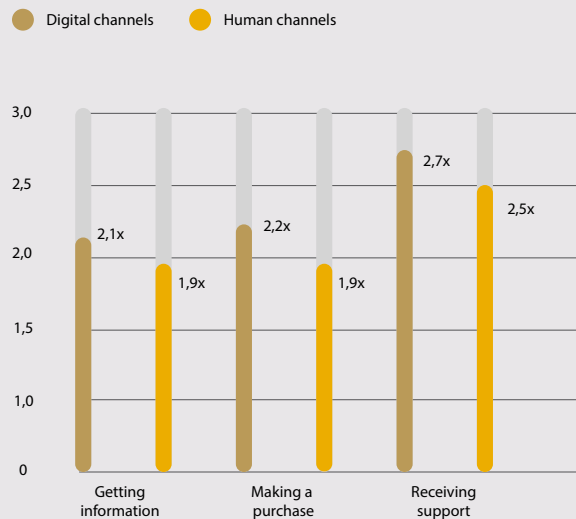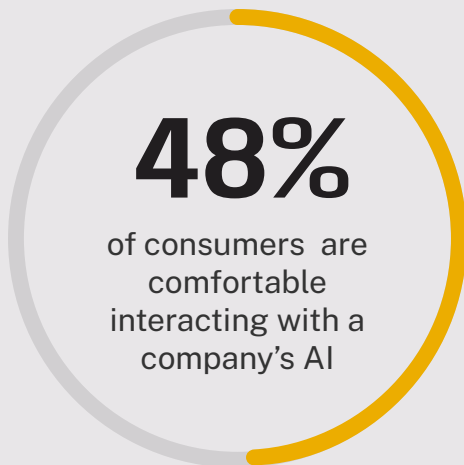
2023 ended with a bang, spotlighting businesses of all sizes that laid off their staff in favor of using AI agents instead. It's a reckless move if you ask us, but sure, there are substantial cost savings and performance gains. And that was just the beginning, as the potential of AI to revolutionize customer experiences is still a terra nova. Those who invested in the artificial intelligence workforce last year will now focus on improving their algorithms to differentiate customer experiences further and boost operational efficiency. Those who didn't will start their AI adoption journey in one way or another.

2024 can just as easily become a breakthrough year for AI, empowering the boldest players in retail, hospitality, entertainment, recruitment, and real estate with a competitive edge and better business outcomes. Even the sports industry is profiting from AI implementation as the NFL uses it to **improve players' safety,** for instance. So, we envision the widescale adoption of personalized AI solutions in every possible aspect of people's lives.

Creators like OpenAI, Anthropic, DeepMind, or IBM will change the artificial intelligence landscape by making this tech accessible to every individual. We expect to see easier-to-use devices and tools, action-enabled AI products, smarter ML models, and real-time AI learning. However, executives should be very mindful and careful when using artificial intelligence, as its primary goal must be solving customers' problems and acting ethically while achieving broader goals.

The state of AI from consumers' and investors' perspectives

96%
of consumers value transparency in how and when businesses use AI in their products or services.

46%
of survey respondents expect AI to offer improved customer service within 1-5 years.

More than

1 in 4 US dollars
were invested in AI-focused startups in the first half of 2023.

Sergii Pogodin

Chief Technology Officer,
Europe Division
TEAM International

"In the upcoming years, 2024-2025, businesses will be pressed to embrace the growth of both commercial and open-source AI models and reshape their approach to their adoption. The rise of commercially viable open-source generative AI models will facilitate the emergence of new and diverse AI-powered offerings, potentially able to revolutionize business strategies, minimize manual effort, and deliver sustainable value to businesses."

Immersive CX

The immersive virtual world, or simply the metaverse, has quickly extended beyond mere entertainment industry trends. The metaverse can generate **$5 trillion** in value by 2030, and the following years will define the direction of its development for companies in all applicable industries. Leveraging technologies like **AR, VR, MR, and Web 3.0** to immerse your consumers into your business offerings, you can reach an entirely new target audience with hyper-personalized content. Moreover, the metaverse CX will secure brand loyalty growth like it did for Pixelynx or Hadean.

The struggle is that the metaverse concept is still vague for the general population and lacks clear practical use cases, pushing users to step out of their comfort zones. Hence, in 2024, business owners should focus on heating up that interest in the metaverse but also offering something more accessible and tangible for consumers to try, like Apple's Vision Pro, for example.

Big companies will keep spending big money here—around $180 billion in the past few years. Brands like Nike, Samsung, Coca-Cola, Macy's, Marriot, and Louis Vuitton are already integrating the metaverse into their marketing strategies and increasing their social presence. Meanwhile, another area to pay attention to is the creation of immersive online work environments, like the ones **Microsoft** and Nvidia are developing for collaborating on digital products. Pioneers also create **replicas of real-world offices** to conduct training and onboarding virtually. So, this tech trend will accelerate in 2024.

Opportunities in the metaverse

2021 | **$13B**
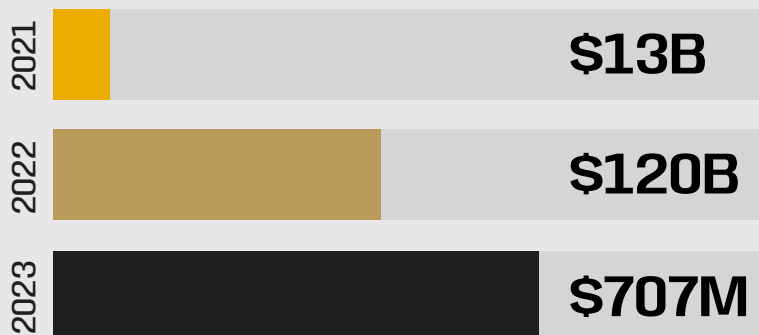
In 2021, venture capital and private equity funding into the metaverse reached $13B.

2022 | **$120B**

In 2022, investment into the metaverse space has more than doubled to over $120B.

2023 | **$707M**

In 2023, venture capital firms invested $707M into metaverse projects in the first half of 2023 alone.

Web 3.0

The next generation of the internet will use the mix of AI, blockchain, and big data to provide decentralized infrastructure with increased security and privacy and more interactive user experiences. **Web 3.0 technologies** offer a more personalized web and improved data searchability, eliminating third parties to let organizations enhance transparency and trust with their customers. While it's still in its initial stages, businesses can test the waters by using existing solutions like smart contracts and blockchain-based software.

SuperApps

We consider superapps the next pivot in app design and development. Gartner predicts that over **50 percent** of the world's population will actively use superapps by 2027. A superapp is an all-in-one application that can replace all business apps, address multiple aspects, and deliver smooth collaboration, workflow, and communication. Over time, they can advance to support chatbots, IoT technologies, and the metaverse.

04.
Hyperconnectivity and intelligent robots

In 2024, we will see further development of global standards for more sophisticated machine-to-machine and machine-to-human interactions to ensure smooth communication between smart tools and people.

