BLUE CODING

ENGINEERING LEADERSHIP RESOURCE

The Engineering Scale Playbook

Why LATAM is a Winner for U.S. Tech Companies

30–40%
Realistic Cost Savings

1–2 wks
Onboarding Time

6–8 hrs
Daily Time Zone Overlap

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A practical guide to scaling your engineering team through LATAM nearshoring: what actually works, what quietly fails, and how to decide for your company.

SECTION 01

The Outsourcing Crossroads

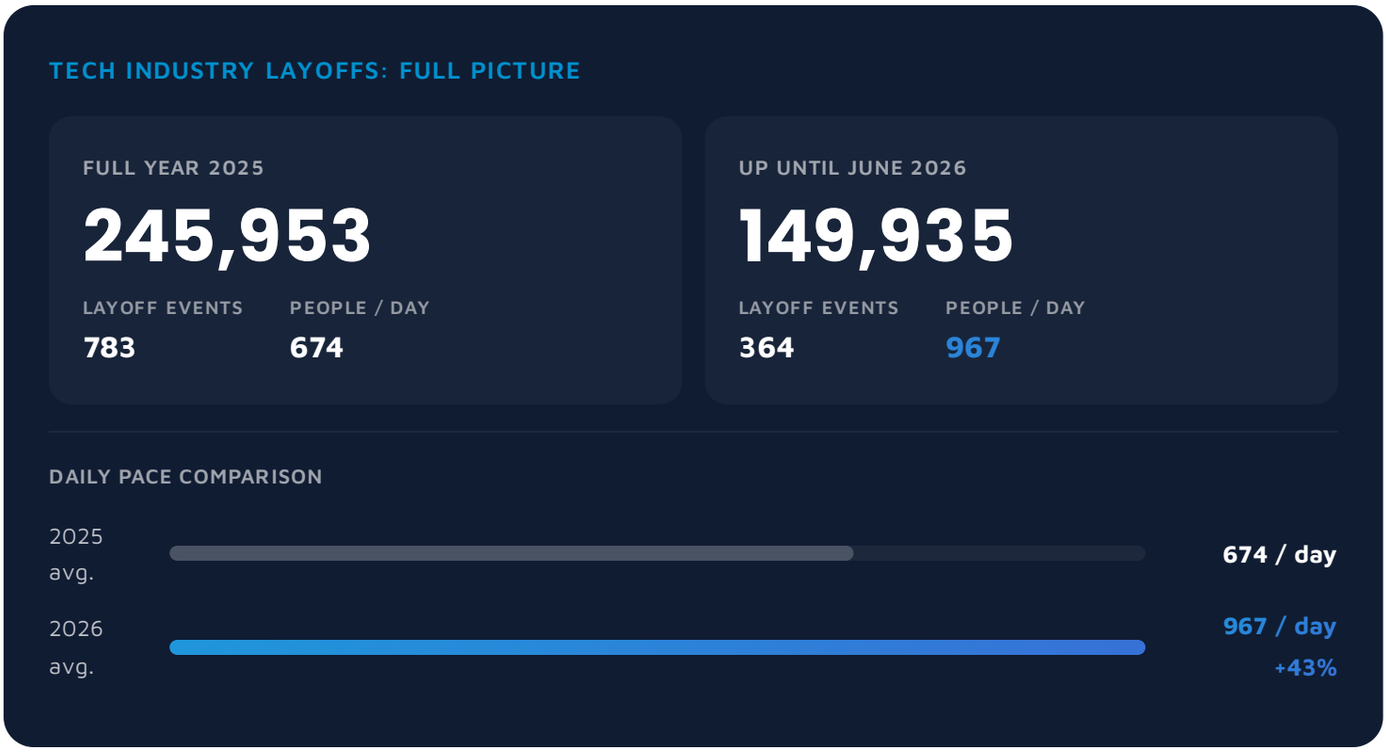
Context & Market Forces

In the U.S., speed is a unique currency for tech teams under pressure to ship products fast. From startups to large enterprises, executives seek rapidly developed products with minimal costs while keeping teams lean. Most U.S. tech companies have tried to do this with the popular playbook: full-time domestic hires, linear team growth, and the assumption that proximity equals productivity. But that playbook is cracking under the weight of high hiring costs and industry disruption.

