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State of IT Hiring in LATAM

A 2025 Outlook for U.S. Tech Leaders

2025: The year of AI Based Talent-Fraud and Increased Competition for Hard-to-Find Developers

By mid-2025, global tech leaders face a critical inflection point. Budgets are tighter. AI is moving faster than teams can adapt. Security threats are multiplying and the increased competition for engineering talent is forcing U.S.-based CTOs, COOs, and CIOs to rethink their strategies for building high-performing IT teams.

The top 4 main trends that Crossbridge has experienced in 2025 are:

For decades, offshoring shaped the global staffing playbook. But in 2025, new realities are reshaping how companies think about IT talent. The most pressing trends we've seen firsthand include:

- Market volatility
- Talent fraud
- Security risks
- The growing need for AI-driven innovation

This report presents an in-depth analysis of the following topics:

Top Trends Impacting Outsourced IT in 2025

Country-by-Country Talent Deep Dive

Leading U.S. Companies Rethinking Global Hiring

The Opportunity Ahead

Crossbridge Insight

When we started in 2014, most U.S. tech leaders didn't even know the term Nearshoring or consider LATAM a serious talent hub. Today, nearly every client conversation starts with: 'Which LATAM country should we hire from?'

Top Trends Impacting Outsourced IT in 2025

AI Developer Demand & Talent Shortages

↑ 38%

Demand for AI engineers

According to Gartner, the global demand for AI engineers has grown 38% YoY, with startups and enterprise R&D teams scrambling for applied AI talent.

45%

AI/ML job postings

In LATAM, AI/ML job postings rose by 45% in Q1-Q2 2025 alone (LinkedIn Economic Graph, 2025).

↑ 50%

AI roles taking longer to fill

U.S. tech leaders report AI roles taking 50% longer to fill in domestic markets due to fierce competition and inflated compensation expectations.

+10%

Salary increase for U.S

The cost of U.S.-based engineering talent continues to rise sharply. In 2025, top-tier roles saw salary hikes of 10% or more, with .NET developers recording a 10.5% year-over-year increase.

Crossbridge Insight

"In the past, I've interviewed over 100 candidates and hired zero. Crossbridge, presented me with 15 resumes, I interviewed 8 and hired 5."

–AI/ML Team Leader*

*Since this partner's first hire with Crossbridge, their company has gone on to hire 15 Crossbridge collaborators, across more than 3 teams, including 7 Machine Learning engineers.

Top Trends Impacting Outsourced IT in 2025

Talent Fraud & Identity Verification Gaps

Crossbridge Insight

In September 2025 alone, our internal usage of **Validia**[1] **flagged 5 candidates attempting to mask their identities** using proxy or VPN services, and identified **3 cases of AI-generated or altered responses** during live technical interviews. These were not theoretical risks, they were real attempts to bypass our hiring process.

Resume Fraud Prevalence

A 2024 survey found that 63% of job seekers who submitted fraudulent resumes received a job offer. Of those, 70% accepted the offer.[2]

Typical Misrepresentations

The most common lies were about job responsibilities, skill proficiency (especially emerging tech/AI skills), and employment status.

👉 This means that **6 in 10 candidates** who lie on their resume are hired for jobs they aren't actually qualified to do.

How Often People Admit to Lying

64%

A study by StandOut CV (2025) reported that 64.2% of U.S. applicants have lied at least once on their resume (skills, experience, references).

30%

Nearly 30% have misrepresented their college degree; over half of those said they claimed a degree they didn't have.

1. Validia, a leading workforce security platform, reports increasing fraud attempts in IT hiring, especially in AI-assisted candidate interviews.
2. 6 in 10 Resume Fraudsters Landed a Job in 2024," Resume.org, October 2024 — https://www.resume.org/research/6-in-10-resume-fraudsters-landed-a-job-in-2024/

"Hiring should be about people, not AI-generated personas. To combat talent fraud, we've integrated Validia into our process for real-time identity verification on video calls, catching interview deepfakes and proxy candidates before they reach our clients. This is one more way we protect your pipeline."

