

How engineering and HR leaders design global teams **without breaking delivery.**

The companion report to the Hacking Borders podcast — a research dossier for TA, People, and engineering leaders at Series A–C tech companies scaling distributed engineering through the AI era. Built from structured operator conversations with TA, People, and engineering leaders at US growth-stage and mid-market technology companies.

HOST

Tony Le · Global
Talent Exec

AUDIENCE

Heads of Talent ·
VP People · VP Eng
· CTO

SOURCES

DORA · McKinsey ·
Atlassian · SHRM ·
Gartner

READ TIME

22 minutes

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The bottleneck moved. The org charts didn't.

Mid-market technology organizations spent the last decade optimizing for hiring velocity. The data from 2025 is unambiguous: the constraint has shifted. The organizations compounding execution are not the ones with the most engineers. They are the ones whose management systems, onboarding pipelines, and AI-integrated workflows scale at the same speed as headcount.

90% of developers use AI assistance in their daily workflow — but only 21% of organizations using gen AI have redesigned workflows around it. DORA 2025 · MCKINSEY STATE OF AI 2025	25% of the average workweek is now lost to searching for information across tools and teams. ATLASSIAN STATE OF TEAMS 2025
12.1 average direct reports per manager — up nearly 50% since 2013 as orgs compressed middle management. GALLUP, Q3 2025	70% of organizations still report difficulty filling roles. Four in five cannot find candidates with the new skills required. SHRM TALENT TRENDS 2025

“AI amplifies the engineering system it operates within. For high-performing teams with solid foundations, AI acts as a powerful accelerator. For teams struggling with technical debt, process chaos, and cultural dysfunction, AI only magnifies those problems.”

— 2025 DORA REPORT ON AI-ASSISTED SOFTWARE DEVELOPMENT · PUBLISHED BY GOOGLE CLOUD, N≈100,000 RESPONDENTS

The DORA conclusion is the operational thesis of this report. AI is not a productivity tool that lifts every organization equally. It is a diagnostic that exposes which organizations have built operating systems capable of absorbing acceleration — and which have not. The companies winning the next decade are converting that diagnostic into structural change, before the gap becomes commercially decisive.

Four shifts this report documents

01 · MANAGEMENT

Manager bandwidth is the real ceiling on growth.

Span of control has grown 50% in a decade. At 12+ reports, coaching collapses and senior attrition follows. The fix is structural — not a comp adjustment.

02 · ONBOARDING

Onboarding is engineering infrastructure, not HR overhead.

Elite teams hit time-to-first-commit in 1–3 days. The median lands at 2–3 weeks. Every subsequent hire compounds that gap.

03 · AI

AI raises throughput and instability simultaneously.

Code production is no longer the bottleneck. Code review, integration, and coordination capacity now are. Most org structures have not adjusted.

04 · DISTRIBUTED

Distributed engineering is no longer about cost.

It is about coordination integrity and time-zone alignment. The frontier model is embedded nearshore pods — not fragmented offshore arrangements.

What fails first — quietly — before organizations realize they have stopped scaling.

Scaling failures rarely announce themselves. By the time leadership sees the symptoms — missed quarters, attrition spikes, delivery slippage — the structural causes have been compounding for two to four quarters. The sequence is predictable.