A productive engineering team is the goal. Staffing it is the hard part as U.S. hiring costs keep climbing.

Today, the median total compensation for a senior software engineer in the U.S. is over $167,000, a figure that reflects base salary, equity, and bonuses across a broad range of companies and markets. In major tech hubs and larger technology firms, the total often exceeds $200,000.[1]

Added to the hiring cost is the puzzling state of the talent market. Layoffs from hundreds of tech companies have put experienced engineers back into the job pool.



At the current 2026 daily pace, full-year impact should reach ~353,000 people, marking a 43% increase over 2025.[2]

These layoffs signal industry-wide disruption as companies incorporate AI into their operations to cut costs and stay competitive.

84%

In fact, 84% of engineering leaders have raised their team's productivity expectations because of AI, and 67% of developers say AI has increased pressure to deliver faster.[3]

This combination of high hiring costs and AI-driven restructuring has resulted in a market where talent exists, but hiring intent is cautious, and headcount budgets are tighter.

> *Living in Latin America I studied and later worked with very talented engineers. They had the drive, experience, and the right culture fit to match the best developers anywhere in the world, but they didn't have access to the same work opportunities. I also saw U.S. and Canadian companies eager to find engineers who could keep pace with their growth, but who struggled to hire in their local markets. That's what Blue Coding was built to solve and it's what we still do best."*

David Hemmat
CEO & Founder, Blue Coding

In search of cost relief, many business leaders have tested offshore outsourcing by tapping talent in India, Eastern Europe, or Southeast Asia. However, most CTOs and engineering VPs report that the 12-hour time zone gap, asynchronous communication patterns, and cultural friction that come with distant offshore arrangements create hidden costs: delayed standups, missed context, slow feedback cycles, and integration challenges that erode the savings.

> The traditional choice of expensive in-house hires and risky offshore contractors has made way for a third path. This path, which is becoming the strategy of choice for companies that need to drive scale, quality, cost efficiency, and real collaboration is **nearshoring to Latin America**.

SECTION 02

What is Nearshoring?

Understanding the Model

Nearshoring is the strategic middle ground between in-house and offshore hiring.

In-house hiring allows companies to hire local developers as full-time employees. This provides maximum control, strong cultural alignment, and direct management authority. The trade-off is the high hiring costs and a recruiting process that can take from 3 to 6 months.

Offshoring is the sourcing and engagement of talent or agencies in distant markets. Common destinations are India, the Philippines, Ukraine, and Africa. While these destinations offer decent cost savings (often 40–70% compared to U.S. rates), the collaboration challenges erode those gains over time.

Nearshoring is the sweet spot of the three hiring models. It means partnering with talent in countries that share significant time zone overlap with domestic teams. For U.S. companies, this means Latin America, a region spanning countries such as Mexico (sharing Central Time with many U.S. hubs) and Argentina (1–2 hours ahead of Eastern Time). **This proximity creates time overlap. Overlap enables collaboration. Collaboration enables speed.**

In-house, Offshore, and Nearshore (LATAM) at a Glance

FACTOR	IN-HOUSE (U.S.)	OFFSHORE (ASIA)	NEARSHORE (LATAM)
Average senior developer cost per year	$130,000–$180,000	$25,000–$50,000	**$50,000–$90,000**
Time zone overlap (ET)	Full	0–2 hrs	4–8 hrs
Cultural alignment	High	Low–Medium	High
English proficiency	Native	Variable	High in the tech sector
Talent pool growth	Flat	Saturated	Rapid
Average ramp-up time	2–4 months	4–8 months	2–3 months

SECTION 03

Common Misconceptions That Stall Decisions

Clearing the Air

Executives who haven't worked with a nearshore team often hold negative assumptions shaped by their outsourcing experiences or those of peers. These are the top three misconceptions:

✕ **MISCONCEPTION 1** **Nearshoring is cheap labor, and the quality will be lower**

✓ **REALITY** Many LATAM developers hold U.S.-recognized certifications (AWS, Google Cloud, Azure) and work within ISO-compliant firms. The cost advantage of LATAM labor stems from purchasing power parity, not a skills deficit. LATAM engineers are competitively priced in their local market, just like a brilliant engineer in Austin costs less than an equivalent in San Francisco.

