



The Future of Hiring is **Borderless**

Introduction

In an era defined by rapid technological advancements and global connectivity, the traditional boundaries of talent acquisition and retention are dissolving. Companies can't fill technical roles fast enough to meet needs and are expanding their search beyond geographical borders. We predict that within 10 years the workforce will be so blurred — with full-time, contingent, contractor, in-office, in-country, out of country workers — that those definitions won't matter. We're in a globalized economy that promises to reshape the future of hiring; welcome to the borderless frontier.

By 2030, everyone is going to view the world as a global talent marketplace where they can tap the best person for the best role. It won't matter which country they reside in. Skills matter, intelligence matters, but location should not. Enterprises tapping into borderless global talent in this manner will be successful in bridging in-house skills gaps.

Jeremy Johnson Andela CEO and Co-Founder

✦ THE TALENT DILEMMA

The demand for technical experts has increased exponentially, fueled by the digitalization of industries and the proliferation of remote work. Yet, this surge is met with a critical challenge: a scarcity of qualified talent. Companies find themselves in a relentless race to secure top-tier professionals who possess not only technical skills, but adaptability and creativity.

78%

of CEOs surveyed believe talent scarcity is reaching crisis proportions. *Gartner

THE RISE OF BORDERLESS HIRING

Enter the borderless hiring revolution. No longer confined by proximity or national boundaries, forward-thinking organizations are casting their nets wider, seeking talent across continents. The shift from a localized talent pool to a global one is not merely a strategic choice, it's becoming imperative for business longevity.

The rate of hiring borderless technology staff has grown

2X in the last three years. *Gartner

UNLOCKING OPPORTUNITIES

Amidst the scarcity lies immense opportunity. For skilled technologists, the borderless approach means liberation from the constraints of relocation. They can contribute to groundbreaking projects while creating a healthy work-life balance. Simultaneously, companies gain access to diverse perspectives, fostering innovation and resilience.

Increasing retention and hiring is the

#3 priority for CEOs. *<u>Gartner</u>

In this white paper, we delve into the intricacies of borderless hiring. We explore strategies, share success stories, and advocate for a collective commitment to nurturing talent ecosystems.

Join us as we embark on a journey toward a future where borders blur, skills flourish, and brilliant minds are connected with opportunities, so everyone wins.

The Talent Scarcity Crisis

As technological advancements have grown, the demand for technical talent has also surged. Remote and hybrid models have accelerated this trend, creating a desire for skilled professionals who understand this new technology and can drive innovation and growth. But beneath this urgency lies a critical dilemma: the scarcity of qualified candidates.

A global race

As organizations search for top-tier talent, the competition has intensified and CIOs find themselves in a battle to secure qualified candidates. According to a <u>2022 survey</u> by Gartner, 86% of CIOs faced heightened competition for skilled hires, while 73% were worried about IT talent attrition.

<u>Gartner's 2023 survey</u> paints a grimmer picture: 78% of CEOs believe that talent scarcity is reaching crisis proportions. The pressure to innovate, adopt emerging technologies, and stay ahead of the curve has never been more acute. Yet, the supply of skilled professionals falls short of demand and the gap keeps growing.

And this lack of talent is the <u>top reason</u> why IT leaders are struggling to adopt emerging technologies. It's at the point that talent shortage ranks as a <u>higher concern to CEOs</u> than a recession or rising interest rates.

In fact, recent research by McKinsey shows that when organizations undertake a large-scale transformation, their efforts fail about 70% of the time. It's clear that the success of these strategic initiatives hinges on having a workforce with the requisite technical skills to power and sustain those projects.

✦ THE \$162 BILLION QUESTION

Organizational consulting firm <u>Korn Ferry</u> estimates that by 2030, more than

4 million

technical roles will go unfilled due to a lack of skilled talent to fill them

The consequences are staggering: the US could lose out on

\$162 billion

worth of annual revenues unless urgent action is taken

Right now we are in this phase where the most forward thinking and the most advanced companies are thinking about the world as their global hiring pool. And it's a competitive advantage, and a strategic advantage for companies that are able and interested in taking a new approach.

Jeremy Johnson Andela CEO and Co-Founder



The Changing Landscape of Hiring

In the past, organizations primarily scoured local talent pools, relying on proximity and familiarity. However, the digital age has removed these boundaries. Today, the quest for exceptional talent transcends geographical borders.