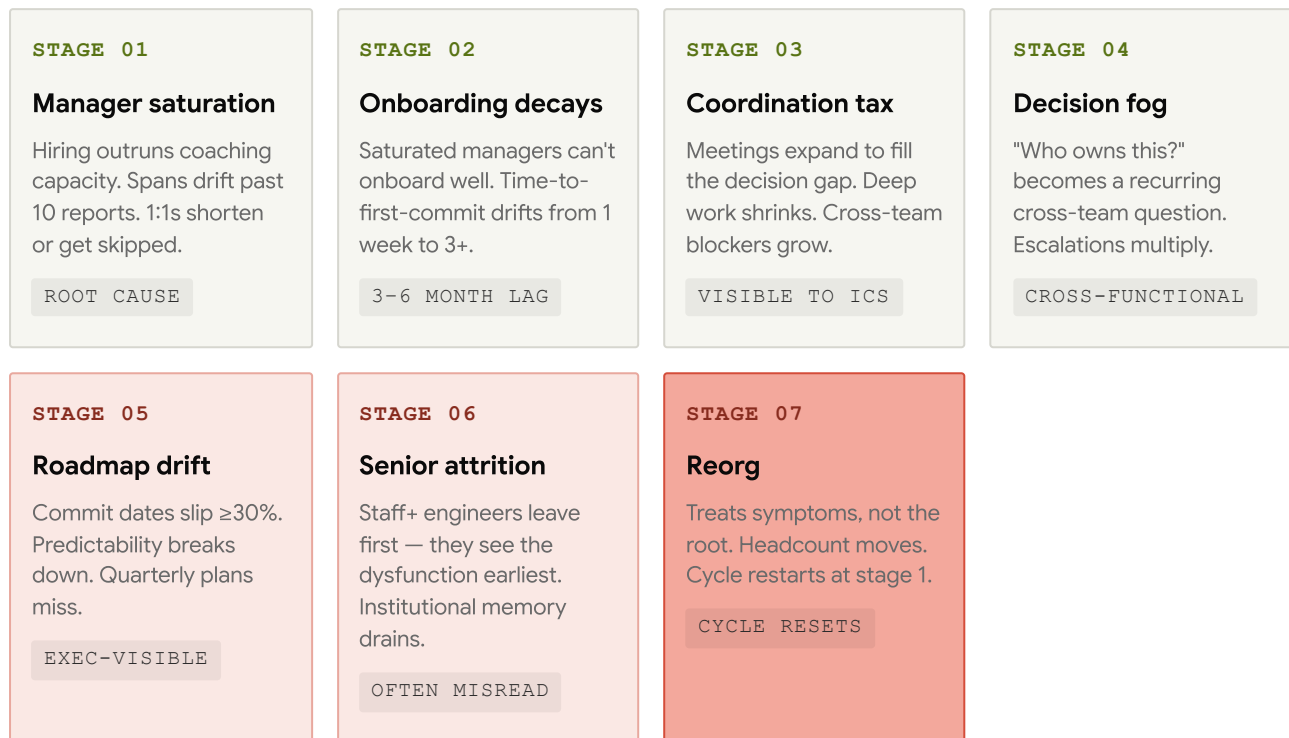
DIAGNOSTIC · ANSWER FIRST, THEN READ

In the last 90 days, has at least one of the following happened: a senior engineer left unexpectedly, a roadmap commit slipped by more than 30%, a recurring "who owns this?" conversation surfaced cross-team, or onboarding for a recent hire took longer than expected?

One "yes" — you are likely inside the silent phase. Two or more — you are past it. The cascade below maps where you are. The structural cause is almost never the visible symptom.

The Organizational Failure Cascade

Each failure mode compounds the next. Most organizations recognize the cascade only at stage 5 or later — by which point the underlying causes are 6–9 months upstream.



The cascade is causal — each stage produces the next. Manager saturation degrades onboarding; degraded onboarding inflates coordination cost; coordination cost surfaces as decision fog; decision fog slips roadmaps; slipped roadmaps drive senior attrition. The reorg at the end treats whichever stage is most visible to the executive team — usually stage 5 or 6 — rather than the root cause at stage 1. The cycle restarts. Most organizations have seen this loop more than once and not recognized it as a loop.



COST OF LATE DIAGNOSIS

Catching the cascade at stage 2 (manager saturation) typically costs 1–2 quarters of focused redesign. Catching it at stage 5–6 (roadmap drift, senior attrition) costs **3–6 quarters of remediation plus 1.5–2× fully-loaded comp to replace each departed senior**. Most organizations do not know which stage they are in.

AI is not the productivity revolution. It is the diagnostic.

The dominant 2024–25 narrative held that AI would compress engineering org sizes and accelerate output across the board. The 2025 DORA findings — the largest controlled study of AI-assisted engineering to date — show a more specific reality: AI amplifies the system it operates inside. The implication is structural, not technological.

79%

of organizations report using generative AI. Fewer than 10% have scaled AI agents in any single function.

MCKINSEY STATE OF AI 2025

3×

High performers are nearly 3× more likely to fundamentally redesign workflows around AI rather than overlay it.

MCKINSEY STATE OF AI 2025

21%

of organizations using gen AI have redesigned at least some workflows. Nearly 80% are layering AI on top of existing processes without rethinking how work flows.

MCKINSEY STATE OF AI 2025

10–20%

cost reduction reported by engineering organizations from AI — concentrated almost entirely at top-quartile orgs.

MCKINSEY, 2025

“Organizations with mature DevOps practices, well-defined development workflows, and strong platform capabilities are far more likely to convert AI-driven productivity gains into measurable improvements in delivery performance.”

— 2025 DORA STATE OF AI-ASSISTED SOFTWARE DEVELOPMENT, GOOGLE CLOUD

The McKinsey 21% workflow-redesign finding is the most underweighted number in the AI literature this year. AI is helping individual developers ship more code. It is not yet helping teams ship more product — because most organizations are layering AI on top of legacy workflows rather than redesigning around it. The bottleneck moved upstream: code production is no longer the constraint. Code review, integration testing, decision flow, and cross-team handoff are now the constraint — and those are organizational systems, not engineering tools.

Three organizational archetypes after AI

A · ABSORPTIVE

Mature orgs that absorb AI as leverage.

Strong CI/CD, written specs, codified review discipline, clear service boundaries. AI compounds the existing system. Throughput rises 25–40%, change failure rate stays stable or improves. Top 15–20% of orgs.

