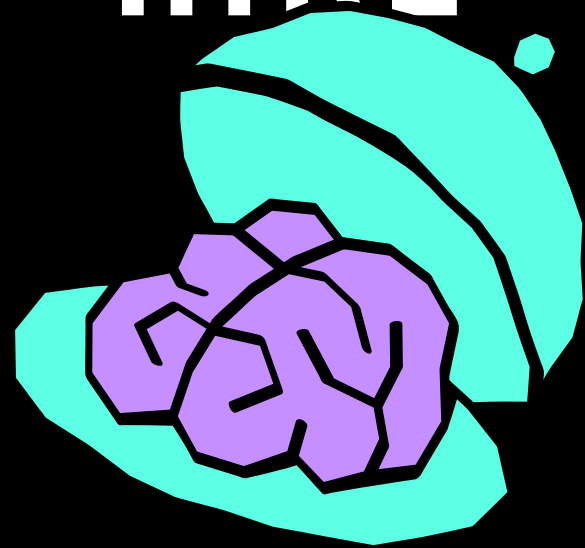


HOW AND WHY

TECH COMPANIES

HIRE FREELANCE



DEVELOPERS

**WHO DOES
SOMETHING
LIKE THIS?**



e do. Lemon.io is a platform for hiring vetted freelance developers. We exist to help early- stage startups source the talent that's just as good as their big competitor's but won't break their budget. We make this possible by not inflating our own overheads and keeping our marketing budgets nanoscopic. The best way to do that is invest in content marketing, so we do a lot of that.

Over the time, doing tons of research for our content, we've noticed that there were almost no reports on why people decide to work with freelance developers (or not) and what drives their decisions.

So we decided to make our own and surveyed more than 300 representatives of tech companies. I don't want to ruin the party with spoilers, but what we got in this report as a result, are 130 pages of insiders info on how tech leaders make decisions about outsourcing, the stereotypes on the market and unexpected experience-based statistics.

We hope this report will help businesses understand the benefits they can get from outsourcing their dev tasks, and freelancers — what concerns and biases they're up against.

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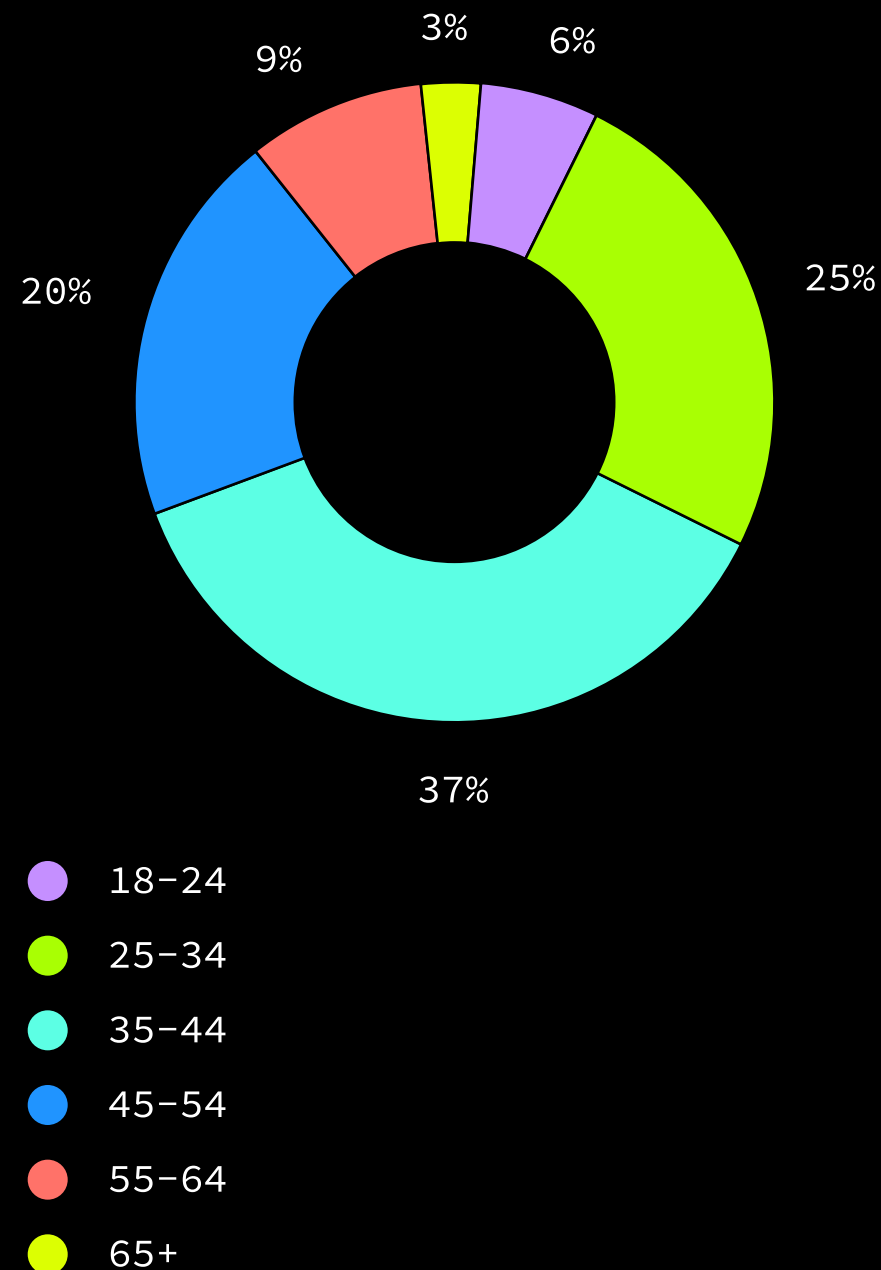
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RESPONDENTS