Robotics becomes versatile

The struggle is that the metaverse concept is still vague for the general population and lacks clear practical use cases, pushing users to step out of their comfort zones. Robotics now and robotics then—are like two different dimensions. Today's robots assist you by solving the most demanding challenges in labor management, hazard accident prevention, production testing, and task automation. Moreover, you can apply them in almost every industry, from agriculture, oil and gas production, and manufacturing to healthcare, retail, delivery, and logistics, saving costs and time.

There are no more fictional fantasies about what could happen—it's already happening in 2024 thanks to prominent robotics developers like Boston Dynamics, Segway, Nuro, BoxBot, Kiwibot, and Starship Technologies. If we look at robots' potential to revolutionize the healthcare industry, the window of opportunity is just gigantic. Autonomous mobile robots could soon be able to take tissue biopsies, perform lab tests and generic surgeries, remove plaque from arteries, and attack cancerous tumors. We will soon see them delivering care to elderlies, distributing targeted medication, and analyzing symptoms by speaking with patients.

The state of robotics in the next 5 years

The robotics market led by service robotics can hit

$45.09B

in revenue by 2028.

35%

of relevant enterprises will integrate physical robotics with mainstream tech.

By **2027** the use of robots in nontraditional sectors will increase by **35%,** resulting in a **50%** decrease in human inspection errors.

A record **3.5M** of functional robots operated globally in 2023, with installations valued at ~$15.7B.

Source: Statista; Forrester; IDC FutureScape;The IFR (International Federation of Robotics)

As AI advancements skyrocket, the market of multi-purpose Robots as a Service powered by it and NLP capabilities can play a pivotal role in enhancing businesses' productivity, employee satisfaction, and safety in 2024. Engaging these intelligent helpers in your operations can potentially enable you to stay ahead of the competition by meeting your customers' ever-evolving demands quickly and efficiently.

Moreover, robots will bridge the skill shortage gap for your organization. Even Walt Disney tries to integrate intelligent entertainment assistants in Disneyland parks.
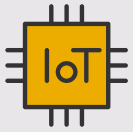
The impact of IoT on businesses will strengthen in 2024. One can see it in the emergence of ambient intelligence technology that combines IoT, edge computing, AI, and human-computer interaction. It's set to grow at an impressive **33 percent** CAGR through 2028.

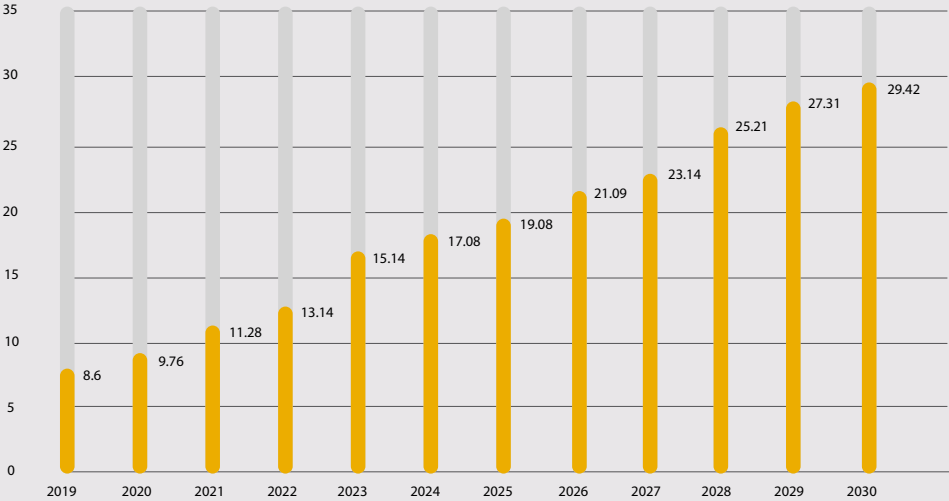Ambient computing can enrich business functions, remove redundant operations, and introduce smart technology to your operational environment. As the number of intelligent IoT products continues to rise, organizations stand to be more empowered to elevate their value creation to new heights and boost ROI.

Number of IoT devices worldwide

Source: Statista

5G & 6G

We also expect substantial refinement of existing 5G networks and satellite-based communications and the development of 6G services. This promises a significant leap in connectivity across longer distances, added security, and a better transmission rate, with faster downloads, terahertz frequencies, and latency reduced to nearly zero. Driven by such major players as Nokia, Huawei, Samsung, Ericsson, and Qualcomm, the 6G market was estimated at $5.9B in 2023 and is projected to hit **$40.5B by 2032.**

Far greater network availability will allow you to develop smart cities, create new services and business models, build more comprehensive IoT ecosystems, and ensure frictionless remote office connectivity. After all, the world now has Starlinks from Musk, so why stop there?
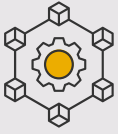
05.
Distributed infrastructure

In-cloud migration

According to Gartner, we are currently witnessing the "end of Cloud's initial chapter." In the next three years, cloud computing will transition into a new phase, one where it will be primarily perceived not merely as a technology platform but as a "key driver of business operation and innovation." The pervasive nature of cloud computing will reach a point where businesses will find it nearly impossible to conceive new models that don't incorporate its services in some capacity.

In this emerging scenario, unlocking innovation will increasingly hinge on your ability to leverage cloud services effectively. Whether serving as a means to sustain digital infrastructure or as a foundational layer for adding innovative functionality, the cloud will play a pivotal role in shaping the future of business operations and innovation. Consequently, IT leaders must adapt to this evolving landscape by embracing cloud infrastructure with a strategic plan catering to their needs.

Did you know?

94%
of enterprise organizations are now on the cloud

31%
of enterprises spend more than $12 million on Cloud services per year

71%
of organizations are set to increase cloud spending

Source: CloudZero

Edge computing

As 5G enables larger data transfers and data-intensive technologies growth, the global information processing requirements hit record highs. **Edge computing and IoT** help bypass the latency of cloud services and process data closer to your location.

Although it requires new IT architectures, investment in the edge ecosystem is an even more beneficial alternative to resource-based cloud services pricing. So, it's no wonder its market share will grow from $3B in 2020 to **$12B** by 2028.

Dmytro Herasymenko
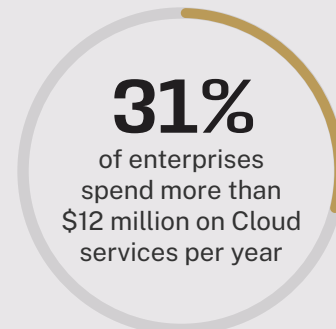
Global Director of Infrastructure Managed Services
and Head of Cloud Studio
TEAM International

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In 2024, data is still the queen, and cloud is the king. And with the rise of AI, we now have even more advanced ways to ensure our IT departments are running efficiently, performance and cost-wise, without damage to quality. AI in IT infrastructure monitoring systems collects real-time data and immediately notifies engineers about anomalies and potential improvements. AI in cloud cost optimization tools immediately notifies us about potential scenarios for reducing expenses. In ticket systems, this technology not only enables us to process first-line support requests and offload engineers from repetitive manual tasks but also helps to analyze collected data and establish optimization scenarios for the team's structure and processes inside it. If I had only $2, I'd spend 1 dollar on cloud-related AI and 1 on data science."