+35% NET DELIVERY LIFT

B · OVERLAY

Mid-maturity orgs that bolt AI on without redesign.

Adoption-led, not system-led. Throughput rises but instability rises faster. Net delivery is often flat. The majority of mid-market organizations sit here today.

0% NET DELIVERY LIFT

C · DRIFT

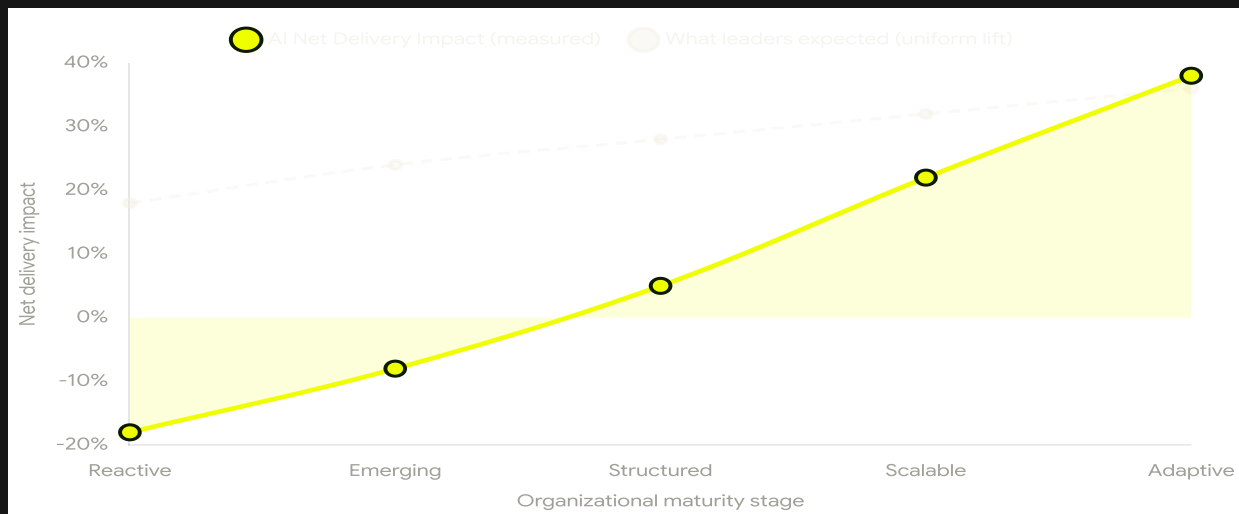
Low-maturity orgs where AI accelerates entropy.

Weak review culture, unclear requirements, fragmented services. AI generates more code that propagates the underlying issues. Net delivery declines as rework and incident frequency grow.

–15% NET DELIVERY

AI Net Delivery Impact by Organizational Maturity

The dotted line shows what most leaders expected — uniform productivity lift. The solid line shows what DORA 2025 actually measured.



SYNTHESIS · DORA 2025 · MCKINSEY STATE OF AI 2025 · HACKING BORDERS OPERATOR PANEL

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THE SECOND-ORDER EFFECT MOST LEADERS ARE MISSING

The first-order effect of AI is that individuals write code faster. The second-order effect is that the rate at which an organization can **review, integrate, and ship that code** is now the bottleneck — bounded by review capacity, spec quality, and decision-rights clarity, not by IC capacity. Most engineering org structures were sized for the previous bottleneck. AI does not solve any of this. Workflow redesign does.

How modern engineering organizations structure for scale.

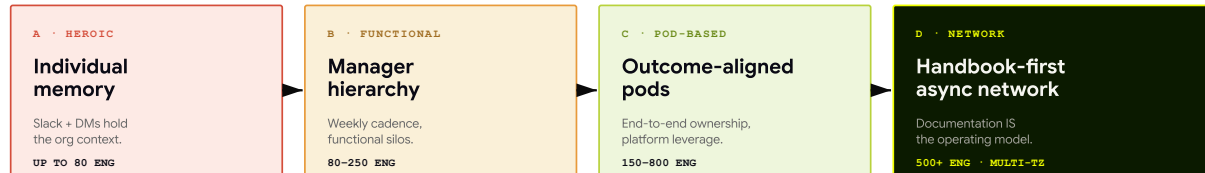
The operating model that carries an engineering org from 50 to 200 engineers — functional teams, weekly all-hands, Slack as decision substrate, managers as coordination glue — breaks at 300+. Organizations either redesign before the breaking point or pay 3–6 quarters of remediation after it.