1

AGE

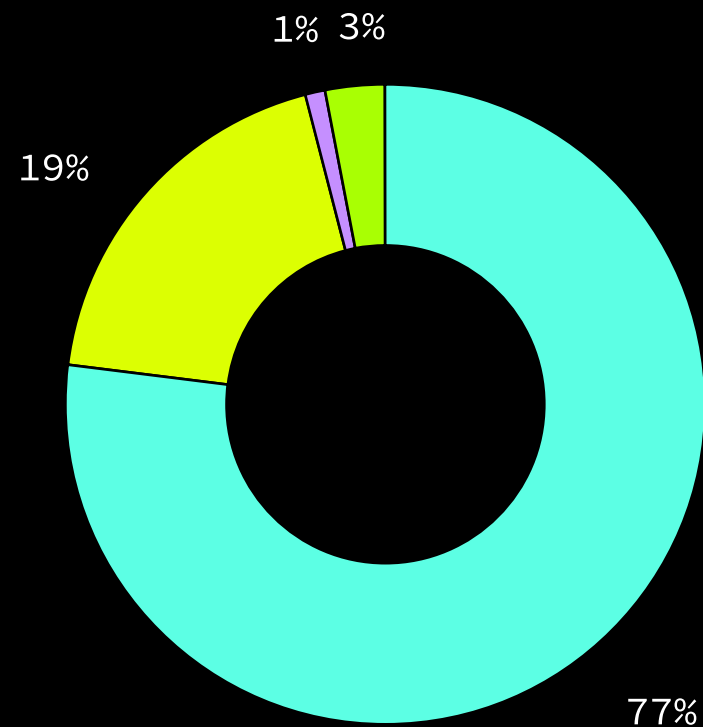


The survey done to complete this report was distributed among the people who are involved in decision-making process of hiring developers in US-based startups.

Among all respondents, 62% belonged to a middle age group of 25-44 years old, including 37% of the largest age group of respondents who are 35-44 years old.

The least represented among the respondents was the youngest group of 18-24 years old interviewees — only 6%, while the oldest groups of 55+ y.o. was twice as big — 12%.