Quantum Computing as a Service

Quantum computing — the envisioned next phase of computing — is a radically new paradigm that intends to leverage the field of quantum physics to access exponentially more powerful computing mechanics.

This next-generation computing offers advanced methods of data processing and storage. Such computers can operate a million times faster than the most powerful processors. Tech giants like IBM, Microsoft, AWS, Alibaba, and Google are now engaged in breaking new ground in quantum computing.

The U.K. government allocates $57M (£45M) to invest in quantum computing, aiming to create a "quantum-enabled economy" by 2033.

The global quantum computing market is expected to grow at a CAGR of 24.2% and reach 4,456.0M during 2023-2030.
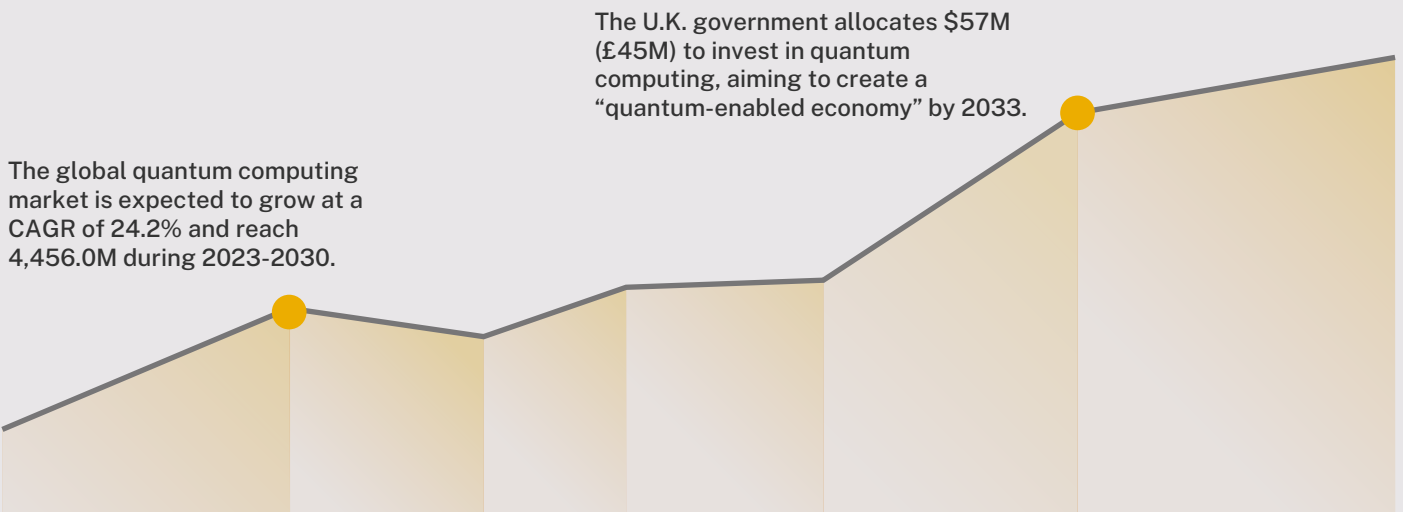
Source: MarketDigits

Like cloud SaaS services, quantum computing would allow enterprises to tap into its power using APIs. For space travel, biotech, pharmaceuticals, automotive, banking, and big data organizations, such a service could offer immense potential and boost operations to another level. This will, in turn, open up incredible possibilities in the realm of technology, from new drug discovery through molecular simulation to the creation of superior climate models. Just as with AI, 2024 is starting to look like the year where quantum computing advances from the state of "exciting b unrealized" and takes its first steps to real-world applications and a understanding of its capacity. S time to get some advantage ar harness the QC power with the resources, and partners.

Global VC deals in quantum computing

Legend: Deal Value · Deal Count · 2024 Deal Value · 2024 Deal Count
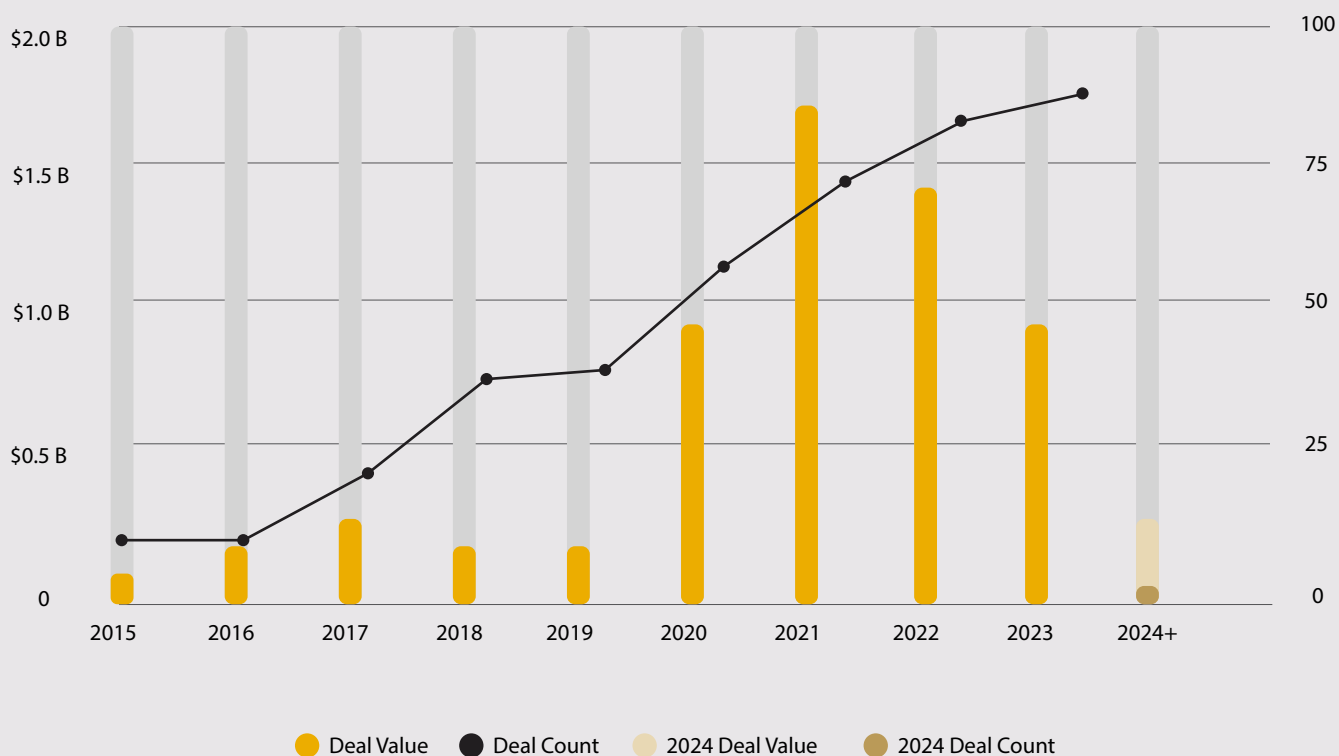
II. The Data Management Landscape: Top 3 Analytics Trends for the Next 5 Years

"Information is the oil of the 21st century, and analytics is the combustion engine."