ARCHETYPE	COORDINATION MECHANISM	EFFECTIVE RANGE	HOW IT BREAKS
A • Heroic	Individual memory; Slack-as-decision-store	Up to 80 engineers	Founder/EM saturation. Onboarding depends on availability of one person.
B • Functional	Manager hierarchy; weekly sync cadence	80–250 engineers	Coordination tax surge. Meetings expand to absorb decision throughput.
C • Pod-based	Outcome-aligned pods; documented decision rights	150–800 engineers	Platform under-investment. Pods reinvent infrastructure in parallel.
D • Network	Handbook-first async; codified decision rights	500+ engineers, multi-time-zone	Documentation debt. Operating model only as good as its substrate.

The Operating Model Progression

Each transition costs 1–2 quarters if designed in advance — and 2–4 quarters of operational pain if attempted reactively under stress.

SCALE PROGRESSION →



“Working remotely is easy. The challenge is working asynchronously. Organizations must create a system where everyone can consume information and contribute regardless of their level, function, or location.”

— **SID SIJBRANDIJ** · CO-FOUNDER AND CEO, GITLAB · ALL-REMOTE, 2,375 PEOPLE ACROSS 70 COUNTRIES

Sijbrandij's framing maps directly to the operating model progression. Archetypes A and B can function with synchronous coordination because the org is small enough or co-located enough that meetings absorb the decision load. Archetypes C and D cannot. Pods and networks require an async substrate — a single source of truth that allows decisions to flow without synchronous gating. GitLab's 2,700+ page public handbook is the operationalized version of that principle.

Σ

WHY MOST MID-MARKET ORGS STALL AT B → C

The transition from functional to pod-based requires written decision rights, documented context, and platform investment proportional to org size. Most mid-market organizations attempt the transition without these prerequisites. Pods form without ownership clarity. Platform under-investment forces parallel infrastructure. Coordination cost rises faster than benefit. The transition reverses, and the org reverts to functional structure — typically with worse morale and lost senior talent.

Distributed engineering is no longer a cost strategy. It is the operating model.

The framing inherited from the 2010s — offshore engineering as a cost lever — has been overtaken by the operating reality of 2025. The frontier is coordination integrity, time-zone alignment, and operating model compatibility across borders. Cost is now downstream of the model decision.

32.4%

Of engineers globally now work fully remote. In the US, 45% are remote. Hybrid is the dominant pattern — but most organizations run hybrid policies on co-located operating systems.

STACK OVERFLOW DEVELOPER SURVEY 2025 · N ≈ 90,000

“Organize teams by time zones, not zip codes — with sufficient overlap of working hours between people who work with each other the most.”

— **ATLASSIAN TEAM ANYWHERE** · DISTRIBUTED WORK PRINCIPLE, APPLIED ACROSS
ATLASSIAN'S 12,000-PERSON WORKFORCE

Atlassian's principle captures what the Stack Overflow data implies. When a third of engineers work remotely, physical location is no longer the design variable. Time-zone overlap is. The Atlassian State of Teams 2025 report quantified one downstream cost of getting this wrong: teams now spend over 25% of their workweek searching for information. That is not a tooling failure. It is the operating signature of a distributed organization without an async substrate to support it.

The two distributed engineering models

MODEL A · FRAGMENTED OFFSHORE

Cost-led arrangement of distant contractors.

- 8–12 hour time-zone gap between HQ and engineering staff
- Coordination via overnight handoff documents and morning calls
- Engineers operate outside HQ pods — "the offshore team"
- High substitutability assumption · low retention
- Decisions escalate to HQ before being made
- Optimized for cost-per-engineer
- Breaks down at organizational stage 3+ when coordination cost exceeds savings

MODEL B · EMBEDDED NEARSHORE PODS

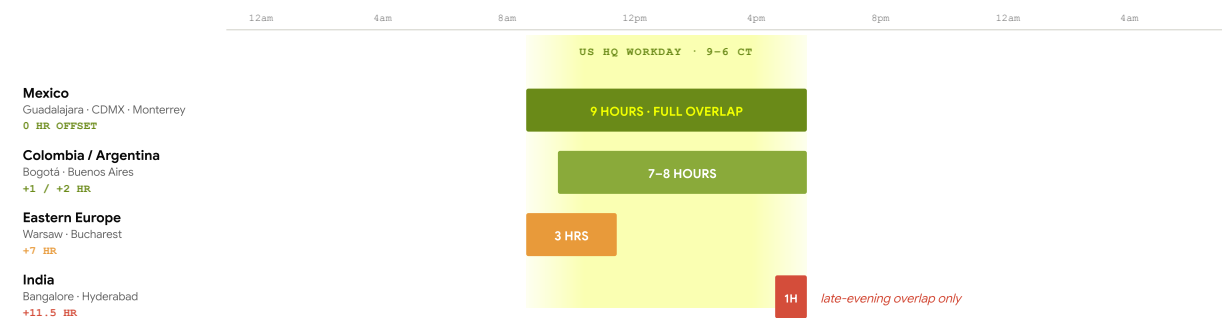
Time-zone-aligned engineers inside HQ pods.

