

ASCEND GLOBAL CONSULTANTS

Offshoring to the Philippines

A strategic guide to building a high-performing offshore team



A White Paper by Ascend Global Consultants

Contents

1. Executive Summary
2. What Is Offshoring — and How Is It Different from BPO?
3. The Benefits of Offshoring
4. Offshoring and AI: Better Together
5. Why the Philippines?
6. Which Roles Can You Hire in the Philippines?
7. Who Benefits from Offshoring?
8. How You Engage Your Team: Three Models, Two That Work
9. Where Your Team Works: Office Options
10. How Ascend Works With You
11. Is Your Business Ready? Questions to Ask
12. About Ascend

1. Executive Summary

Offshoring — building your own dedicated team in another country — has become one of the most reliable levers available to small and mid-sized businesses that need to grow without proportionally growing costs. But the reason to do it is not the reason most people give.

The opportunity is access to talent: deep pools of qualified, experienced, English-speaking professionals in roles that are scarce, expensive or high-turnover in the domestic market, and the operating leverage that comes from building a real team rather than renting one. The cost advantage is real, and it is substantial. It is also a consequence of building well, not a strategy in itself. Businesses that lead with the saving hire to a number instead of to a role, and they get what they pay for. That single error explains most of the offshoring failures we are asked to review.

This paper explains how offshoring actually works and how to do it well. It covers the difference between offshoring and Business Process Outsourcing (BPO); the benefits, in the order they actually matter; why artificial intelligence strengthens rather than threatens the case for offshoring; why the Philippines is the leading destination; which roles suit offshore teams; the three ways businesses engage offshore staff and why one of them exposes both sides to unnecessary risk; and how to assess whether your business is ready.

The central argument is simple: businesses that own their offshore strategy — rather than renting someone else's — build teams that are more capable, more loyal, and more durable. And in the age of AI, the disciplines that offshoring requires are the same ones AI adoption demands.

A note on how people are employed

Offshoring is only worth doing if it works for both sides of the arrangement. A team member who has no employment relationship in their own country, no statutory benefits and no local remedy is not a stable foundation for anything — and the business carrying that arrangement is exposed too. Section 8 sets out why we recommend only the two models that put your people into a genuine employment relationship under Philippine law.

2. What Is Offshoring — and How Is It Different from BPO?

Offshoring is the practice of relocating business processes and roles to another country to access talent, specialized skills, and a different cost structure. It typically involves building a dedicated team overseas that performs functions such as finance and accounting, customer support, IT services, or other back-office operations — working your hours, following your processes, and reporting to you.

Offshoring is frequently confused with traditional Business Process Outsourcing, but the two models differ fundamentally. In a BPO arrangement, you hand your work to a vendor's team. Organizations that go this route commonly encounter five problems:

- **Limited hiring control:** BPO firms select and manage staff, often leading to mismatches in skills and cultural fit.

- **High turnover:** BPO employees are frequently reassigned from client to client, resulting in high attrition and retraining costs.
- **Minimal operational oversight:** Businesses have little visibility into day-to-day performance and limited ability to enforce their own best practices.
- **Expensive and rigid contracts:** Hidden markups on salaries, benefits, and operations often drive costs higher than expected.
- **Regulatory and compliance risk:** Businesses rely on a third party's compliance measures, increasing risk exposure.

Offshoring solves these problems by giving you ownership. You handpick your people, they work under your direct supervision, and you define the standards, systems, and processes they follow — mirroring the experience of hiring locally.

It is worth being precise about what that changes, because "an extension of your team" is a phrase every outsourcing vendor uses. The difference is not how the arrangement feels. It is who the people work for. In a BPO arrangement they are the vendor's employees: the vendor can reassign them, their career path sits inside the vendor's business, and your relationship is with the contract. In an offshore build they are your team: they stay, they accumulate knowledge of your business, and that tenure compounds into capability you own. The difference rarely shows in month two. It always shows in year two.