> *"The developers we place are not cheap alternatives. They are competitive engineers who happen to be priced in a different market. When a client is surprised by their work in the first sprint, that surprise is the misconception correcting itself."*

Shannon Towle
Operations Director, Blue Coding

✕ **MISCONCEPTION 2** **We'll lose control of our intellectual property (IP) and processes**

✓ **REALITY** Robust and enforceable IP agreements, NDAs, and SOC 2-compliant workflows govern modern nearshore engagements. For instance, in 2020, the Mexican government strengthened its IP framework under the United States-Mexico-Canada Agreement (USMCA), giving companies comprehensive IP protection that aligns with international standards.

✕ **MISCONCEPTION 3** **Communication and culture will create constant friction**

✓ **REALITY** LATAM tech professionals are trained in U.S.-oriented Agile and Scrum environments, making collaboration seamless. English proficiency within the tech workforce is also stronger than the national average suggests.

SECTION 04

Why Most Nearshore Initiatives Fail

Execution Intelligence

Blue Coding has supported companies in the U.S. and Canada with nearshoring for over 10 years. From our experience, nearshore initiatives fail for these three core reasons:

1 Poor internal onboarding

Many companies assume their codebase and processes are self-explanatory. They're not. When a nearshore team spends its first month navigating setup issues rather than contributing, that time is lost. The fix is simple: treat nearshore onboarding with the same rigor applied to an in-house hire. Document first, then bring the team in.

2 Treating nearshore teams as vendors, not extensions

In a vendor relationship, teams feel disposable and worked with at arm's length. Nearshore teams notice when they're excluded from product context, skipped on sprint retrospectives, or handed tickets with no visibility into the "why." The outcome: engagement drops and quality follows. Closing the psychological distance helps. Share roadmaps. Include nearshore leads in planning sessions. Treat developers as colleagues, not contractors.

3 Hiring too fast without role clarity

Hiring fast feels productive until you realize you've onboarded developers with no clear ownership, overlapping scopes, and no significant tasks to assign. Vague role definitions such as "we need a full-stack developer, sort of back-end, maybe some DevOps," create friction from day one. Before hiring, define the work. What does this person own in six months? What does a successful first sprint look like? Having role clarity makes for a fast ramp and prevents a slow, expensive stall.

> *Most nearshore engagements do not fail because of talent or geography. They fail because the external team is treated like a separate vendor instead of an extension of the business. The strongest partnerships have clear leadership, shared accountability, and constant communication from day one."*

Jared Andreasson
VP of Sales, Blue Coding

SECTION 05

The LATAM Advantage

The Strategic Case

Latin America's rise as a tech talent destination is driven by massive investment in education, infrastructure, and its entrepreneurial culture.

The Talent Ecosystem

The talent ecosystem in Latin America has undergone a significant transformation over the last two decades. Three factors orchestrating this change are massive university expansion, immersive coding bootcamps, and a growing number of LATAM tech companies that train world-class engineering talent.