- + 0–2 hour overlap with HQ (Mexico ↔ US Central/Mountain)
- + Real-time pair work, review, and decision flow
- + Engineers operate inside HQ pods · not a separate unit
- + Long-tenure retention · full integration
- + Decisions made at the pod level
- + Optimized for shipped-value-per-engineer
- + Compatible with Archetype C and D operating models

Time-zone overlap with US HQ — by engineering region

Daylight Overlap with US Central Workday (9am–6pm)

The structural input to coordination integrity. Below 4 hours of overlap, distributed engineering reverts to handoff mode — not collaboration.



Why Mexico is the structural answer for North American mid-market

SUPPLY

700,000 software developers

The second-largest engineering talent base in Latin America after Brazil. Mature ecosystems in Guadalajara, Monterrey, Mexico City, Querétaro, Mérida. Multinationals including IBM, Microsoft (since 1986), Intel, Oracle, and Google Cloud have anchored infrastructure here for decades.

700K INEGI ENOE 2025 OCCUPATIONAL DATA

ALIGNMENT

0–2 hour overlap with US Central

Mexico is the only large-scale engineering market that natively shares working hours with US Central and Mountain time zones. The operational implication: distributed engineering collapses to single-pod execution rather than multi-shift handoff. The structural reason nearshore is overtaking offshore.

#1 GARTNER NEARSHORE 2025

ECONOMICS

40–60% cost savings on senior engineering

A senior Mexican engineer at \$3,877 USD/month net (C1 English, US-origin employer) corresponds to a fully-loaded employer cost of \$5,234–\$6,397 USD/month — against a US Senior engineer median of \$14,400 USD/month net ([BLS OEWS 2024](#)). Real savings, but the operational case is now the lead.

75% AT SENIOR TIER, TOP BAND

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THE NEARSHORING OPPORTUNITY, QUANTIFIED

The Inter-American Development Bank estimates that nearshoring could add **\$78B/year in additional LATAM exports** (\$64B goods + \$14B services), with **Mexico capturing \$35.3B annually** — 45% of the regional opportunity. The growth is not driven by cost arbitrage. It is driven by mid-market organizations recognizing that time-zone-aligned embedded engineering is operationally superior to fragmented offshore at the stage where coordination integrity becomes a competitive variable. ([IDB Nearshoring study](#); broader IT services context: [Gartner forecasts \\$1.87T IT services 2026.](#))

Five organizational maturity stages – and where you sit determines what fails next.

The Hacking Borders maturity model classifies engineering organizations along five stages that progress not by headcount but by operational system depth. Each stage has a predictable breaking point and a specific set of investments that unlock the next stage.

STAGE 01

Reactive

Most decisions made in real time. Documentation sparse.

Heroic operating model. Decisions live in DMs. Onboarding informal. Effective up to 80 engineers.

Breaking point: senior leaders saturate.

STAGE 02

Emerging

Some systems exist; consistency uneven.

Manager hierarchy in place. Some written specs. Inconsistent cadence across teams. Common at 100–200 engineers.

Breaking point: coordination tax outruns capacity.

STAGE 03

Structured

Systems explicit but not self-sustaining.

Decision rights documented. RFC culture forming. Platform team beginning. Common at 200–400 engineers.

Breaking point: documentation drift; systems decay without ownership.

STAGE 04

Scalable

Operating model compounds.

Pod-based, platform-led, async-default. Onboarding hits 1–3 day TTFC. Top 20% of mid-market orgs.

Breaking point: global expansion exposes async gaps.

STAGE 05

Adaptive

The org evolves its operating model continuously.

Handbook-first. AI-integrated workflows. Multi-time-zone. Operating model owned by senior leadership. Examples: [GitLab](#), Stripe, Linear.

Breaking point: leadership transitions.

The six-dimension scorecard

Stages are useful for orientation. Operational change requires diagnosis at the dimension level. The Hacking Borders Assessment scores organizations across six weighted dimensions — each measurable, each improvable, each tied to a specific failure mode.

DIMENSION	WHAT IT MEASURES	FAILURE MODE IF LOW
Management Scalability	Span discipline, 1:1 cadence integrity, manager coaching capacity, skip-level depth.	Senior attrition, coaching collapse, decision-by-availability.
Organizational Alignment	Codified decision rights, written-first culture, RFC discipline, cross-team contracts.	Roadmap drift, recurring "who owns this?" friction.
Capacity Sustainability	Onboarding maturity, time-to-first-commit, knowledge documentation, mentorship density.	Hiring-as-tax, senior bandwidth drain, year-one retention failure.
Distributed Execution Readiness	Async maturity, time-zone integration discipline, written communication norms.	Distributed teams operate as second-class citizens; boundary failures.
AI Adaptability	Workflow redesign depth, review capacity scaling, AI-augmented onboarding, governance.	AI raises throughput without raising shipped value; instability climbs.
Operational Infrastructure Maturity	Platform investment, developer experience, paved roads, system of record discipline.	Pods reinvent infrastructure; platform debt compounds.