The challenge is that most US businesses do not possess the in-country expertise needed to build and scale offshore operations in a market like the Philippines. That expertise gap is precisely what a strategic offshoring partner closes — not by renting you their team, but by helping you build yours.

3. The Benefits of Offshoring

Businesses that offshore well typically realize six distinct advantages. They are presented here in the order that determines whether an offshore program succeeds — which is not the order they are usually sold in.

Access to specialized skills

Offshoring opens a global talent pool, giving businesses access to specialized skills that are scarce or expensive in their home market — in finance and accounting, IT, engineering, HR, customer support, and beyond. For many of our clients this, not cost, is the binding constraint: the roles they cannot fill onshore at any price are readily available offshore.

Capacity that compounds

A dedicated team accumulates knowledge of your business the way a local team does. Processes improve because your people run them, and the second year is materially more productive than the first. This is the advantage that a vendor arrangement structurally cannot deliver, because the people rotate.

Increased efficiency

Delegating tasks to locations where they can be performed more efficiently allows companies to streamline processes and raise productivity across the whole business — not just the offshored functions.

Capacity for digital transformation

With streamlined processes and a lower operating cost base, businesses can reinvest time and resources into innovation, technology, and the digitalization projects that transform how they compete.

Elevated service delivery

Well-built offshore teams deliver consistent, high-quality service across extended hours, improving customer satisfaction rather than putting it at risk.

A lower cost base

Employing skilled professionals in the Philippines costs materially less than employing equivalent staff in the United States, which improves profitability and frees capital for reinvestment. In the fully-loaded cost models we build for clients — counting salary, statutory and competitive benefits, infrastructure and equipment, not salary alone — comparable roles have typically landed 60–70% below their US equivalent.

Where that number comes from

The 60–70% range above is Ascend's own modelling, built from Philippine market compensation data and the fully-loaded cost models we prepare for client engagements. It is not a published industry statistic and we do not present it as one. Every engagement produces a cost model specific to your roles and your chosen employment model, and we show clients the arithmetic before they commit to anything. Treat any provider quoting a savings percentage without showing you the build-up with appropriate scepticism — including us.

Scalability

Offshore operations can be structured to scale — adding roles and teams to meet demand from a talent pool far deeper than most domestic markets offer.

4. Offshoring and AI: Better Together

Will AI replace offshoring?

It has become fashionable to predict that artificial intelligence will make offshoring obsolete — that the work businesses once sent overseas will simply be done by software instead. For a narrow set of roles, there is truth in this: highly repetitive, rules-based tasks such as basic data entry, simple ticket triage, and first-tier scripted support are already being automated, and businesses should plan accordingly.

But the broader prediction gets the story backwards. The global business process outsourcing market was valued at roughly \$328 billion in 2025 and is projected to nearly double to almost \$700 billion by 2033, growing at close to 10% per year. Notably, the analysts behind these forecasts cite AI as a driver of that growth, not a threat to it: companies adopting AI, cloud platforms, and automation are outsourcing more, because transformation itself is work that requires skilled people.

What is actually changing

AI is not eliminating the offshore workforce; it is changing what that workforce does. As AI absorbs routine, high-volume tasks, the people who once performed them are moving up the value chain — into exception handling, quality review, fraud analysis, customer empathy roles, and supervision of the AI systems

themselves. Gartner projects that a large majority of customer interactions will be AI-powered within the next few years, yet the same research describes a workforce climbing toward judgment-based work rather than disappearing.

The Philippines illustrates both sides of this shift honestly. The industry's own association, IBPAP, has revised its 2028 targets downward in light of AI — but its response is telling: a commitment of at least \$25 million per year to AI upskilling, with the goal of developing two million 'AI-enabled' Filipino workers by 2028 and moving the industry from volume-based support toward knowledge-intensive services in analytics, AI operations, and complex back-office work. The talent pool is not shrinking from AI; it is retraining for it — with government and industry investment behind it.