Kiran Bhageshpur,

Forbes Councils Member,
Forbes Technology Council

Researchers forecast the global big data analytics market value to surpass **$650 billion** by 2029 as the amount of information created each day globally will hit **180 zettabytes** by 2025. So, if you've embraced a digital-first approach to your business, proper **data analytics** governance is essential to understand your customers, improve services, and stay ahead of your competitors. Here is what TEAM data experts have to share in terms of their top three predictions for 2024's analytics management.

Top 3 Data Analytics Trends Rising in 2024

01.

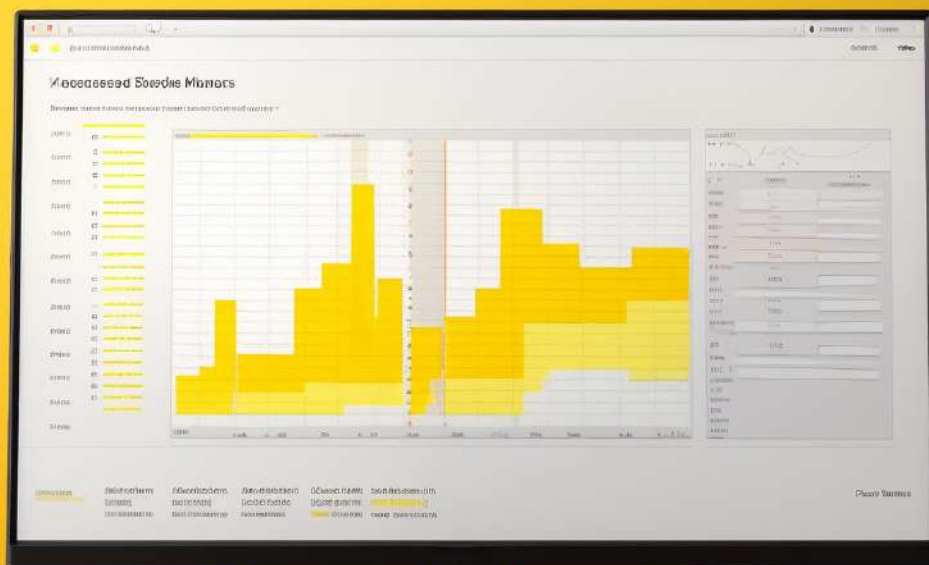Data analysis automation to minimize all things manual

02.

Edge analytics (EA) to help you capitalize on networks

03.

Data Fabric and as-a-Service to secure democratization

Craft your enterprise data strategy leveraging the most promising data analytics trends

#1
Edge analytics (EA) to help you capitalize on networks

Centralized data processing centers and extensive server rooms receded into the past since Gartner predicted that over 75 percent of enterprise-generated information would be processed with edge computing solutions by 2025. So, EA is the next big thing in data analysis because it provides processor-intensive, real-time business insights on the outer edge of your network, making information accessible to people outside of it.

EA also ensures that your insights collected from dozens or hundreds of connected devices are more manageable, accurate, observable, and obtained faster. But the most significant advantage of EA is that it empowers your organization with higher flexibility and agility to adapt to a dynamically changing market on the go. Cloud-based architectures add lower costs, less physical space, and bandwidth constraints. So, you get a perfect decentralized solution to transform piles of data analytics, AI findings, and decision intelligence into new value streams. Suffice it to mention that big tech companies like Google and Amazon have been capitalizing on edge data analytics for years.

The global predictive analytics market is to hit

$22.1B
by 2026.

Source: Facts & Factors

Real-time analytics enables you to

Improve employee experience

Increase customer satisfaction

Predict market conditions

Boost operational efficiency

Accelerate decision-making

Predict equipment failure

Forecast supply shortage

Prevent fraud And more

Andres Salazar

Corporate Data Director
TEAM International

"

Data management and governance are now more critical than ever. We'll explore data Lakehouse's to bridge the gap between data lakes and warehouses, ensuring efficient and secure data management. Data privacy and security will remain paramount, with robust measures in place to protect sensitive information. Looking ahead, cloud-based solutions will offer increased agility and scalability. So, Data as a Service (DaaS) will provide on-demand access to data resources, while edge computing will enable real-time analysis at the source. Founders also should keep an eye on emerging technologies like quantum computing and data mesh architecture, evaluating their potential to enhance their data capabilities further."

#2
Data analysis automation to minimize manual processing

Combining AI and ML analytics solutions with your BI tools allows you to collect, analyze, monitor, cleanse, and visualize large chunks of big data in seconds and with **95 percent** accuracy. These cutting-edge instruments minimize human involvement and errors while increasing your operational productivity.

Using automated data analysis workflows, you can instantly generate or update reports and improve information quality, simultaneously enhancing your enterprise data strategy. So, in the next decade, the importance of data management automation will grow tenfold as consumers **seek augmentation.**

"

I'm extremely excited about the AI data and analytics trends shaping IT in 2024. These trends present opportunities to empower our teams, unlock deeper insights, and fuel informed decision-making. AI-powered insights are reshaping the game. Augmented analytics will automate tasks, uncover hidden patterns, and translate complex data into actionable insights. Explainable AI will build trust and transparency, ensuring our AI-driven decisions are well-understood."

Andres Salazar

Corporate Data Director, TEAM International

Analytics process automation (APA) helps you:

01.
reduce operational and labor costs

02.
improve employee experience

03.
predict your future business needs

04.
identify changes in consumer behavior

05.
anticipate customers' preferences and needs

06.
forecast market disruptions
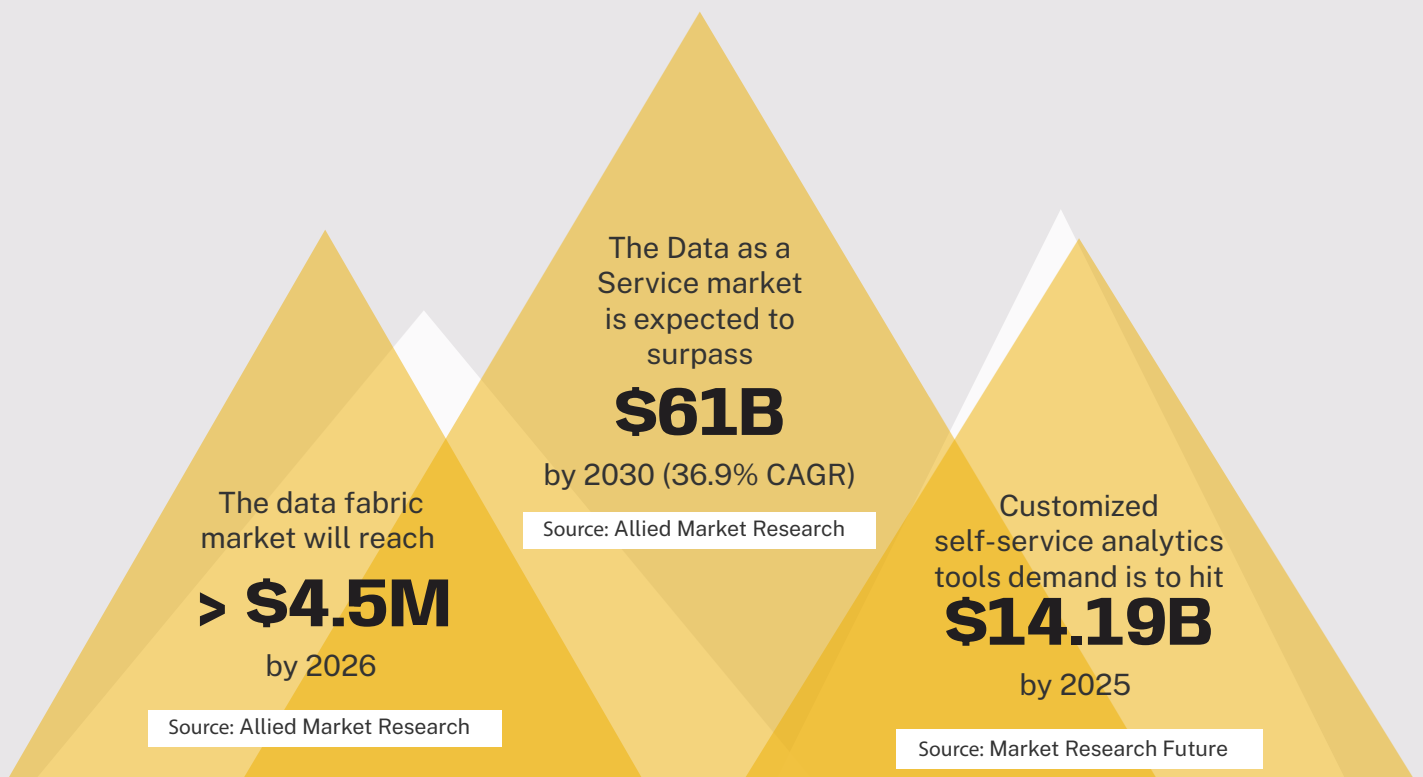
07.
generate prescriptive instructions

Data Fabric and as a Service to secure democratization

More than **70 percent** of businesses opt for virtualization, which demands more democratized data analytics accessible to all who need it for running operations smoothly and intelligently. So, you'll need a robust data fabric (DF) framework to standardize the best **data management practices** and keep up with innovations. DF architecture offers a unified end-to-end solution that connects large data pipelines and hybrid multi-cloud systems, maintaining consistent analytics flows. It helps you collect, store, organize, and interpret any amount of raw information automatically.

Data Fabric and as a Service approach lets you share information across applications and platforms without third-party software, playing a pivotal role in data democratization and empowering workforces. Moreover, DF is an easy-to-use and repurpose self-service analytical instrument that improves how you use insights within your company. It reduces operational data management workloads by **70 percent.** Executives can rely on the DF tech to understand their business direction better, take relevant actions, and make quick, informed decisions.

The data management landscape is doing amazing

The Data as a Service market is expected to surpass

$61B

by 2030 (36.9% CAGR)

Source: Allied Market Research

The data fabric market will reach

> $4.5M

by 2026

Source: Allied Market Research

Customized self-service analytics tools demand is to hit

$14.19B

by 2025

Source: Market Research Future

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Democratization of data is upon us. Self-service analytics will put data power in everyone's hands, accelerating analysis and streamlining workflows. Companies will invest in data literacy and AI fluency initiatives, ensuring everyone can contribute their unique perspective to data-driven solutions."

Andres Salazar

Corporate Data Director, TEAM International

The state of data analytics amid the Industry 4.0 rush

The world generates more than **2.5 quintillion bytes** of various data daily. It's a staggering amount that should be collected from different sources, sorted, organized, transformed, and analyzed to extract actionable insights for successful business decisions. That's why intelligent analytics tools are now essential for any forward-looking executive. The expected revenue of the global big data market is **$273.4 million** by 2026.

So, aside from the top three emerging data processing trends we've described, you should also closely monitor data governance and security over the next 12 months. Creating robust analytics frameworks is in your best interest, as high-quality data is now the differentiator between winners and laggers. Your only chance to remain resilient is to opt for a data-driven business model that will empower you to manage risks proactively, even during uncertain.

Pros of adopting data analytics trends
Real-time customer satisfaction and behavior insights
Data-driven decisions and better business outcomes
Corporate data patterns identification
Actionable insights for performance improvement
Cost reduction and operational efficiency increase

Cons of adopting data analytics trends
Hard-to-find data experts
Upfront resources for analytics tools implementation
The need to comply with governmental laws and regulations
Challenges in securing a company's data
The possible bias of untrained AI-powered software

Julio Aconcha Martinez

Chief Technology Officer, Corporate
TEAM International

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Global business leaders leverage AI not only to enhance corporate data visualization processes for more informative and accessible insights but also to automate complex business processes involving data-driven decision-making. Furthermore, AI-powered machine learning algorithms go beyond mere analysis; they automatically learn from all your data, self-improve, and make accurate predictions.

This technology is also being applied to transform document libraries and digitized documents into actionable and searchable information. By integrating AI-enhanced data analysis techniques and AI-driven automation in various daily activities, businesses can effortlessly process vast amounts of unstructured data, making operations more efficient and data more accessible. Your data analysts and the entire organizational structure will thank you for the profound impact on productivity and decision-making processes."

III. How Is the IT Industry Dealing with All These Trends and Evolving Business Needs?

There is a front line of innovation where the intersection of digital and physical blurs and forward-looking executive get their opportunity to redefine business and succeed in the new normal tech-powered era. But the pace of this innovation is skyrocketing, so it's vital to understand which IT market players can make a difference. Meanwhile, acting as a bridge between businesses and technologies, IT providers strive to keep up with the rising demand for digital transformation services and empower entrepreneurs with the right tools to mitigate risks in these turbulent times.

5%

21%

IT leaders say that the global demand for software engineering services...