HOW LEADERS ACTUALLY USE THIS

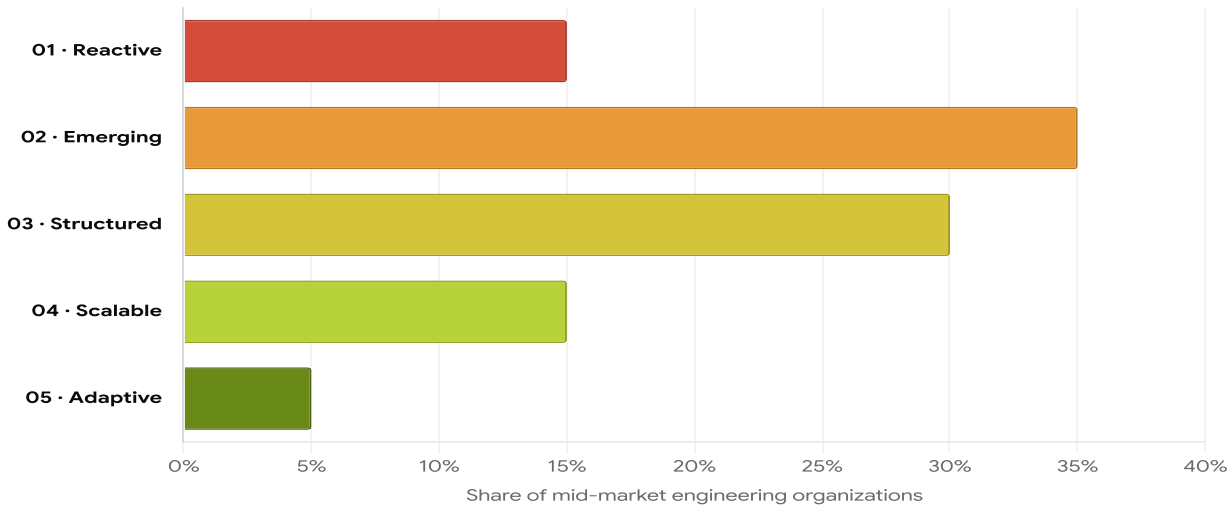
The most useful diagnostic is rarely the overall stage. It is the **dimension variance** — the gap between a leader's strongest dimension and weakest. An organization at Stage 3 overall but with a Stage 1 distributed-execution score has a specific, concentrated failure waiting in its expansion plans.

Benchmark · Where mid-market engineering organizations actually sit

The distribution below is modeled from public engineering performance datasets — [DORA 2025](#), [McKinsey State of AI 2025](#), [LeadDev Engineering Leadership 2025](#), and the [Atlassian State of Teams 2025](#) — mapped onto the Hacking Borders five-stage framework. The Hacking Borders Assessment will refine these benchmarks as Season 1 survey responses accumulate. Use this as your starting reference point; the assessment locates your specific organization within the distribution.

Estimated Archetype Distribution · Mid-Market Engineering Organizations

Modeled from [DORA 2025](#) team performance distribution (top 15% elite cohort) and [McKinsey State of AI 2025](#) (workflow redesign quartile data). Most mid-market orgs sit in Stages 02 and 03 — past Reactive but short of operationally Scalable.



MODELED · [DORA 2025](#) · [MCKINSEY STATE OF AI 2025](#) · [ATLASSIAN STATE OF TEAMS 2025](#)

Benchmark · Six dimensions, six benchmarks

The six assessment dimensions are not abstract. Each maps to a publicly measured benchmark you can compare your organization against today. The reference numbers below are what the survey would reveal — drawn from the same external research that calibrates the Hacking Borders model.

DIMENSION	BENCHMARK REFERENCE	WHAT THIS TELLS YOU ABOUT YOUR ORGANIZATION
Management Scalability	12.1 average direct reports per manager today; 46% of engineering leaders at moderate-to-critical burnout.	If your engineering spans exceed 10, you are in the burnout zone Gallup measured directly. Coaching collapses past that point.
Organizational Alignment	25% of the workweek is now lost to searching for information across tools and teams.	The cost of unclear decision rights, scattered docs, and tribal knowledge. Top quartile orgs have eliminated most of this through written-first culture.
Capacity Sustainability	Median onboarding ramp : 2–3 weeks to first commit; 3–6 months to full productivity. Top quartile: 1–3 days TTFC.	If you don't track time-to-first-commit, your onboarding is silently degrading. Each hire pays the tax.
Distributed Execution Readiness	32.4% of engineers globally now work fully remote (45% US). Hybrid is dominant — but only 15% of orgs operate Archetype C/D async substrate.	The gap between "we have remote engineers" and "we operate distributed engineering" — most orgs do the first, very few the second.
AI Adaptability	90% of devs use AI assistance (DORA). 84% use or plan to use AI (Stack Overflow). Only 21% of organizations have redesigned workflows around AI (McKinsey).	If your workflows are unchanged after AI adoption, you are in the 79% cohort. The 2.8× redesign delta (55% vs 20%) separates the top 15% from the rest.