This is the outlook for universities across just six LATAM countries:

COUNTRY	UNIVERSITIES	NUMBER OF SOFTWARE DEVELOPERS
Brazil	1,448	**759,278+**
Argentina	132	**167,414+**
Colombia	282	**85,721+**
Peru	98	**32,347+**
Chile	62	**59,111+**
Mexico	1,385	**563,075+**

Sources: Dev.to, Whed.net

Beyond these numbers, individual LATAM countries are taking giant steps to build the next generation of tech talent. In 2014, the Mexican government established the National Technological Institute (Tecnológico Nacional de México), an investment of $893 million, which consolidates 263 existing campuses across the country with a strong emphasis on computer science and engineering, serving over 600,000 students.[4] Colombia's Ministry of ICT launched the national MinTIC initiative called Misión TIC 2022, an initiative that set a

goal to train over 100,000 professionals in programming and digital skills between 2020 and 2022.[5]

The bootcamp culture in LATAM has been equally transformative. Platforms like Platzi (Bogota-based with over 6 million students across LATAM), Henry (Buenos Aires-based with 20,000+ graduates across LATAM and a U.S.-aligned curriculum), and Laboratoria (10,000+ graduates, focused on training women in tech across six LATAM countries) have created a parallel talent pipeline that is practical and often more current than traditional university curricula. The result is a talent pool that is both large and deep in technical know-how.

Country Highlights at a Glance

Mexico

Known for strong full-stack and software engineering talent. Benefits from USMCA legal alignment with the U.S. Guadalajara and Mexico City are major hubs. Same time zone as much of the U.S.

Argentina

Strong in AI/ML, data science, and systems engineering. Buenos Aires hosts a thriving startup ecosystem and several U.S.-listed tech unicorns.

Colombia

Fastest-growing tech workforce in LATAM. Medellín has been called the 'Silicon Valley of Latin America.'

Brazil

Largest total developer population in LATAM (500,000+). Strong in backend engineering and QA. São Paulo and Florianópolis are leading tech hubs.

Uruguay

Ranked #3 for English proficiency in LATAM. Hosts regional offices for major U.S. tech firms including Amazon, Microsoft, and Sabre.

Time Zone Alignment

Time zone overlap is a significant factor that determines how well a distributed engineering team works. A 12-hour time difference limits synchronous work to a narrow window, making real-time collaboration difficult. This challenge, which is common with the offshore model, doesn't just cause scheduling inconveniences. Practically, it means that a question asked at 3 PM in New York won't receive a real-time answer until 9 AM the next day at the earliest. For fast-moving product teams, this introduces a compounding feedback delay that can add days or weeks to a delivery cycle.

LATAM nearshoring eliminates this challenge. Mexico City operates on Central Time, the same as Chicago. Bogota and Lima are on Eastern Time. Buenos Aires is just one hour ahead of Eastern Time during most of the U.S. calendar year (daylight saving time differences). Montevideo, Santiago, and São Paulo are 1–2 hours ahead. This means that a U.S. team on Eastern Time shares 6–8 full working hours of overlap with most major LATAM tech hubs.

The practical impact is significant. Daily standups occur at a normal time, with fast Slack responses during working hours. Teams make architecture decisions in real-time rather than asynchronously over 48-hour email chains. Sprint retrospectives feel like a real team conversation rather than a recorded video that others watch the next morning. These are all crucial to the mechanics of high-performing agile teams.

Bain & Co.

Bain & Company, a global consultancy in 40 countries, has observed that co-located agile teams have historically been about **twice as productive** as teams distributed across several time zones, largely because real-time collaboration reduces coordination friction and speeds up decision-making.[6] Minimizing time zone disparity, which is a core nearshoring LATAM advantage, can make your distributed team as effective as co-located teams.

Cultural Proximity to U.S. Business Norms

Cultural fit is the least quantifiable and most frequently underestimated factor in outsourcing success. It's also the factor where LATAM nearshoring offers its most durable advantage.

The cultural proximity between Latin America and the United States runs deeper than a shared hemisphere. Decades of economic, media, and educational exchange have produced a generation of LATAM professionals who are fluent not just in English, but in U.S. business culture: its directness, its obsession with velocity, its preference for asynchronous

documentation, and its embrace of iterative product development. Many LATAM developers consume the same tech content as their U.S. counterparts: Y Combinator talks, a16z podcasts, Hacker News, and U.S.-based online learning platforms.