Henry Praw
COO, Crossbridge Global Partners

Top Trends Impacting Outsourced IT in 2025

Security & Compliance in Global Hiring

LATAM's regulatory environments now offer stronger **alignment with U.S. standards** than many traditional offshore zones:

Key Concern	*How LATAM Addresses It*	*Implications for U.S. companies*
Tighter Data Regulations in 2025	In Brazil, Resolution CD/ANPD No.19/2024 came into full effect August 23, 2025. It mandates use of Standard Contractual Clauses (SCCs) for international data transfers under the LGPD, aligning Brazil more closely with EU-style requirements. Mexico passed a revised Federal Law on the Protection of Personal Data Held by Private Parties (LFPDPPP) in March 2025. The new law expands rights, adds stricter notice requirements, broader legal bases for processing, etc.	These bring LATAM regulations much nearer to international best practices: enabling more predictable cross-border contracting, reducing risk in vendor or contractor data flows, and improving legal cover for companies hiring LATAM talent.
Cross-Border Data Compatibility	Mexico's updated LFPDPPP includes rights similar to U.S. privacy laws (access, correction, deletion), stronger rules around automated processing and profiling, sectoral rules etc. Colombia has had its personal data protection law (Law 1581 of 2012), plus more recent reforms and regulatory guidance to align with GDPR-style standards in enforcement and cross-border transfers. Brazil's LGPD, particularly with Resolution No.19 and the obligation to adopt SCCs, is now seen by the EU as approaching adequacy standards; a draft adequacy decision for Brazil was published by the European Commission as of September 2025.	This regulatory maturity means U.S. companies hiring in LATAM face lower legal and compliance risk, fewer surprises in cross-border data flow restrictions, and better ability to meet internal and external privacy/audit requirements. It gives LATAM an edge over offshore jurisdictions with weaker or less predictable data protection regimes.
Reduced Shadow IT Risk	Research on shadow IT shows that many compliance/ security violations happen when teams are remote, asynchronous, or in far-flung time zones, where oversight is harder. When teams are working in overlapping hours, there is more visibility, less likelihood of unapproved software being used without detection. See studies of shadow IT risks in cloud environments: e.g. ~41% of employees acquire/build tools outside IT's radar, and about a third of SaaS apps in enterprises are not known to IT leadership.	For U.S. companies, LATAM's time alignment reduces risk of "silent" security blind spots, improves ability to audit and monitor tools, and helps ensure that any security/compliance issues are surfaced quickly rather than festering unseen.

Offshore vs Nearshore

Aren't all outsourcing strategies the same?

In the past, IT leaders primarily viewed cost as the defining benefit of offshore workers. But along with the savings, came unintended issues. Nearshore IT teams provide an opportunity to benefit from outsourced IT while avoiding many of the downsides.

	Nearshore	Offshore
Time-Zone	Over 90% of LATAM's population is **within 1-3 hours of U.S. time zones,** allowing real-time collaboration and improving **project speed by 25-30%.**	**8-11hr difference.** Time zone differences often result in delayed responses, which can extend project timelines by up to 15%.
Cultural Alignment	Professionals in LATAM share a **strong affinity** with North American work culture, making the integration with your team smooth and easy from day one.	Significant cultural differences that can lead to **miscommunication** are cited by 48% of managers as a challenge with offshore teams.
Talent Pool	Access to a rapidly expanding LATAM IT talent pool, with **over 1 million tech graduates** per year across the region.	Large global talent supply, especially in Asia, where **countries like India** produce over 1.5 million engineering graduates annually.
Cost Savings	Nearshoring can **reduce operational costs by up to 30%,** while maintaining high-quality outcomes.	Often cheaper in terms of wages, but can **lead to hidden costs** (communication delays, rework), which add 10-20% to overall project costs.
Legal Environment	Beneficial due to NAFTA/USMCA agreements, simplifying cross-border business with **zero tariffs on digital goods** and services.	Complex regulatory environments and potential legal barriers in certain countries, often **requiring higher legal** costs for compliance.

Country-by-Country **Talent Deep Dive**

Mexico

Tech Hubs: Mexico City, Guadalajara, Monterrey
Universities: UNAM, Tec de Monterrey, IPN
Top Skills: Full-stack dev, cloud, DevOps, AI/ML
U.S. Compatibility: High English proficiency, real-time collaboration

Colombia

Tech Hubs: Bogotá, Medellín, Cali
Universities: Los Andes, EAFIT, Nacional de Colombia
Top Skills: Backend Java, data science, fintech apps
U.S. Compatibility: Heavy U.S. startup presence and ecosystem maturity

Peru

Tech Hubs: Lima, Arequipa
Universities: PUCP, UPC, Universidad Nacional de Ingeniería
Top Skills: Java, QA, support engineering
U.S. Compatibility: Strong cultural fit, improving English fluency

Paraguay

Tech Hubs: Asunción
Universities: UNA, Columbia, UAA
Top Skills: Web dev, support roles, infrastructure
U.S. Compatibility: Growing bootcamp and reskilling movement