Why the combination wins

The reason the combination outperforms either approach alone is structural. AI is excellent at volume: reading documents, drafting entries, categorizing transactions, routing tickets. It is unreliable at judgment: handling exceptions, catching errors that matter, making decisions with incomplete information, and maintaining relationships. Every well-designed automated process therefore needs a human review layer — and industry research suggests humans will remain in the loop for a substantial share of workflows for years to come, even as that share declines.

The question for every business is not whether to staff that layer. It is who staffs it, and whether they have the experience and judgment to catch what the model gets wrong. This is the point most cost-led offshoring gets badly wrong: the review layer is the last place to put the cheapest available person. An unqualified reviewer who approves what the model produces is worse than no reviewer at all, because the errors now carry a signature.

Staffed properly, the combination compounds. AI raises the productivity of each team member, so businesses need fewer, higher-skilled people doing more valuable work — and the economics of automation itself change, because processes that could not justify automation with onshore review costs become clearly worthwhile. Technology handles volume. Experienced people handle judgment. Each makes the other more effective.

Offshoring is AI preparation

There is a less obvious way offshoring and AI reinforce each other: the act of offshoring prepares a business to adopt AI. You cannot automate what you cannot describe — and research on process automation consistently finds that standardization and documentation are the prerequisites that determine whether AI delivers on its promise. Automating an undocumented, inconsistent process doesn't fix it; it amplifies its flaws at machine speed.

Most businesses run on processes that live in people's heads. Steps, exceptions, and business rules are tribal knowledge, held by whoever has done the job longest. That is precisely the condition under which AI projects fail — and precisely what offshoring forces you to fix. To hand a process to a team on the other side of the world, you must document it: every step, every handoff, every exception, every rule for judgment calls. You must standardize how the work is done so it produces the same result regardless of who performs it, and define the metrics that tell you whether it's working.

The result is that businesses that have offshored well arrive at AI adoption with the hard work already done. Their processes are mapped, standardized, measured, and independent of any single person's memory. Their offshore teams — who execute these documented processes daily — know exactly where the repetitive volume sits and where the judgment calls live, which is the exact boundary an automation design needs. An offshore team is not just a beneficiary of AI; it is the best source of intelligence about what to automate next. Offshoring first doesn't delay your AI journey — it de-risks it.

What this means for your offshoring strategy

- **Design roles for the AI era from day one:** Roles built on pure repetition will shrink. Don't build an offshore team to do work AI will absorb within a few years.
- **Hire for judgment, not just volume:** Review, exception handling, quality assurance, and AI supervision are the growth roles — and the Philippines is investing heavily in exactly these skills.
- **Treat automation and offshoring as one strategy:** An offshore team designed alongside an automation roadmap compounds its advantage; one designed without it locks in yesterday's process.
- **Use offshoring to get AI-ready:** The documentation and standardization that offshoring requires is the same foundation AI adoption demands. Do it once, benefit twice.
- **Move early:** Businesses that combine the two now will operate at a cost and capability structure competitors relying on either one alone cannot match.

5. Why the Philippines?

Nearly two million professionals in the Philippines provide services to global clients today, making it one of the world's leading offshoring destinations. That position rests on a combination of advantages no other market fully matches.

A highly educated talent pool

The Philippines has outstanding universities and a young population, producing hundreds of thousands of motivated graduates every year in engineering, IT, business, healthcare, and customer service — with education standards that meet international benchmarks.

English fluency

English is an official language of the Philippines, used in law, commerce, and higher education. With two-thirds of the population fluent, it is one of the largest English-speaking countries in the world.

Cultural compatibility

Legal, financial, and government systems closely resemble those of the United States, and Filipino professionals are deeply familiar with Western business practices. A warm, hospitable, customer-focused culture makes Filipino teams exceptionally easy to work with.

A mature professional services industry

Since the early 2000s, the Philippine industry has developed a large, adaptable workforce trained by multinational organizations across a wide range of business services. Decades of investment in training and

development mean today’s professionals arrive with proven, world-class skills — and a bench of experienced managers, not just individual contributors.