This cultural alignment shows up in concrete ways. LATAM engineering teams operate within Agile frameworks. Scrum, Kanban, and SAFe are standard in mid-to-large nearshore firms. Sprint ceremonies feel familiar. Velocity tracking and story point estimation are shared languages. Deadline orientation is strong, especially in countries with established outsourcing cultures like Colombia, Mexico, and Uruguay, where meeting client expectations is a matter of professional pride and business continuity.

This cultural fit enables LATAM developers to integrate well with U.S. teams. They operate within a client's Slack workspace and GitHub organization, and participate in sprint planning cadences. They attend the same ceremonies, contribute to the same repositories, and show up in the same video calls. Quickly, the cultural proximity to U.S. norms removes the distinction between "our team" and "the nearshore team", often within the first quarter.

Shared hours and shared standards are what turn two engineers into one team.

SECTION 06

The Financial Case for LATAM Hires

Financial Analysis

The financial argument for LATAM nearshoring is compelling, but only when there's an honest breakdown showing how all three models work.

Cost Comparison Across Models

A common mistake companies make when evaluating nearshoring is comparing only top-line cost figures. The full cost of an in-house hire, including payroll taxes, benefits, equipment, office overhead, recruiting fees (typically 15–25% of the first-year salary), onboarding time, and management overhead, typically runs 1.3 – 1.6x the base salary. For a senior engineer with a $160,000 base salary, the true annual cost becomes approximately $208,000–$256,000.

Nearshore vendors typically quote monthly rates for developers. A mid-to-senior contracted LATAM engineer through a reputable nearshore firm will cost between $3,000 and $9,000 per month, translating to $36,000 - $108,000 per year. This rate includes the firm's margin, HR, legal, and account management.

The cherry on top of the all-in cost is that companies with nearshore teams avoid recruiting fees, benefits administration, and severance exposure. However, for full-time LATAM hires, it's vital to factor in employer contributions, which range from 1.2 to 1.8x the base salary depending on the country.

The real cost comparison isn't the hourly rate. It's what an integrated team delivers, sprint after sprint.

SENIOR SOFTWARE ENGINEER	U.S. IN-HOUSE	OFFSHORE CONTRACTOR (INDIA)	LATAM NEARSHORE CONTRACTOR (ARGENTINA)
Base Salary (Median)	$175K	$68K (all-in vendor rate)	**$106K (all-in vendor rate)**
Benefits	$30K	Included	**Included**
Payroll Tax	$14K	Included	**Included**
Recruiting Fees	$12K	$0 (vendor absorbs)	**$0 (vendor absorbs)**
Onboarding & Ramp	$8K	Included	**Included**
Management Overhead	$8K	Included	**Included**
Average Attrition Cost	$0	$5K	**$5K**
Communication & Time Zone Overhead [7]	$0	**$15K**	**$0 (aligned timezone)**
TOTAL (annual, per developer)	**$247K**	**$88K**	**$111K**

Sources: Levels.fyi (Base Salaries), Footholdamerica.com (Benefits), Gusto.com (Payroll tax), Leonar.app (Recruitment), Tinqwise.com (Onboarding & Ramp), Geomotiv.com (Management Overhead), American Progress (Average Attrition Cost)

50%

Theoretical ceiling, not a realistic expectation

In theoretical terms, a company could save up to 50% by hiring a LATAM developer over a fully loaded U.S. in-house hire at large-tech compensation levels. However, this is a ceiling, not a realistic expectation. In reality, many mid-market software organizations see savings of around 30%–40% after accounting for compensation, payroll burden, onboarding, management overhead, and attrition costs, and this is the number Blue Coding stands behind.

The savings gap widens as engineering teams scale. Many of the operational costs in in-house teams grow with headcount, while nearshore models streamline or absorb much of that overhead through centralized vendors.