Borderless hiring refers to the practice of hiring employees who work remotely from different locations, often across international borders and time zones. In this paradigm, employers are no longer constrained by geographical boundaries when seeking talent. Instead of being limited to hiring workers within the same city, region, or country, organizations can now tap into a global talent pool. We're amid a seismic shift — a transition from localized hiring to a borderless approach.



✦ THE BENEFITS OF BORDERLESS HIRING



Larger talent pool

By removing geographical contrants, companies can access a vast, diverse pool of skilled professionals from around the world, increasing their chances of finding the right fit for their specific needs.



Less expensive

Hiring talent from regions with lower cost of living can mean significant cost savings for companies, stretching recruitment budgets further and potentially completing more projects and delivering them faster.



Increased flexibility

Remote teams can be easily scaled up or down based on project demands, allowing you to respond quickly to changing market conditions and business needs.



Equal quality

Tap into talent pools that have previously been overlooked or inaccessible due to geographical barriers. This ensures hiring decisions are based solely on merit, skills, and culture fit, allowing brilliant talent to access equally.

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Navigating the Global Talent Pool

In the borderless era, talent knows no geographical constraints. While many companies traditionally focus on Europe and India for tech talent, they are becoming oversaturated and more costly. Emerging markets and untapped talent pools are making their mark.

According to a recent study by Gartner, the average software developer salary in Western Europe rose by 6.2% in 2022, reaching a hefty \$92,000 annually. Similarly in India, the average compensation for tech roles increased by 8.9%, reaching \$38,000 — a figure that remains high relative to the cost of living. These escalating salaries have prompted forward-thinking technology leaders to explore untapped talent pools in regions like Latin America and Africa. With a vast, skilled workforce and comparatively lower costs, these regions present a compelling opportunity for borderless hiring strategies. For instance, the average software developer salary in Brazil stands at \$28,000, while in Nigeria, it's \$12,000 — offering significant cost savings without compromising on quality.

Latin America: A tech powerhouse emerges

Over the past few years, Latin America (LATAM) has emerged as a critical partner in global markets, particularly for companies facing local skill shortages and cost-constraints. Recent <u>reports</u> indicate a 156% increase in businesses seeking to hire in the region, especially for software engineering roles. The population of tech talent has grown to almost 2 million in LATAM. This surge is driven by a confluence of factors, including concerted efforts by local governments to empower their tech workforces and meet the growing demand.

São Paulo, a vibrant tech hub, has collaborated with AWS to upskill citizens in <u>cloud computing</u> and the metaverse. This initiative has resulted in a surge of highly specialized developers. Brazil, too, has made substantial investments in IT engineering, producing almost half a million tech graduates annually.

Recognizing this burgeoning talent pool, tech giants like Meta, Google, IBM, and Unisys have turned their attention to the region, offering free career training to ensure the graduates possess the skills needed for future startup roles. Brazil alone received over \$9.2 billion in total IT investment in 2022.

The shift towards LATAM is underscored by the region's cost-effectiveness, highly skilled workforce, and overlapping timezones with the US — a compelling trifecta for companies seeking to augment their engineering capabilities. Since the start of 2021, Andela, a leading talent marketplace has witnessed remarkable growth in Latin America, doubling its engineering team in Brazil, tripling its presence in Mexico, and quadrupling its footprint in Argentina. + LATAM **156%** increase in businesses seeking to hire

in this region

BENEFITS TO HIRING IN LATAM



Flexible



Overlapping timezones with us

As the global tech landscape continues to evolve, LATAM is poised to play an increasingly pivotal role, offering companies a strategic edge through access to a vast, cost-effective, and highly skilled talent pool.

Africa: A thriving tech ecosystem

Africa's tech ecosystem has also experienced exponential growth, <u>with funding for the sector</u> increasing by a staggering 8% in 2022, driven primarily by investments in key markets like Nigeria, Egypt, Kenya, and South Africa. This surge in capital has catalyzed a renaissance in Africa's tech landscape, fueling innovation and attracting global attention.

At the heart of this transformation is Africa's growing tech talent pool. The continent boasts the <u>fastest-growing population of developers</u> with over 22 million individuals joining the workforce each year. These skilled professionals are driving innovation, creating solutions tailored to local challenges, and contributing to Africa's digital transformation.

The rapid growth of Africa's tech sector has been further propelled by the continent's demographic dividends. <u>With 60% of its population under the age</u> of 25, Africa boasts a youthful workforce eager to embrace technology and carve out their place in the digital economy.