74%

- 5% Will decrease
- 21% Won't change
- 74% Will increase
  Over the next 18 months
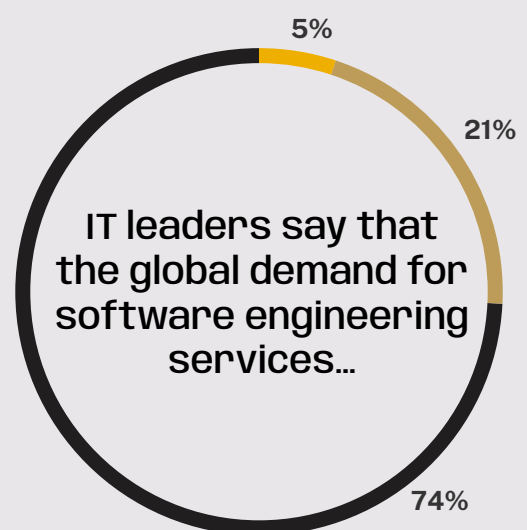
Source: Salesforce

Don Kelly

President and Chief Commercial Officer
TEAM International

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Since business digitalization became imperative for almost every industry, from healthcare to logistics, the demand for IT outsourcing services skyrocketed. At TEAM, we're on the frontline of innovation our customers seek. To fulfill their needs in a location-agnostic way, whether our partners are in the US or Norway, we develop flexible business models to ensure follow-the-sun service delivery.

That's why we set up efficient disruption management strategies, covering nearshore and offshore options, so a customer can always choose where its future project members will be stationed. With ten global Delivery Centers opened in highly cost-effective locations, TEAM can safeguard partners' business continuity while both cutting their expenses and ensuring IP rights protection."

So, the majority of IT leaders expect some kind of a boom in the field of tech services. That means IT companies like TEAM International must ramp up their capabilities and recalibrate for a totally new level of service provisioning.

Salesforce's recent report shows that 62 percent of IT departments struggle to meet changing business needs and withstand the economic whirlwind.

What are the major hurdles for IT providers in 2024?

84%

of IT leaders believe their teams must better address changing customer expectations.

As the world evolves rapidly, so do business needs and expectations — and the gap keeps widening. This has been a long-standing challenge for technology companies, but that's not all. There are mission-critical goals to boost IT teams' efficiency and productivity, enhance strategic talent management capabilities, and modernize onboarding procedures. Also, IT decision-makers face the need to combat dynamically changing security threats and some other omnipresent obstacles.

Source: Salesforce

Top IT challenges	Top app integration challenges	Top impacts of integration challenges
1. Inadequate budgets 2. Security threats 3. Changing business requirements 4. Data integrity and quality 5. Unaligned IT and business goals	1. Increasing demand for integration projects 2. Increasing number of applications across the organization 3. Inadequate staff skill sets 4. Legacy systems 5. Lack of top-down integration strategy	1. Increased IT costs 2. Operational instability 3. Poor quality or outdated data 4. Reduced innovation 5. Duplication of efforts

Ievgeniia Kotliar

Head of Delivery, Corporate
TEAM International

"The IT industry faces several challenges in delivery management in 2024. One of the major ones is managing complex or large projects with globally distributed teams. Security and compliance are also key challenges as data privacy regulations increase and cyber threats evolve. Thus, projects must be aligned with security best practices. Finally, talent shortages, especially in emerging tech like AI and automation, create resourcing and skills gaps for delivery teams. Overcoming these challenges requires investment in developing and upskilling talent."

And what's the main driver for IT to successfully meet business demands?

It's all about good old AI again...

Following the trends, IT departments turn to workflow and process automation, seeking better efficiency and accelerated innovation. Companies race to improve their bottom lines while maximizing ROI from their resources but still driving growth. In this case, automation is your best choice, which enables employees to significantly reduce manual workload and focus on strategic delivery with higher productivity. Areas like DevOps, testing, customer onboarding and support, HR activities, and recruitment (employee sourcing, vetting, and onboarding) are the ones that benefit the most from automation.
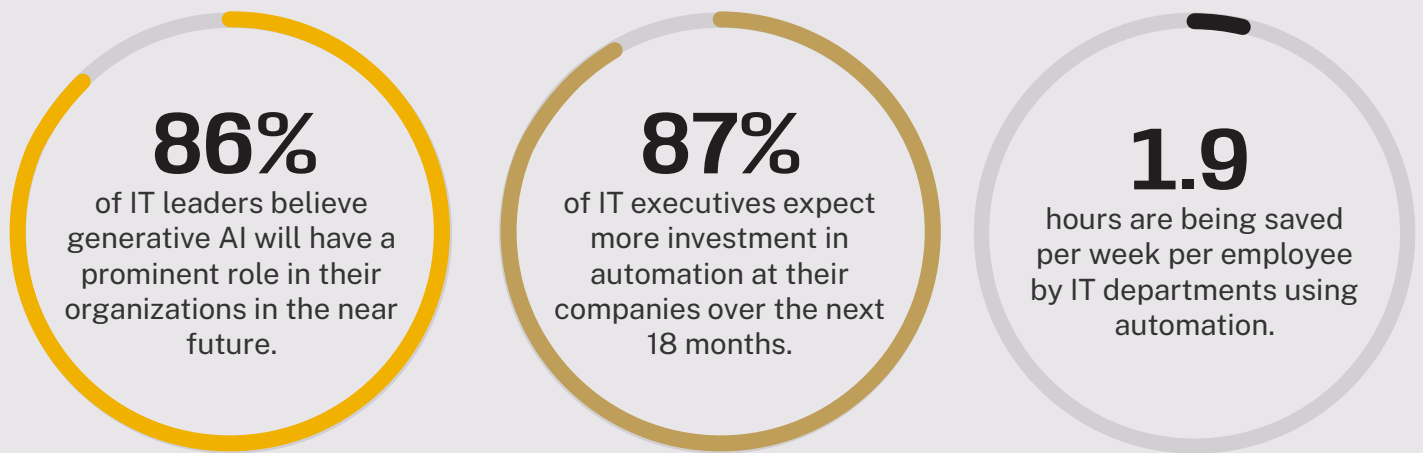
Andrea Serna

Digital Marketing Director
TEAM International

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Organizations from all industries, not just our alma mater IT, look to integrate automation into every aspect of their businesses. Here is where we must admit that a well-developed digital transformation strategy covering digitization, modernization, and change management is the key. Right now, for example, in marketing, it's all about being audience-centric and adopting AI to leverage branding techniques in digital environments effortlessly."

The role of AI in IT operations

86%
of IT leaders believe generative AI will have a prominent role in their organizations in the near future.

87%
of IT executives expect more investment in automation at their companies over the next 18 months.

1.9
hours are being saved per week per employee by IT departments using automation.

Source: Salesforce; IDC

Summing up, IT, operations, and customer service departments reap the best results after introducing AI-driven optimization.

However, there is still room for improvement and lots of hidden opportunities to be uncovered.