Hidden Costs of Offshoring That Nearshoring Avoids

Offshore proposals rarely include a line item for communication lag. They don't itemize the cost of delayed sprint velocity because of asynchronous dependencies. But these are actual costs that compound over time and reduce the cost advantage of the 12-hour time zone model.

Industry benchmarks on distributed-team research show that limited time zone overlap creates measurable productivity drag through delayed communication, blocked work, duplicate investigation, and slower decision cycles. Branch8 estimates that teams with fewer than two hours of daily overlap lose 12.3% of effective sprint capacity to time zone friction. For a team spending $300,000 per year on offshore development, that lag translates to **$36,900 in lost output per year**, an invisible cost that never appears on a vendor invoice.

> Rework due to miscommunication is another hidden expense. Research from the IBM Systems Sciences Institute found that defects caught during testing cost **5–15x more to fix** than defects caught during development.[8] Because offshore teams mostly communicate using asynchronous handoffs, they are more prone to the kind of miscommunication that leads to late-stage rework. A LATAM team working in the same business hours can resolve the same issue in a 5 minute Slack call rather than waiting 24 hours.

Attrition is another common challenge with offshoring. Offshore teams operate with significant time zone, cultural, and organizational distance from the business, which can create a detachment from the product, team, and company mission, ultimately increasing the risk of turnover. With nearshore teams, there's often lower turnover because tighter collaboration, greater time zone overlap, and stronger day-to-day integration with U.S. teams bring about a greater sense of ownership.

ROI Timeline: When Does Nearshoring Pay Off?

Nearshoring doesn't provide an instantaneous ROI. For some vendors, the first 30–60 days involve onboarding (knowledge transfer, tool access, and initial ramp-up time) during which new developers operate at 50–70% capacity. At Blue Coding, our ramp-up period is typically 1 to 2 weeks because we draw from a pre-vetted pool of experienced LATAM developers who are ready to plug into modern engineering environments.

For a typical engagement of 2 to 3 developers replacing or augmenting an in-house team, the break-even point, where nearshore spend plus transition costs falls below the equivalent fully loaded in-house cost, usually lands between months 3 and 5. Larger engagements of 5 or more developers could break even as early as month 2, because fixed transition costs are distributed across more contributors.

Other factors that speed up the ROI timeline: strong internal documentation that reduces knowledge transfer time; an existing Agile practice the nearshore team can plug into immediately; a nearshore partner with proven experience; and a dedicated internal champion (typically an engineering manager or VP of Engineering) who owns the integration process.

SECTION 07

Legal, IP, and Compliance Considerations

Due Diligence

Legal due diligence on a nearshore engagement is multifaceted.

The foundational documents are a **master services agreement** covering scope, liability, payment terms, and termination; a **statement of work** defining deliverables, timelines, and acceptance criteria; and an **IP assignment and confidentiality agreement** ensuring all work product created by the nearshore team gets assigned to the client.

> IP protection is a common concern, but the legal framework across much of LATAM is robust. Mexico strengthened its IP laws under the USMCA in 2020, bringing them into closer alignment with U.S. standards. Argentina, Chile, Colombia, Brazil, Ecuador, Honduras, and other LATAM countries are signatories to the Berne Convention and the TRIPS Agreement, which provide internationally recognized copyright and IP protections. Reputable nearshore firms will also have standard IP assignment clauses in their contracts. If a vendor hesitates to provide clear ownership language or attempts to retain partial rights to source code or deliverables, treat that as a serious red flag.

On compliance, evaluate nearshore vendors with the same rigor applied to internal teams. If your company handles customer data, financial information, or healthcare records, frameworks like SOC 2, PCI-DSS, HIPAA, or GDPR may apply regardless of where the engineering team is located. Mature nearshore vendors should be able to provide documentation for:

- ✓ SOC 2 Type II certification or equivalent controls
- ✓ Endpoint and device management policies
- ✓ Access logging and identity management procedures
- ✓ Developer security training
- ✓ Offboarding/access revocation workflows

Misclassifying an employee as an independent contractor is another important and often overlooked legal issue. In the United States, the financial consequence of misclassification is significant: federal government and academic studies estimate that $3–4 billion in income

and employment tax revenue is lost annually to misclassification.[9] Given those numbers, it's obvious why governments, including in LATAM, aggressively enforce worker-classification laws and why penalties for non-compliance can be severe, including back taxes, penalties, interest, benefits liability, and potential litigation.