DIMENSION	BENCHMARK REFERENCE	WHAT THIS TELLS YOU ABOUT YOUR ORGANIZATION
Operational Infrastructure Maturity	<u>DORA 2025</u> : 16.2% of orgs achieve on- demand deployment; 43.5% have lead time over one week.	The gap between elite and median is platform investment. Below 10% of engineering headcount on platform, pods reinvent infrastructure.

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WHAT THE SURVEY ADDS

Public benchmarks tell you where the market sits. The Hacking Borders Assessment tells you where **your specific organization** sits within that distribution — across all six dimensions, weighted for your stage, size, and distributed model. The dimension-variance map is the diagnostic that the public benchmarks cannot produce.

07 RECOMMENDATIONS

Six operational moves that compound — most can be started this quarter.

None of the six require new headcount, new capital, or a different talent market. All of them require leadership willing to invest in operating systems rather than hire around the symptom.

01 Instrument time-to-first-commit and time-to-full-productivity.

If you are not measuring onboarding velocity, you are flying blind on the most leveraged input to engineering health. Elite teams hit 1–3 days. The median lands at 2–3 weeks. Set a quarterly target. Treat onboarding documentation as PO engineering work — not HR overhead.

02

Audit your manager spans. Re-baseline at 6–8 reports.

At 12+ reports, coaching collapses and senior attrition follows — Gallup measured this directly in 2025. Re-baselining typically requires 1–2 quarters of structural redesign. The retention and morale return shows up within two quarters. Deferring is more expensive than acting.

03

Codify the top 30 recurring decisions in writing.

List the decisions your engineering org makes every quarter — roadmap commits, hiring slots, architecture changes, platform investments, cross-team disputes. Document who owns each, who is consulted, who is informed. The first version will be imperfect. The act of codifying compresses ambiguity and reduces "who owns this?" friction by an order of magnitude.

04

Redesign one engineering workflow around AI from scratch this quarter.

McKinsey 2025: high performers are 3× more likely to fundamentally redesign workflows rather than overlay AI. Pick one high-touch workflow — code review, incident triage, spec generation, onboarding orientation. Redesign it as if you were starting with a human + agent team from day one. Ship it. Measure it. The pattern compounds across subsequent workflows.

05

Set platform team headcount at 10–20% of engineering once you cross 150.

Platform under-investment is the most common scaling failure in the 200–500 engineer band. Defend the headcount target as a fraction of total engineering. Platform is the only line item where the return scales super-linearly with org size — every improvement is consumed by every pod downstream.

06

If distributed engineering is in your plan, design for time-zone-aligned pods — not offshore handoff.

The frontier model is embedded pods: distributed engineers operating inside the same outcome-aligned unit as HQ engineers, with full integration into HQ decision flow. Mexico's engineering ecosystem (700K developers, 0–2 hour US time-zone overlap, Gartner #1 nearshore destination) is structurally positioned for this model. Fragmented contractor arrangements underperform on every operational dimension that matters.

“When an employee has a question, they can almost always find the answer documented in our handbook, without having to tap someone on the shoulder.”

— SID SIJBRANDIJ · CO-FOUNDER AND CEO, GITLAB — ON THE OPERATIONAL ROLE OF THE PUBLIC HANDBOOK



WHERE TO START

Most operating model failures are misdiagnosed before they are mismanaged. The cost of acting on the wrong diagnosis is structurally higher than the cost of taking 4 minutes to score yourself first. **The Hacking Borders Assessment surfaces which stage of the cascade your organization is currently in — and which of the six moves above will have the highest near-term impact for your specific dimension profile.**

08 ABOUT THE RESEARCH

The operator network behind Hacking Borders.

The podcast

Hacking Borders is a podcast where senior HR and engineering leaders share the real decisions, failures, and systems behind scaling global engineering teams. No theory. No fluff. Each episode is a 30-minute conversation between Tony Le and one guest — operator-level stories from people who have actually done it.

Season 1 runs June–November 2026, sponsored by CodersLink. The format is video-first, released across Spotify, Apple Podcasts, YouTube, and LinkedIn.

The host

Tony Le is a global talent executive and 3× Talent100 winner. He has led recruiting at Mission Cloud, Contentful, Getaround, and IAC, and serves on the HIGHER Community Advisory Board. He has built and scaled engineering recruiting functions through hypergrowth across multiple Series A–C technology companies.

The Hacking Borders research program — including this report and the companion Engineering Capacity Scalability Assessment — is informed by structured conversations Tony hosts with each guest.