Costa Rica

Tech Hubs: San José, Heredia
Universities: TEC, UCR, ULACIT
Top Skills: Cybersecurity, Salesforce, infrastructure ops
U.S. Compatibility: HP, Intel, and Amazon regional hubs

Ecuador

Tech Hubs: Quito, Guayaquil
Universities: ESPOL, San Francisco de Quito
Top Skills: QA, Python, mobile dev
U.S. Compatibility: Growth in edtech and IoT applications

Uruguay

Tech Hubs: Montevideo
Universities: Universidad de la República, ORT
Top Skills: DevOps, frontend frameworks, crypto
U.S. Compatibility: Small but elite talent pool, high retention

Argentina

Tech Hubs: Buenos Aires, Córdoba, Rosario
Universities: UBA, UTN, Austral
Top Skills: React, Python, blockchain, gaming dev
U.S. Compatibility: Strong English, high academic standards

Sebastian S.
Talent in action

In 2025, **one of our Ecuador-based collaborators**, a data science and machine learning expert, **took the stage at AWS Community Day Ecuador**. His talk explored how Time-Series Large Models (TSLMs) are reshaping the way we predict the future, from ancient civilizations to modern AI. For us, it's more than a speaking engagement. It's proof that the talent we hire for our clients isn't just skilled, they're shaping the future of technology.

Leading U.S. Companies Rethinking Global Hiring in 2025

The offshoring model that once promised cost savings is now creating friction. Long time zone gaps, rising talent fraud, security risks, and a lack of senior talent availability are pushing U.S. tech leaders to rethink where and how they build engineering teams.

- According to Deloitte's 2025 Talent Pulse Survey, **42% of U.S. tech executives** say they're actively shifting hiring from offshore vendors in India or Eastern Europe to nearshore partners in Latin America. **The trend isn't just about proximity or price, it's about performance.**

Global Companies Nearshoring in 2025

Google · stripe · aws · NETFLIX · Walmart Global Tech · JPMorganChase

Why are companies making the switch?

↓ 22%

Time-to-market drop

A study of "Follow-the-Sun" work patterns showed that when **teams share just 1-2 hours of daily real-time collaboration**, time-to-market drops by about 22% compared to teams without that overlap.

3 weeks

To fill a role

Among 2,000+ remote LATAM hires analyzed, U.S. companies report that **nearshore hires enable them to fill roles faster** (often in under 3 weeks), and keep team members longer than U.S. equivalents, according to Hire with Near.

50%

Cost savings

Clients report cost savings of 40–50%. But cost is no longer the primary driver. In 2025, U.S. engineering leaders point to **access to senior talent and stronger cultural alignment** as the leading reasons they choose nearshore models.

The Opportunity Ahead

In 2025 LATAM is no longer a “plan B.” It’s a proven region for scaling high-impact teams—without the long delays, lost-in-translation moments, or rising fraud risks of traditional offshoring.

Checklist to Audit Your Current Vendor Footprint

- [ ] **Communication Efficiency:** Are your vendors enabling real-time collaboration—or causing overnight delays and communication lag?
- [ ] **Candidate Authenticity:** Do they have systems to prevent identity fraud, proxies, and AI-generated candidates?
- [ ] **Screening Depth & Resume Volume:** Are you getting resumes with no context or a shortlist of 3–5 vetted candidates based on your real needs?
- [ ] **Visibility & Process Control:** Do you have a way to track candidate status: interviewed, rejected, offer extended... Or are you left guessing?
- [ ] **Retention & Quality Alignment:** Are your hires sticking around and performing—or are you cycling through talent with no long-term ROI?
- [ ] **Human-Led Recruitment:** Is candidate screening handled by experienced recruiters who understand your business or filtered purely by AI and keyword matching?

The Opportunity Ahead

Protect Your Pipeline with Identity Verification

Ensure your hiring process includes identity verification. Either by implementing tools like Validia yourself or partnering with firms that use advanced fraud detection to **screen for proxies, deepfakes, and AI-altered candidates.** Without it, you're flying blind in today's remote hiring landscape.

Invest in nearshore leaders, not just freelancers

Freelancers solve short-term needs, but they often bring long-term risk. For lasting impact, prioritize nearshore talent embedded in structured teams, aligned with your goals, and capable of growing with your business. Stability beats speed when you're building for scale.

Partner with firms who vet for cultural fit, not just resumes

Great talent isn't just technical. Skills get projects started, cultural fit keeps them on track. Many staffing vendors prioritize volume: flooding your inbox with keyword-matched resumes. But technical ability alone doesn't guarantee success.