EOR

This is where Employer of Record (EOR) providers and established nearshore firms like Blue Coding become important: they legally employ developers in LATAM reducing misclassification risk while simplifying payroll, tax compliance and labor-law obligations.

SECTION 08

Is Nearshoring Right for Your Company?

Fit & Readiness

Not every company is ready to nearshore, and not every use case is a fit. Nearshoring works best when work is well-defined, iterative, and benefits from team continuity. High-value use cases include:

Forward Deployed Engineers (FDE)

FDE job postings surged 800% in 2025 and supply hasn't kept pace.[10] The median U.S. salary for this role ranges from $170,000 to $201,250, with companies competing against industry giants like Palantir, Salesforce, and OpenAI for this talent. Nearshoring breaks that bottleneck. LATAM FDEs bring comparable experience to their U.S. counterparts at a fraction of the cost, making a nearshore FDE or AI pod one of the highest-leverage hires available right now.

Product Development

A dedicated nearshore pod that owns a product area, such as a mobile app, an API layer, or a data pipeline, and ships in sprints alongside your U.S. team, is the model that produces the most consistent outcomes.

Quality Assurance and Testing

Testing workflows are measurable, repeatable, and highly collaborative, making time zone overlap especially valuable. Same-day bug validation and release feedback loops dramatically outperform overnight offshore handoffs.

DevOps and Platform Engineering

Infrastructure, CI/CD, cloud operations, and monitoring functions work well in a nearshore model. DevOps work is often well-documented and benefits from the continuity provided by a dedicated nearshore team.

Staff Augmentation

If you need to add one or two specific skill sets to an existing team (React specialist, data engineer, mobile developer) nearshore staff augmentation is faster and more cost-effective than a U.S. domestic hire.

On the Flip Side: Poor-Fit Work

Nearshoring is a poor fit for work that is ambiguous or involves deeply embedded institutional knowledge that the company can't document. For early-stage product discovery, where the problem is still undefined and in-person collaboration matters most, a small, co-located team is best. Similarly, highly regulated functions requiring physical presence or in-person security clearance are not appropriate for remote nearshore teams.

Readiness Checklist for U.S. Companies

The single strongest predictor of nearshore success is not the vendor's quality; it's the operational maturity of the U.S. company. If a company struggles with remote collaboration internally, it will also have a tough time with nearshoring, regardless of vendor quality.

A successful nearshore engagement begins with a strong internal engineering lead on the U.S. side. This lead owns the relationship, sets expectations, and ensures the external team integrates into product and delivery workflows.

With that in mind, companies should evaluate whether the following readiness indicators are in place before beginning a vendor search:

READINESS INDICATOR	READY	NOT YET
Your codebase and systems have solid documentation that allows contributors to understand the architecture and set up their local environments	☐	☐
Your team works within a defined development workflow with clear priorities and regular check-ins	☐	☐
You have an internal engineering manager or a Product Owner with the bandwidth to own the nearshore relationship	☐	☐
Your security posture supports remote developer access with appropriate controls	☐	☐
You have defined acceptance criteria and a code review process	☐	☐
Leadership has aligned on realistic expectations for a 60–90 day ramp period and has a budget allocated for it	☐	☐
There is a clear decision-maker who can unblock the team within 48 hours	☐	☐
You've briefed your existing team on the nearshore strategy, and they support the approach	☐	☐

If the majority of these boxes are not yet ready, use them as a roadmap rather than a blocker. Blue Coding can advise on how to close these gaps before or alongside the hiring process.