Strong work ethic and teamwork

Filipino teams are highly valued for their dedication, integrity, loyalty, and service-oriented mindset. Cultural values that emphasize harmony, community, and mutual respect make them natural collaborators who excel in team-based settings and remain calm under pressure.

A workforce that builds careers, not just fills seats

Two decades of multinational operations have created long-term professional careers in the Philippines, not simply jobs. That matters commercially as well as ethically: the businesses that offer a genuine career — real employment, competitive benefits, progression, and management attention — attract and keep the strongest people, while those competing on rate alone cycle through the weakest. Offshoring done properly improves outcomes on both sides of the arrangement. Offshoring done badly is a bad deal for the person doing the work, and it does not produce a good team either.

A different cost structure

Employment costs in the Philippines are materially lower than the US equivalent for comparable roles, which is what makes it possible to staff functions that would otherwise be unaffordable. See section 3 for how we model this and what the range is based on.

A flexible workforce

Your Philippine team works the hours you set and integrates with your onshore operations. You handpick candidates, they work under your direct supervision, and they report to you daily — regardless of the distance.

Growing IT infrastructure

A growing network of tech hubs, rising internet penetration, and significant investment in digital infrastructure support businesses that rely on modern digital tools and platforms.

Government support

The Philippine government actively supports the industry through university partnerships, training programs, tax and non-tax incentives for foreign investment, and a national ICT council.

6. Which Roles Can You Hire in the Philippines?

From our experience, the Philippines has an especially deep talent base for the following types of positions:

Finance & Accounting	Information Technology	Human Resources	Go to Market
Revenue accounting · GL accounting · Accounts payable · Order management · Billing ·	IT helpdesk · Enterprise systems · Project management	HR generalist · HR operations · HR analyst · Compensation & benefits · Talent ops & sourcing ·	Sales development reps · Proposal management · Customer support · Customer success ·

Finance & Accounting	Information Technology	Human Resources	Go to Market
Collections · Payroll · Tax & treasury · FP&A		HRIS · Learning & development	Implementation / professional services

This list is by no means comprehensive. We would be happy to work with you to determine whether other roles within your business can be filled in the Philippines.

7. Who Benefits from Offshoring?

Because the roles above are largely back-office functions, offshoring is remarkably industry-agnostic — nearly every business runs finance, HR, IT, and customer operations. The better predictor of success is not what industry you're in, but how your business operates. Offshoring delivers the strongest results for businesses with:

- **Labor-intensive back-office functions:** Teams of people doing accounting, administration, support, or data work — where labor is a major cost line.
- **Repeatable processes:** Work that follows consistent steps — or that you're willing to document and standardize as part of the transition.
- **Hiring pressure at home:** Rising domestic wages, scarce candidates, or high turnover in the roles you need most.
- **Growth constrained by headcount costs:** Demand you could serve if the cost of adding headcount weren't holding you back.

One misconception worth addressing directly is that finance and accounting offshoring is not just for accounting firms. Every business has a finance function — accounts payable, accounts receivable, billing, collections, payroll, reconciliations, reporting — and those internal roles are among the most successfully offshored positions in the Philippines, whatever the company sells. A manufacturer's AP team, a contractor's billing desk, and a software company's revenue accountants are all strong candidates.

Where we see it work

A few illustrative examples — not an exhaustive menu:

- **Accounting and advisory firms:** Tax preparation, bookkeeping, and client accounting services that free onshore CPAs for advisory work.
- **Software and technology companies:** Customer support, customer success, QA, IT helpdesk, sales and marketing operations, HR and finance that scale with the user base.
- **Healthcare organizations:** Revenue cycle management, medical billing, claims processing, and scheduling support.
- **Real estate and property management:** Lease administration, collections, maintenance coordination, and back-office admin.
- **E-commerce and service businesses:** Order management, billing, collections, and extended-hours customer service.