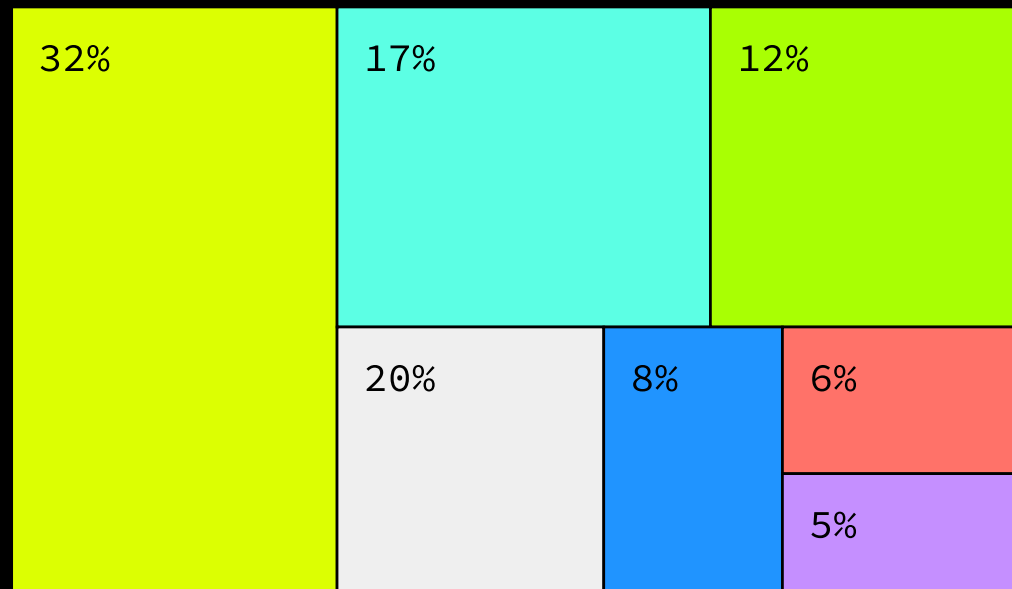
GENDER



- Male
- Female
- Other
- Prefer not to answer

The majority of people interviewed identified themselves as men 77%. While only 19% of respondents identified as women, and 1% as non-binary/other.

ROLES



- CEO/Director, 32%
- (co)Founder, 17%
- N/A, 12%
- Other, 20%
- CEO/Founder, 8%
- (co)Owner, 6%
- CTO, 5%

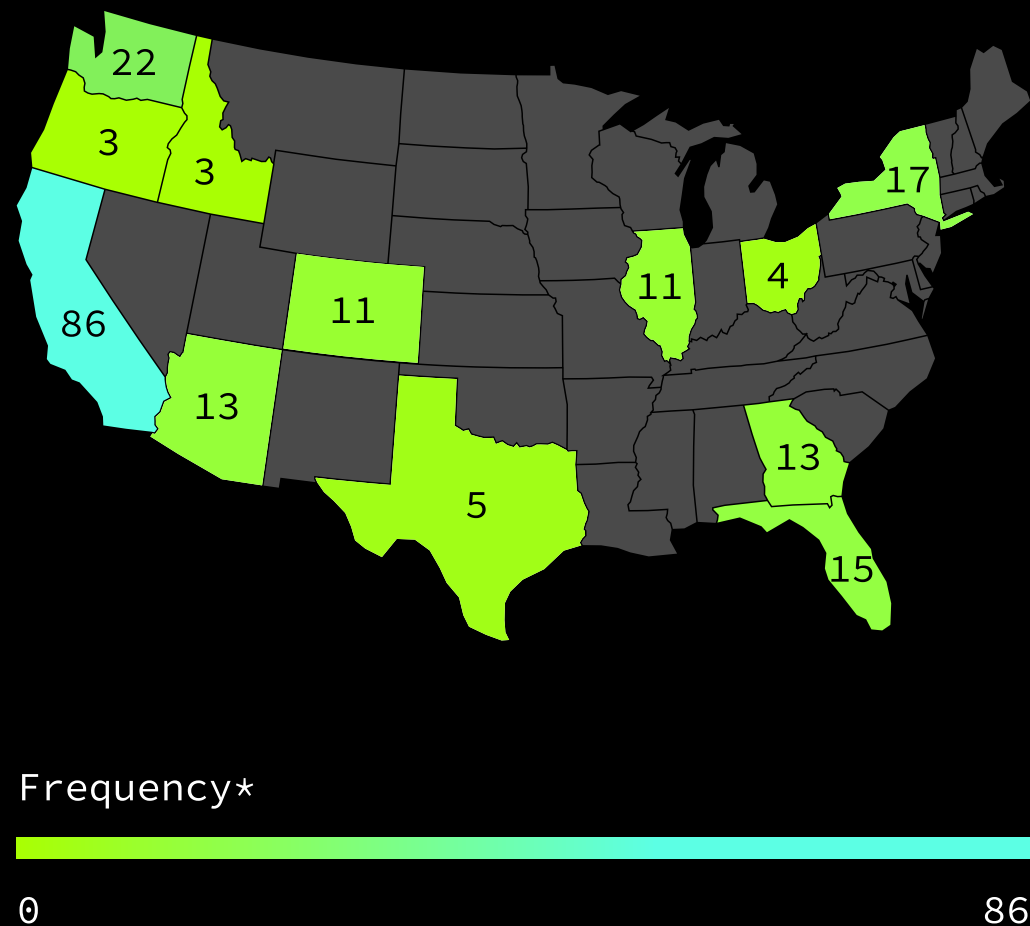
32% of respondents stated that they are the CEO and/or Director of their company, which was the most popular answer to this question.