Outsourcing to LATAM Software Developers

Nearshoring to LATAM is no longer a cost-cutting experiment; it has become a strategic advantage for U.S. technology companies that need to move faster without sacrificing quality, collaboration, or operational control. The combination of strong engineering talent, real-time collaboration, cultural alignment, and significantly lower total hiring costs provides companies access to a model that scales far more efficiently than traditional in-house hiring or distant offshore outsourcing.

But success depends on execution.

The right nearshore partner should not feel like an external vendor. They should function as an extension of your engineering organization with the processes, communication standards, and accountability your team already expects.

> *I grew up surrounded by brilliant engineers in Latin America who were building real things, solving real problems, but U.S. companies simply weren't looking their way. That blind spot is what Blue Coding exists to close. A decade later, the moment I know we've done our job right is when a client stops saying 'our nearshore team' and just says 'our team'."*

David Hemmat
CEO & Founder, Blue Coding

That is where Blue Coding stands apart. With more than a decade of experience building high-performing LATAM engineering teams for U.S. companies, Blue Coding delivers fully integrated developers who work in your time zone, plug directly into your workflows, and begin contributing within 2 weeks. Whether you need staff augmentation, a dedicated product pod, or a long-term engineering partner, Blue Coding provides the speed, transparency, and operational maturity that modern software teams require.

If you're ready to build a stronger engineering organization through LATAM nearshoring, Blue Coding is the partner that helps you do it right.

SOURCES & NOTES

1. Source: Levels.fyi total compensation data. Reflects median across a broad sample of U.S. technology companies. Total comp includes base salary, equity, and bonuses; figures will vary significantly by company size, location, and seniority level.

2. Source: TrueUp.io/layoffs, tracked to June 2025. 2026 projections are estimated from current daily pace and may change.

3. Source: HackerRank 2025 Developer Skills Report.

4. Source: Wikipedia, National Technological Institute of Mexico. Campus count as of founding (2014): 263; current count: 264.

5. Source: MinTIC.gov.co; El Tiempo (Colombia). The Misión TIC 2022 program was officially launched in August 2020 with a stated target of 100,000 graduates by 2022. Confirmed completion figures were not independently audited at publication time.

6. Source: Bain & Company, "Distributed Teams," published on bain.com. Note: Bain characterizes this as based on their experience across multiple industries; it is an observational finding, not a controlled study.

7. Communication and time zone overhead for offshore teams is a real but often un-invoiced cost that includes: extended management time for async coordination, delayed sprint velocity from overnight feedback loops, duplicate investigation caused by blocked handoffs, and rework from miscommunication. This estimate is based on internal observations and published research on distributed team friction; your team's actual costs will vary based on project complexity and team size.

8. Source: IBM Systems Sciences Institute, frequently cited in software engineering economics literature. The cost multiplier (often cited as 5–15x depending on the development stage) reflects the compounding cost of finding and fixing defects later in the delivery cycle.

9. Source: National Employment Law Project (NELP), "Worker Misclassification Cheats Everyone"; corroborated by Jobs With Justice. Note: The $3–4 billion figure refers to U.S. federal tax losses from domestic misclassification across all industries and is cited here to illustrate the regulatory stakes of worker classification, not to characterize LATAM enforcement specifically.

10. Source: Indeed job posting data (FDE roles, January–September 2025); corroborated by The New Stack and FDE Pulse. LinkedIn data shows 8,500 new FDE positions created in the U.S. between 2023 and 2025, with growth reaching 800% between January and September 2025. Salary range reflects multiple sources including Indeed data, recruiting firm placement data, and Levels.fyi; the specific median varies by company size and scope of role.

BLUE CODING

Ready to Build Your LATAM Team? Contact Us.

Schedule a free 30-minute strategy call. We'll assess your team's needs, recommend a LATAM market and structure, and give you an honest cost estimate, no obligation.

Schedule Your Free Strategy Call

www.bluecoding.com

Get in Touch

info@bluecoding.com · +1 (786) 305-4120

13640 North Kendall Drive #1089 · Miami, FL 33186 · United States