If your business runs on documented, repeatable processes — or is ready to build them — you are a candidate, regardless of industry.

8. How You Engage Your Team: Three Models, Two That Work

Once you know which roles you want to fill, you face a decision that matters more than most businesses realize: what the legal relationship between your company and the people doing the work will actually be. There are three options in common use. Two of them are sound. The third is the single most common reason offshore arrangements end badly, and it is worth understanding before you are offered it.

The model to avoid: direct independent contractor agreements

The fastest way to put someone offshore to work is to skip employment altogether. Find a candidate directly through a job board or a freelance platform, sign an independent contractor agreement, and pay them by wire or platform each month. It is quick, it is cheap, and it asks nothing of you administratively. It is also the arrangement most likely to end badly — for both parties.

What it offers the person doing the work

Very little. There is no employment relationship in their own country, which means no security of tenure, no statutory benefits, no employer contributions to social security, health insurance or the housing fund, and no practical access to their own labour tribunals. If the work stops or the payments stop, their realistic remedy is a civil claim in your jurisdiction — expensive, slow, and frequently worth less than the amount in dispute. People accept these terms because they want the work. That is not the same as the terms being sound.

What it exposes your business to

More than most companies expect. Under Philippine law, whether an employment relationship exists is determined by the substance of the arrangement, not the label on the contract. Philippine jurisprudence applies a four-fold test — the selection and engagement of the worker, the payment of wages, the power of dismissal, and the power to control the means and methods by which the work is accomplished — with control the decisive element.

Read that list against how you actually intend to work with an offshore team member. You choose the person. You pay them. You can end the arrangement. You set their hours, their systems, their standards, and you direct how the work is done. That is an employment relationship on every limb of the test, whatever the agreement is titled — and the more closely the person functions as a member of your team, which is the entire point of offshoring, the clearer the finding becomes.

Where that finding is made, the consequences sit with the company, not the worker:

- Back wages and unpaid statutory entitlements — holiday and premium pay, overtime, 13th month pay, and SSS, PhilHealth and Pag-IBIG contributions — over a claims period that can extend to three years.
- Administrative sanctions from the Department of Labor and Employment, and proceedings before the National Labor Relations Commission.
- Potential tax liabilities arising from the reclassified relationship.
- An exposure specific to foreign companies: a business found to be employing staff in the Philippines without registration may be treated as doing business in the country without the required licence — which can leave it unable to bring its own claims before Philippine courts.

The trade is a poor one in both directions. The individual carries all of the insecurity, the company carries all of the liability, and the only thing either side saved was the cost of doing it properly. It is also, in our experience, a false economy in the narrow financial sense: the arrangement fails, the work stops, and the business starts again — having spent months of management attention on a team it no longer has.

This section describes the general shape of Philippine classification law and the risks we see in practice. It is not legal advice. Any specific arrangement — and any decision to move existing contractors onto an employment footing — should be reviewed by qualified Philippine counsel and your own tax advisers before you act on it. Sources are listed at the end of this paper.

Model one: Employer of Record (EOR)

The EOR model allows businesses to build and manage offshore teams quickly without setting up a legal entity. The EOR is the legal employer of your staff and provides end-to-end managed operations, so you can focus on leading your team:

- **Strategic talent acquisition:** The EOR finds, screens, and interviews top-tier talent, presenting vetted candidates for your final interview and approval.
- **HR, payroll, and legal compliance:** Employment contracts, payroll, statutory and competitive benefits, and full compliance with Philippine labour law — your team member is properly employed, with the security of tenure and legal standing that carries.
- **Facilities and office infrastructure:** Whether your team works in-office, hybrid, or remote, the EOR can secure quality office space with amenities and fast internet.
- **Equipment and IT support:** Hardware, software, and responsive IT support for your team.
- **Staff retention and wellness:** Programs that keep your people engaged, healthy, and growing with you.