Partner with firms that take the time to understand your company, your team dynamics, and your leadership style, then screen talent accordingly. It's not about more candidates. It's about the right ones.

How is Crossbridge unique as a Nearshoring Partner

We believe in the power of **human connection**. Our recruitment process is fully human-led, ensuring that we match not just the skills, but the personalities, values, and goals of every candidate with your company, fostering **long-term success** and meaningful relationships between your team and the talent we bring on board.

Conclusion

In 2025, success in tech hiring isn't about filling seats—it's about building teams that can navigate uncertainty, collaborate in real time, and integrate AI without losing the human layer.

With AI generating more output than ever, developers need more than technical skills. They need judgment, adaptability, and the ability to thrive in distributed, fast-moving environments.

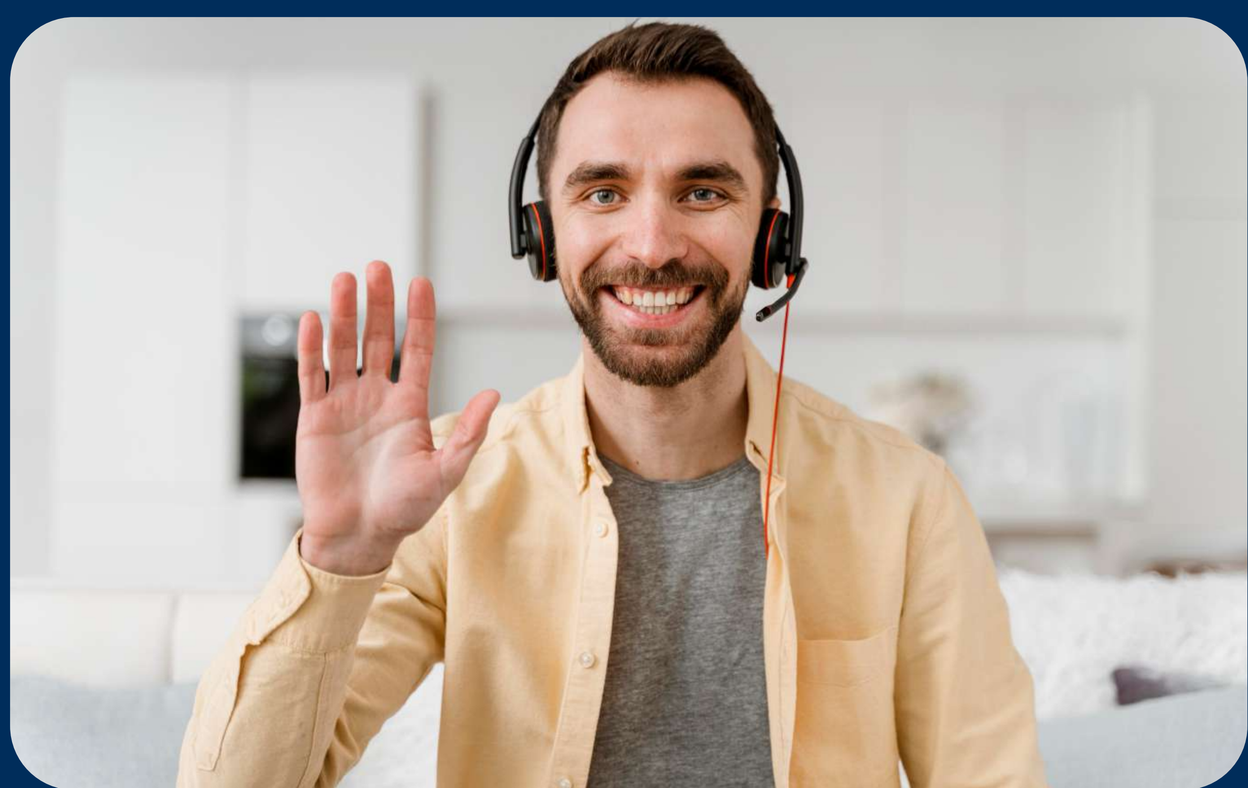
Amid market volatility, rising fraud risk, stricter security expectations, and growing pressure to innovate with AI, LATAM stands out as a region where technical depth meets operational alignment. It offers a model built for the pace and complexity of today's engineering challenges.

U.S. companies that tap into LATAM now are doing more than saving money, they're securing a competitive edge.

Ready to see how LATAM talent fits into 2026?

Talk to an expert at Crossbridge

Let's talk



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