The operator panel

The Hacking Borders research program draws on structured conversations with senior TA, People, and engineering leaders at mid-market and growth-stage US technology companies. Each Season 1 episode features one operator-level guest in conversation with Tony Le on the real decisions, failures, and systems behind scaling global engineering teams. Guest names and affiliations are disclosed at episode release; this report synthesizes the cross-conversation patterns rather than attributing claims to individuals.

References

SOURCE	FOCUS AREA
DORA — State of AI-Assisted Software Development 2025	AI amplification thesis; team archetype data; deployment frequency benchmarks
<u>McKinsey — State of AI 2025</u>	Workflow redesign correlation; 2.8× high-performer redesign delta (55% vs 20%); only 21% of organizations have redesigned workflows
<u>DORA — State of AI-Assisted Software Development 2025</u>	90% AI adoption among developers; 80%+ report productivity gains; AI as system amplifier thesis
<u>Stack Overflow — Developer Survey 2025</u>	84% AI adoption (51% daily); trust decline 46% (up from 31%); 32.4% fully remote, 45% in US
<u>Atlassian — State of Teams 2025</u>	25% of workweek lost to information search; "time zones, not zip codes" principle
<u>Gallup — Q3 2025 Span of Control</u>	12.1 average direct reports (up from 10.9 in 2024); ~50% increase since 2013
<u>SHRM — 2025 Talent Trends</u>	69% of orgs report difficulty filling roles; top barriers: low applicants (51%), competition (50%), candidate ghosting (41%)
<u>LeadDev — Engineering Leadership Report 2025</u>	46% combined moderate-to-critical burnout (22% critical + 24% moderate); 65% report expanded scope
<u>GitLab — Public Handbook</u>	Handbook-first operating model at 2,000+ people across 70+ countries
<u>IDB — Nearshoring opportunity for LATAM</u>	\$78B annual export gain; Mexico captures \$35.3B (45% of regional opportunity)

SOURCE	FOCUS AREA
<u>Gartner — Worldwide IT Spending Forecast 2026</u>	\$6.15T total IT spending 2026; IT services segment \$1.87T; nearshore as fastest-growing sourcing segment
<u>CodersLink — Mexico Tech Salaries Report 2026</u>	n=10,246 verified responses, 36 roles, 32 states; cost and compensation benchmarks
McKinsey — Redesigning the Technology Workforce for the Agentic AI Era (2025)	GitLab all-remote handbook-first model as case study for agentic-AI-era workforce design
Gartner — IT Outsourcing & Nearshore Forecast 2025	Codified decision-rights model correlation with distributed engineering performance
<u>INEGI — ENOE 2025</u>	Mexico occupational data; ~700,000 software developers
<u>BLS — OEWS 2024</u>	US senior engineer compensation benchmarks for nearshore cost-savings comparison
Hacking Borders — Season 1 Operator Panel	Structured conversations with TA, People, and engineering leaders at US growth-stage and mid-market technology companies



RELATED RESEARCH

Mexico Tech Talent Ecosystem — Executive Report 2026. The distributed engineering infrastructure layer underneath the operating model thesis in this report. Covers 700K-developer market structure, hub-by-hub analysis, compensation benchmarks, and enterprise reference architecture. Published by CodersLink Research at salaries.coderslink.com.

A decade of building dedicated Mexico engineering teams.

CodersLink has spent 11 years operationalizing the distributed engineering model documented in this report. 150+ companies across Software, FinTech, HealthTech, Logistics, and Enterprise SaaS have scaled their engineering organizations through the CodersLink network and delivery model.

11

YEARS IN BUSINESS

1,050+

TECH PLACEMENTS

45,000+

ENGINEERS IN COMMUNITY

150+

PROVEN CASE STUDIES

What clients say

Ziff Davis

45

Developers within 12 months — full Asia office migrated to nearshore Guadalajara.

“CodersLink helped us transition from our Asia office to a nearshore office in Guadalajara, recruiting 45 developers within a year.”

Pinterest

22

Engineers delivered within months for Mexico engineering team expansion.

"CodersLink has been a key part of our engineering team expansion in Mexico, helping us recruit 22 engineers within months."

Udemy

57

Top engineers placed to build a dedicated Mexico engineering team.

"CodersLink has been a great partner helping us hire 57 top engineers and successfully build our Mexico engineering team."

TRUSTED BY



OPERATING MODEL + EXECUTION LAYER

From diagnosis to embedded Mexico engineering pods.

The Hacking Borders Assessment surfaces where your organization sits across the six dimensions. The CodersLink Mexico Pilot Program operationalizes the redesign — embedded, time-zone-aligned engineering pods integrated into your HQ operating model.

[Take the Assessment→](#)

Hacking Borders

A podcast and research program where senior HR and engineering leaders share the real decisions, failures, and systems behind scaling global engineering teams. Sponsored by CodersLink.