With an EOR you have direct access to your staff and you define the standards by which they work and the systems and processes they follow. The employment administration sits with a party that is licensed and accountable for it in-country.

Model two: In-house Global Services Center (GSC)

The GSC model offers the highest level of control over operations and the strongest long-term cost efficiency. Ascend helps clients with every aspect of standing up a GSC in the Philippines — entity incorporation, permitting, government agency filings, workspace selection, banking, and corporate insurance. Key benefits include:

- **Direct employment control:** Staff are legally employed under your own entity, ensuring full control over hiring, promotions, policies, and culture.
- **Long-term cost efficiency:** Avoid third-party service fees and own your offshore operations; clients realize additional savings over the EOR model at scale.
- **Intellectual property protection:** Maintain full control over sensitive data and proprietary business processes.

- **Tax and investment incentives:** Philippine tax and government incentives are available to offshore businesses operating their own entities.

Side by side

	Direct contractor agreement	Employer of Record (EOR)	Global Services Center (GSC)
Best for	Genuinely independent, project-based specialists who serve multiple clients	Getting started quickly; smaller teams	Larger teams; long-term integration
Legal employer	Nobody — no employment relationship exists	The EOR employs your staff	Your own Philippine entity
Speed to hire	Days	Weeks	Months (entity setup first)
Your control of the work	Exercising it is what creates the misclassification risk	You direct the work; EOR handles employment	Full control — hiring, policies, culture, IP
Worker's legal standing	None locally; civil claim in your jurisdiction only	Full rights as a Philippine employee	Full rights as a Philippine employee
Statutory benefits	None	Provided and administered by the EOR	Provided by your entity
Your compliance exposure	High — misclassification, tax, and unlicensed-operation risk	Managed by the EOR	Yours, with Ascend's support
Retention outcome	Poor — no tenure, no benefits, no progression	Strong when comp and wellness are designed for it	Strongest — full career paths inside your business
Cost profile	Lowest on paper; highest when it fails	Service fees; no setup cost	Setup investment; lowest ongoing cost at scale

A common path: start with EOR, graduate to GSC. Many businesses begin with the EOR model to hire and grow quickly, then transition to their own entity once the team reaches critical mass. Ascend manages the transfer of existing staff to the new entity and continues to provide the same comprehensive support for as long as needed. The decision point is a calculation — true all-in EOR costs against entity setup and running costs at your projected headcount — and it is worth building that model before you sign anything.

9. Where Your Team Works: Office Options

Philippine teams can work fully remote, hybrid, or office-based — and the right answer depends on team size, the nature of the work, and your data security requirements.

Fully remote

A cost-effective option ideal for individuals and small teams. Remote work eliminates office expenses, extends your reach to talent anywhere in the Philippines, and appeals strongly to professionals avoiding Manila traffic. It supports work-life balance, and home-based staff typically accept somewhat lower salaries.

Hybrid

Home and office combined, with regular office visits each month. Suitable for teams of any size, hybrid provides shared co-working desks, meeting rooms, and modern facilities while preserving flexibility — and supports business continuity during disruptions.

Office-based

Dedicated workstations, ideal for larger teams and critical functions. Office-based work maximizes collaboration and productivity, with options for private team rooms, advanced IT infrastructure, high-speed internet, on-site support, regular in-person events, and the greatest data security.

Whichever model you choose, Ascend can assist with securing dedicated or co-working space for your team.

10. How Ascend Works With You

Every business comes to offshoring from a different place. Maybe you're just starting to explore whether it's right for you. Maybe you have roles you need to fill now. Maybe you already have an offshore team but the experience hasn't lived up to the promise — or it has, and you're ready to expand. Or maybe you're looking to get more from the team you have by improving processes and putting AI to work.

Ascend supports businesses at every stage of that journey through three levels of service:

1. **Strategic Offshore Consulting:** building and executing a tailored offshore strategy, including entity establishment consulting.
2. **Offshore Staffing:** attracting, recruiting, onboarding, and retaining offshore talent that operates as a true extension of your onshore team.
3. **Process Automation:** evolving your operations through a combination of automation technology, AI, and offshore talent.