Benefits brought to IT leaders by automation

Source: Salesforce

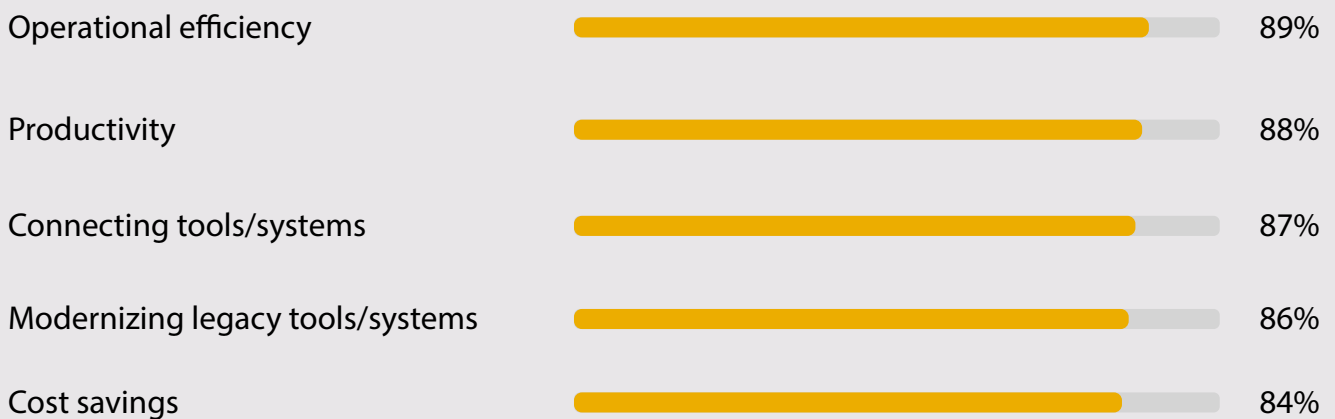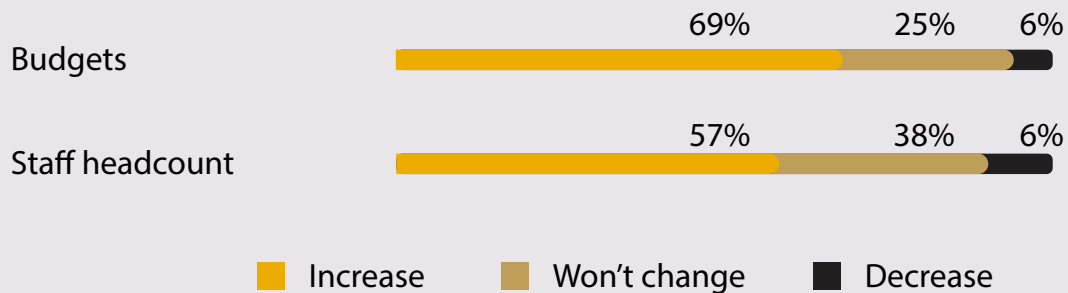| Benefit	Percentage
Increased operational efficiency	56%
Improved employee productivity	52%
Improved customer satisfaction	49%
Increased job satisfaction	44%
Decreased costs	39%
More focus on high-value work	39%
Competitive differentiation	36%
Ability to scale	35%
Fewer support tickets	26%

Ensuring IT resilience and business continuity

As demand increases, tech executives plan to increase their resources, allocate more talent management specialists, and retain the brightest minds they already have under the roof.

IT companies focus on the following

Operational efficiency	89%
Productivity	88%
Connecting tools/systems	87%
Modernizing legacy tools/systems	86%
Cost savings	84%

Expected IT resource changes over the next 18 months

	Increase	Won't change	Decrease
Budgets	69%	25%	6%
Staff headcount	57%	38%	6%

Legend: Increase | Won't change | Decrease

Salesforce

"With remote and hybrid work becoming more common, coordinating deliverables and milestones across time zones requires strong communication and project management skills. Additionally, digital transformation initiatives force IT teams to deliver projects faster than ever before. The rapid pace of change means delivery managers must find ways to streamline processes while maintaining quality.

... and scalable ... demands ... ML to augment ... and maximize ... well as establishing ... programs to equip ... ms with the technical and so... crucial for success."

Ievgeniia Kotliar

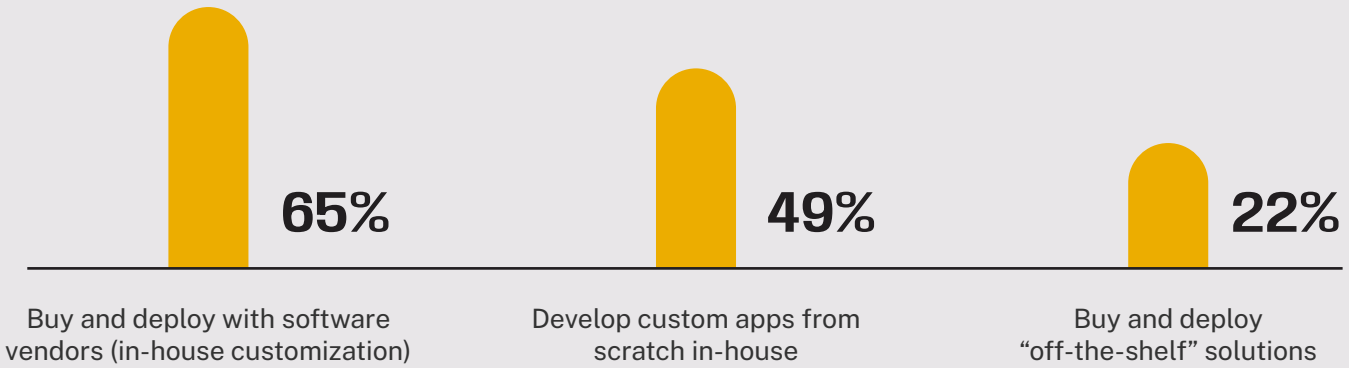Head of Delivery, Corporate, TEAM International

IV. Buying, Outsourcing, or Doing It In-House: The Eternal Dilemma

Employee and customer-oriented software development needs to reach new heights, so executives explore all possible options to ensure positive business outcomes.

Those include building apps in-house, buying ready-made solutions, or outsourcing talent capacity from nearshore or offshore tech partners.

Any scenario might work and might not, depending on your goals and budgets.

How companies source and deploy software

65%
Buy and deploy with software vendors (in-house customization)

49%
Develop custom apps from scratch in-house

22%
Buy and deploy "off-the-shelf" solutions

How do you select the right IT partner if you decide to outsource?

A dream of finding the best tech vendor is an illusion. Finding **the right IT partner** is utterly possible, however.

Regardless of whether you're looking for a short-term contract or a long-term partnership, selection criteria would be pretty much the same. It's essential to check not only a vendor's reputation and portfolio but also some other important aspects.