Recognizing this untapped potential, global tech giants — including Google, Amazon, and Microsoft — have actively invested in the region. Their support has bolstered local ecosystems, nurtured startups, and accelerated technological advancements, positioning Africa as a key player in the global tech market.

For tech leaders seeking to tap into this vibrant market, Africa offers a compelling value proposition. Beyond access to a highly skilled and cost-effective talent pool, embracing Africa's tech renaissance presents an opportunity to foster diversity and innovation within organizations. By harnessing the continent's rich cultural tapestry and unique perspectives, companies can gain a competitive edge in an increasingly globalized world.

As the demand for tech talent transcends borders, Africa is in a prime position to shape the future of the industry, offering companies a strategic advantage through access to a broad, untapped talent pipeline.



✦ BENEFITS TO HIRING IN AFRICA



Cost effective



More diverse teams



Contributing to regional development

Streamline Your Hiring Process

Hiring talent from anywhere in the world doesn't have to be complicated. By leveraging technology platforms and trusted marketplaces, you can optimize your recruitment process and make informed hiring decisions.

The power of technology and talent marketplaces

Artificial intelligence (AI) has revolutionized the way businesses approach hiring, greatly improving efficiency and productivity. However, navigating the complexities of global hiring can be a daunting task, fraught with legal and compliance hurdles.

This is where a trusted talent marketplace like Andela can be an invaluable partner, handling the legal and compliance groundwork, ensuring a seamless and risk-free hiring experience. Complete with an Al-driven solution that streamlines the complete hiring lifecycle, Andela Talent Cloud can help companies source, qualify, hire, manage, and pay global technical talent in one integrated platform. The platform's advanced Al algorithms analyze thousands of data points from across the hiring lifecycle, including skills, experience, geography, language proficiency, and more, to match you with the best-fit candidates.

With Andela, the entire hiring process can take as little as 48 hours, and companies can expect to realize cost savings of 30%–50% compared to traditional hiring methods. By leveraging the power of Al and our trusted talent marketplace, you can access a global pool of top-tier talent while ensuring quality, compliance, efficiency, and cost-effectiveness throughout the hiring journey.





Evaluating skills and culture fit

Evaluating the technical abilities of a hire before bringing them on board is crucial. Tech hires often need a distinctive set of technical and soft skills. We recommend conducting Interviews and <u>technical assessments</u> to better understand the candidate's skills, experience, and potential for success within your organization.

Platforms like Qualified by Andela make this process simple. Using advanced algorithms and real-world work simulations to predict on-the-job performance with exceptional accuracy, Qualified by Andela helps eliminate costly mis-hires. The platform evaluates candidates across various dimensions, including technical coding capabilities, soft skills, culture/personality fit, interest alignment, seniority level, and time zone/locale compatibility. Culture fit evaluation is also vital for long-term success. It involves measuring how well a candidate's values, work style, and personality align with your organization's culture and ways of working.

Beyond that, a diverse workforce brings numerous benefits. Ethnically and racially diverse companies outperform their less-diverse peers by <u>36% in meeting</u> <u>financial targets</u>. Inclusion fuels innovation, enhances creativity, and improves overall performance.

By adopting technology, evaluating skills, and prioritizing diversity, your hiring process becomes more efficient, cost-effective, and impactful.



Qualifed by Andela uses advanced algorithms and real-world work simulations to predict on-the-job performance with exceptional accuracy.



Hiring Global, Works

Embracing global talent: GitHub's borderless hiring journey

As a rapidly growing global company, GitHub faced the challenge of providing support in various regions while accelerating product development. To address this, they adopted a borderless hiring mindset across their organization.

GitHub's approach allowed them to transcend geographical limitations. By seeking talent wherever and whenever needed, they achieved significant cost savings and fostered local expertise in the countries where they operated. This agility enabled them to deliver solutions faster than ever before.

GitHub's commitment to global talent extends across four continents including Africa, Latin America, South America, and Europe. This diverse workforce brings representation, cultural insights, and fresh perspectives from around the world. Their collective expertise enhances GitHub's ability to serve customers and partners effectively.

GitHub's borderless hiring strategy also addressed time zone challenges. With team members distributed globally, they can provide services 24/7. This ensures timely support and innovative solutions for their global clientele.