Four ways clients engage us

- **Exploring offshoring:** You're weighing whether offshoring is right for your business. We start with strategy: your operations, your goals, and an honest assessment of what offshoring can and can't do for you.
- **Ready to hire specific roles:** You already know the roles you need — you just need someone to find the right people offshore. We take your job descriptions and handle sourcing, vetting, and hiring model setup, and you interview and select from vetted candidates. No lengthy strategy phase required.
- **Reviewing an existing offshore operation:** You have offshoring in place, but the service or experience hasn't lived up to the promise — or it has, and you want to expand. We provide an independent review of your current setup: provider performance, true costs and markups, team structure, retention, compliance, and whether your hiring model still fits your size.
- **Improving processes with AI:** You want your existing teams — onshore or offshore — to deliver more through better processes and AI. We map, automate, and improve.

What an engagement looks like

Every engagement starts with your business — where you are today, what's in your way, and where you want to be. From there, the work unfolds in seven phases:

1. **Discover:** we align on your goals, current challenges, and hiring needs — digging into your operations, cost structure, and long-term plans to evaluate which processes and roles are suitable for offshoring.
2. **Strategize:** we build a custom roadmap for growing at scale: which functions to offshore, in what order, and how the offshore team integrates with your onshore operations.
3. **Design:** we map the roles where the Philippines offers deep, proven talent; walk you through the employment model decision — speed, control, cost, compliance; and design market-competitive compensation and benefits so you know your true fully-loaded costs before you commit. The output is a detailed hiring plan with roles, sequencing, and timelines.
4. **Source and hire:** you provide job descriptions and talent sourcing begins. You interview and select from vetted candidate profiles; offer, onboarding, payroll, and compliance are handled for you. If you've chosen the GSC path, entity establishment runs in parallel.
5. **Integrate:** your dedicated staff report to you daily and work to your standards and processes. We support culture and leadership development, including training for your onshore managers.
6. **Manage:** operations, quality standards, retention, and wellness are actively managed so performance holds as the team matures.
7. **Scale:** add or adjust headcount as you grow, with on-the-ground support and responsive in-country coverage.

Why Ascend

- **Tailored, not templated:** Every strategy is built around your specific business objectives — never a template.
- **Operators, not just advisors:** Ascend's principal has lived in the Philippines, built offshore teams for a decade, and scaled a global shared services operation to more than 530 employees — this is experience earned by doing, not observing.
- **In-country relationships:** Years of on-the-ground work in the Philippines mean established relationships with EOR providers, recruiters, office providers, and government agencies that clients can leverage from day one.
- **Risk mitigation:** Navigate Philippine labour law, compliance, and payroll with expert guidance from day one.
- **People employed properly:** Every model we recommend puts your team into a genuine employment relationship with statutory benefits and legal standing in their own country. We will not help a client engage staff as independent contractors in order to avoid the cost of employing them — it exposes the business and it does not build a team that lasts.
- **Independent, and open about it.** We hold commercial arrangements with some of the EOR and service providers we may recommend, and we will tell you which ones before you make a decision. It does not change the advice. We recommend the provider that fits you, we show you the fully-loaded cost either way, and we will tell you when a role should not be offshored at all.

11. Is Your Business Ready? Questions to Ask

Before committing to an offshoring strategy, leadership teams should be able to answer the following questions honestly:

4. Do we have the in-house experience to build a high-performing offshore team?
5. Who understands local laws, customs, and culture well enough to navigate building an overseas team?
6. Who will be responsible for building and maintaining the offshore team — and do they have the time?
7. Do we have a clearly defined business strategy for scaling key teams, or are we chasing a rate?
8. How does our offshoring strategy align with operational resilience?
9. Can we communicate the business impact of offshoring to our board and shareholders?
10. Do we understand the potential impact on our customers?