Vetting a tech partner: your checklist

- ☑ Robust security protocols and certifications
- ☑ ESG & Sustainability commitment
- ☑ Regulatory compliance (HIPAA, GDPR, and others)
- ☑ Mature hiring and retention strategies
- ☑ DEI initiatives and positive work culture

- ☑ Official partnerships
- ☑ Backup and risk management plans
- ☑ Ethical AI policies
- ☑ IP rights protection
- ☑ Employee learning and development curve
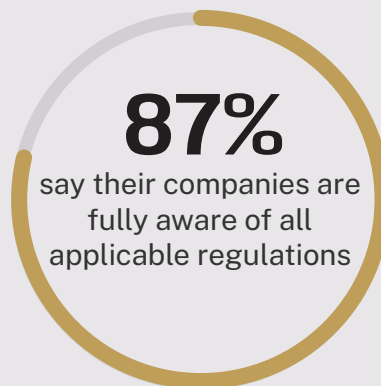
Guilherme Pombeiro

Director of Strategic Talent Management, Europe
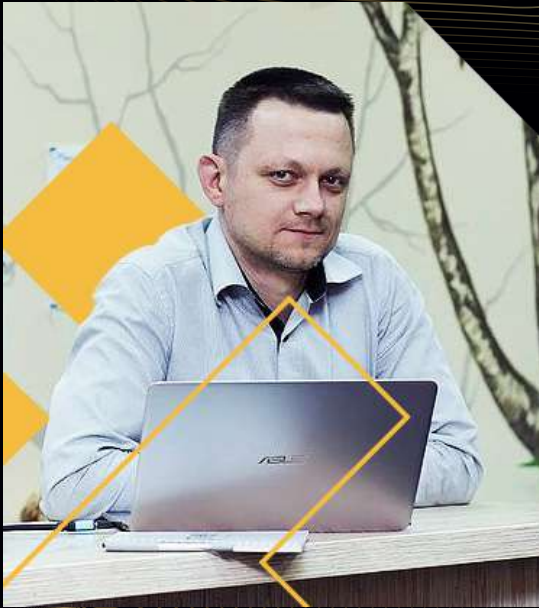TEAM International

"

In 2024, mature hiring and retention strategies are paramount for effective IT talent management. At TEAM, we continuously refine our approach to meet evolving needs, prioritizing diversity, equity, and inclusion commitments. Leveraging AI in recruitment with human interactions and meticulous technical assessments, we empower customers to conquer talent skill gap challenges and lead in the digital era."

IT leaders prioritize secure and greener future

Source: Salesforce

89%
cite security as a top priority

87%
say their companies are fully aware of all applicable regulations

86%
confirm that their organizations are compliant with all required regulations

79%
say their organizations have set GHG reduction goals

Sergiy Povolyashko

CIO/CISO Information Technology
TEAM International

"

You can't underestimate the value of the security certification. The most popular standard in the IT business, which helps establish the Information Security Management System (ISMS), is ISO 27001. The key to successful implementation and certification is looking at it as the collection of structured best practices, not as a bureaucratic burden that complicates things.

From our own experience of practicing ISO 27001 recommendations and going through the certification process, we were able to introduce purely practical and business-facing processes and tools. It's vital to involve various stakeholders (Top Management, Legal, HR, Recruiting, Operations, IT, etc.), making them an essential part of the security posture and encouraging them to influence how the ISMS works to support their tech and business needs."

Offshoring, or nearshoring, that is the question

The choice depends on your primary business location and budget constraints. However, aspects like cultural differences, time zones, and the quality of IT services also play a crucial role when choosing where to outsource your software development. Sometimes, opting for nearshore IT solutions is a much more comfortable decision, even though it is a bit more expensive than the offshore approach.

Offshore vs. Nearshore IT Outsourcing

Offshoring
You outsource IT operations to a remote team in a different part of the world

- Lower labor costs than in the US

- The broader range of skill sets available for hire

- Lower competition for talent

- Fewer regulations and legal obstacles

Nearshoring
You outsource IT operations to a team from a neighboring country

- Infrastructure quality comparable to that in your location

- Easier-to-maintain communication and direct contact with your outsourced team

- Minimal work culture discrepancies

- Pretty similar IT laws and regulations

Where should you look for efficient outsourcing if your business interests are in the US?

Our personal top 5 reasons to say yes to these countries we list below are based on TEAM's experience running R&D hubs in Mexico, Colombia, and Argentina.

And sure, your opinion might be different, but there is still no doubt that during the last five years, LATAM has grown into one of the most profitable IT outsourcing destinations.

Nearshore outsourcing to Mexico	Nearshore outsourcing to Colombia	Nearshore outsourcing to Argentina
1. Well-developed IT infrastructure that stimulates investments 2. Governmental support for the software engineering industry 3. Strong focus on IP rights protection 4. 2nd-highest availability of software engineers in LATAM 5. Highest workforce retention in LATAM	1. Governmental support of tech talent development 2. Strong focus on STEM education 3. Multi-domain versatile engineers 4. Robust IT innovation environment (LATAM's Silicon Valley) 5. Massive investment in IT services from global brands	1. Robust tech hub ecosystem and developers' community 2. Thriving startup acceleration scene a_ free STEM educati_ 3. Governmental l_ programs tha_ IT sector 4. More affordable_ living 5. Low employee attriti_ level

Mexico's profile

Time zone: GMT-6

Developers' hourly rates: $26-55

Tech talent pool: 318,000+

Foreign direct investment (2023): $29B+

Ease of doing business: 72.4

Topcoder country rank: 23

12th largest tech exporter globally

Colombia's profile

Time zone: GMT-5

Developers' hourly _es: $25–50

Tech talent _

IT mar_

T_

_profile

Developers' hourly _es:

_+,000

_. Score:

_oing business: 126

_coder country rank: 34

LATAM's 2nd largest economy

And if you're ready to explore offshore destina___ ___est taking a **closer look at Portugal** or Poland.

Top 5 reasons to build an offshore team in Portugal

01. Extensive governmental support of the IT sector

02. Strong cybersecurity and data protection policies

03. Service-driven economy

04. Accessible ITC infrastructure and available talent

05. Social and political stability

V. Pushing Through 2024 With Tech Advancements in Your Business

The last few years have been volatile. The next ones might be equally turbulent. Hence, entrepreneurs and C-suit leaders should prepare for the upcoming challenges and design resilient roadmaps and strategies to adopt the most relevant tech trends quickly.

The key to choosing the right technology is understanding the nature of your business and the current demands of your operations.

With expert guidance from a reliable and reputable tech partner like TEAM International, you can get through the transformation effortlessly and build capabilities to absorb continuous change, making it your competitive advantage in 2024 and beyond.

About TEAM International

TEAM International is a leading US enterprise in the landscape of Digital Transformation Services, which embodies the future-forward concept of a "company without borders." TEAM follows a facilities-light delivery model, harnessing technology to guarantee smooth service delivery from 10 strategic locations in 8 countries. We are global.

By combining 20+ years of experience, engineering excellence of 1500+ employees, and a client-centered approach, we ensure your business outmaneuvers the competition with our digital solutions. The core pillars of TEAM's service offerings are

Custom Software Development, Data Management as a Service, Intelligent Automation, and Cloud Managed Solutions. Our expertise spans a range of high-growth verticals, including but not limited to Technology, Media, and Telecommunications, Business Services, Finances & Banking, and Transportation.

Our company is a Microsoft Gold Partner, AWS Partner, and UiPath Diamond Global Business Partner. And TEAM talents build next-gen products for market leaders such as Telenor, FIFA, Atlas Copco, Swiss Re, Arrive Logistics, Allica Bank, and hundreds of others.

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Information sources

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