By leveraging a global workforce, GitHub transformed how they engage with customers. Their follow-the-sun approach ensures that help is available precisely where and when it's needed. Whether it's daytime in California or midnight in Tokyo, GitHub's team is ready to assist. Their borderless hiring journey exemplifies the future of recruitment.



"I think it's important to build a global team so that we have representation and diversity around the world."

Mark Schaefer

Sr. Director of Worldwide Partners GitHub

Embracing the always-on global landscape: The Weather Company's adaptive hiring journey

In the interconnected fabric of today's business world, the boundaries that once confined talent acquisition are dissolving. The Weather Company's Chief Technology Officer, Wendy Frazier, embodies this shift. Her mission? To provide safe and critical information, enabling people and businesses to make informed decisions during weather events. With over 100 billion requests per second, staying ahead of the competition demands exceptional talent.

The urgency is palpable. The Weather Company's mandate goes beyond local borders; it demands a global mindset. They embarked on their adaptive hiring journey with an initial RFP of two engineers outside of the US. The outcome was remarkable, they were able to onboard fast, deliver beyond expectations, and integrate well into the team. Fast-forward to today, where over 100 engineers collaborate seamlessly across The Weather Company's diverse portfolios and applications. This shift required a fundamental change in internal mindset — an acknowledgement that quality talent knows no geographical bounds.

As gaps emerge, priorities shift, and new challenges arise, The Weather Company pivots swiftly. Their dynamic, ever-evolving team thrives on global collaboration. Time zones fade into insignificance as seamless teamwork transcends physical boundaries. As a result, they position themselves as pioneers in their field.



Watch the case study: Diversifying Skillsets with The Weather Company

Watch now

Being able to tap into a global hiring pool has been a game changer. Whether the resources are in Poland, Egypt, Nigeria, the quality and the outcomes and outputs are the same. The way the team collaborates regardless of time zone, it's seamless to our team. We've grown from resources in three to five countries, to 15 plus countries and four continents.

Wendy Frazier Chief Technology Officer The Weather Company In order for us to stay on top of our competition we have to have the right talent that's going to be partnering with us, and we need that talent immediately.

Wendy Frazier Chief Technology Officer The Weather Company

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The Future of Hiring is Borderless

Amidst the talent shortage crisis lies an opportunity. Forward-thinking companies are reimagining their hiring strategies. They're thinking globally, casting nets beyond local boundaries. By broadening their search, they tap into diverse skill sets, cultural perspectives, and untapped potential.

This competitive climate means there are big opportunities for technical talent, and for the companies that think globally about sourcing. Companies need to streamline their hiring processes to be faster, more effective, and less expensive. By broadening their search beyond their area, country, or region they can recruit based on skill, need, and flexibility.

And for skilled technologists, this means they can work where they live, find job satisfaction, and support their families without the need to relocate.



Discover how Andela changes the lives of our digital talent.

Watch now

If you can break down the barriers that prevent the world from working together, you can see people a little differently and recognize that we're all pretty similar. And once you embrace that, you realize that a diverse talent pool actually increases your ability to understand the world because you can see it through the eyes of a broader group of people. And through the lived experiences from talent all over the world, you can come at problems in a much more holistic way.

Jeremy Johnson Andela CEO and Co-Founder

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Why Andela?

It is abundantly clear to IT executives that there is a growing gap in the availability of technical talent. Yet, as organizations have embraced a pandemic-fueled transformation to digital technologies, many have yet to fully leverage these tools to help them overcome the problem.

Andela helps companies scale their global tech talent strategy. We provide a unified approach that integrates an intelligent talent cloud, global marketplace, and comprehensive services for building remote-fluent teams from emerging geographies, such as Africa and Latin America. It is an end-to-end process that manages the entire talent life cycle: source, qualify, hire, manage, and pay global technical talent.

While current approaches to hiring talent can be slow and monolithic, Andela's innovative approach delivers greater speed, flexibility, performance, and trust. We match the right talent for each job, up to 70% faster than internal recruiting processes at 30–50% less cost, allowing clients to access a highly adaptive resource pool of over 150,000 technologists.

Our people leverage an Al-driven platform to harness the power of humans + tech, to change how companies hire and get jobs done.



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Looking to build a global tech team? We can help.

We connect brilliance with opportunity so everyone wins. We're building a global platform where people can come together to co-create a healthier, more sustainable, more productive way of working. No matter where they are or what barriers they face, brilliant people and companies who believe in a better way can find each other, improve together, and build amazing things for the world.

Learn more



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