And if you already have offshoring in place, add these:

11. Are we getting the value we were promised — and do we know our true all-in costs, including markups?
12. Is our current employment model still the right one for the size and maturity of our team?
13. Are the people doing our work actually employed by someone — and if they are engaged as contractors, have we tested that classification?
14. How is our offshore team's retention, engagement, and performance trending — and would we know if it weren't?

If any of these questions gave you pause, that is not a reason to abandon offshoring — it is a reason to approach it strategically, with a partner who has done it before.

12. About Ascend

Ascend Global Consultants helps US businesses build dedicated offshore teams in the Philippines — teams you own, staffed by people you choose, working to your processes. With deep knowledge of Philippine labour law, the business environment and the culture, and extensive in-country relationships, Ascend supports businesses from first strategy through to fully optimized global operations.

About the Principal

David Liddicoat, Principal

Ascend was founded by David Liddicoat, who brings more than a decade of hands-on experience building high-performing offshore teams — including over three years living and working in the Philippines.

At Genesys, David scaled a global shared services operation from zero to more than 530 employees, across every department in the company, delivering over \$40 million in annual operating expense savings. Most recently at Talkdesk, he built multi-functional teams across India and the Philippines, shaping the company's global location strategy. His earlier career spans finance leadership roles at Symantec and Intuit in Silicon Valley, and a decade advising private clients at an Australian financial planning firm.

David holds a Bachelor of Commerce in Accounting and Finance from the University of Western Australia and an MBA from the BYU Marriott School of Business.

Most offshoring advisors have watched it done. David has done it — lived there, built the teams, and delivered the results — and Ascend exists so growing businesses can benefit from that experience without learning it the hard way.

Ready to talk?

David Liddicoat, Principal · Ascend Global Consultants

info@ascendgc.net · +1 (317) 785-7211 · ascendgc.net

Book a 30-minute offshore readiness conversation at ascendgc.net

Sources and methodology

A note on the cost figures in this paper

The 60–70% range referenced in section 3 is Ascend’s own modelling, derived from Philippine market compensation data and the fully-loaded cost models we prepare for client engagements. It is not drawn from a published industry study and should not be treated as one. It is presented as an indicative range from our experience, not as a projection of what any particular business will achieve. Actual outcomes depend on role mix, employment model, location, benefit design, and how well the transition is managed. Every Ascend engagement produces a cost model specific to the client’s roles and circumstances, with the build-up shown.

Market and industry research

- Grand View Research, Business Process Outsourcing Market Report 2026–2033 (market size and growth projections).
- Fortune Business Insights, Business Process Outsourcing Market 2026–2034.
- Gartner research on AI-powered customer interactions, via HTC Global, ‘BPO 2026 & Beyond.’
- IBPAP industry targets and AI upskilling commitments, via BusinessWorld, BusinessMirror, and Nearshore Americas (2026).
- Everest Group, agentic AI and human-in-the-loop research (2026).
- The Lab Consulting and HEFLO on process standardization as a prerequisite for automation and AI.

Philippine employment classification (section 8)

- Labor Code of the Philippines (Presidential Decree No. 442), including Articles 106–109 on contracting and subcontracting.
- Department of Labor and Employment, Department Order No. 174, Series of 2017; Department Order No. 147-17; and DOLE Circular No. 01, Series of 2017.
- Philippine Supreme Court jurisprudence on the four-fold test, including *Insular Life Assurance Co. Ltd. v. NLRC*, *San Miguel Corp. v. Del Rosario*, and *Brotherhood Labor Unity Movement in the Philippines v. Zamora*.
- Chambers and Partners, "Employer-Employee Relationship in the Philippines" (Expert Focus).
- Respicio & Co., "Employee Misclassification as Independent Contractor in the Philippines."

This document is for general information purposes only and does not constitute legal, tax, or professional advice, and should not be used as a substitute for consultation with qualified professional advisers in the relevant jurisdiction. © 2026 Ascend Global Consultants. All rights reserved.