17% of respondents are either Founders or co-Founders of their businesses.

8% of respondents are CEO and/or Founder.

Only 5% of people who make decisions on hiring freelance developers stated they were CTOs.

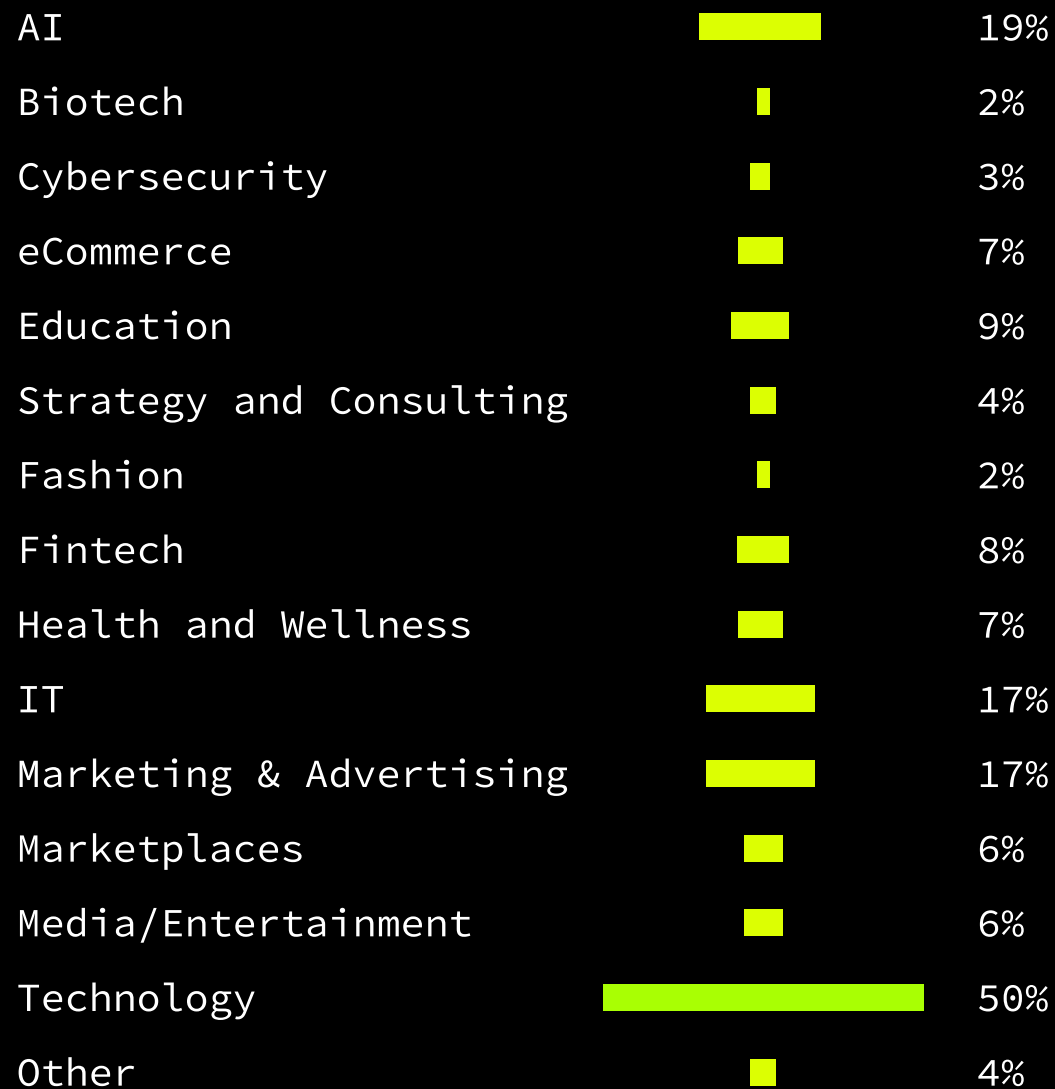
LOCATION



The biggest clusters of startups which participated in our research were located in: California, Washington and New York.

- California, 86
- Washington, 22
- New York, 17
- Florida, 15
- Arizona, 13
- Georgia, 13
- Colorado, 11
- Illinois, 11
- Texas, 5
- Ohio, 4
- Idaho, 3
- Oregon, 3

INDUSTRY

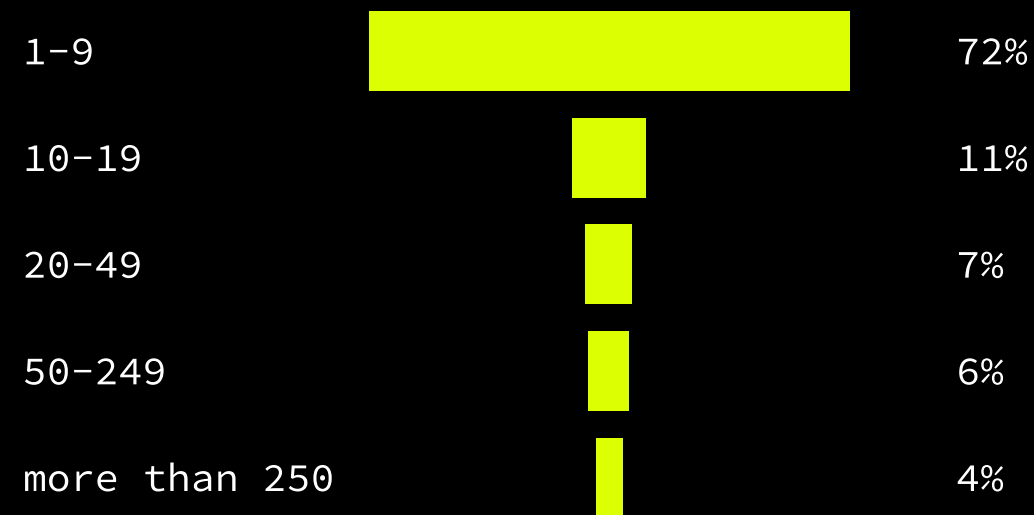


When asked what industry their company belongs to, 50% of respondents stated «Tech». Among other popular answers were AI(19%), IT (17%) and Marketing & Advertising (17%). Biotech, Fashion, Cybersecurity and Strategy & Consulting have received the fewest mentions (2%, 2%, 3%, 4% respectively).

For the convenience of future analysis, we've divided industries into two major groups:

- Tech (including AI, Biotech, Cybersecurity, Fintech, IT, Technology)
- Non-tech (eCommerce, Education, Strategy & Consulting, Fashion, Health & Wellness, Marketing & Advertising, Marketplaces, Media/ Entertainment)

COMPANY SIZE



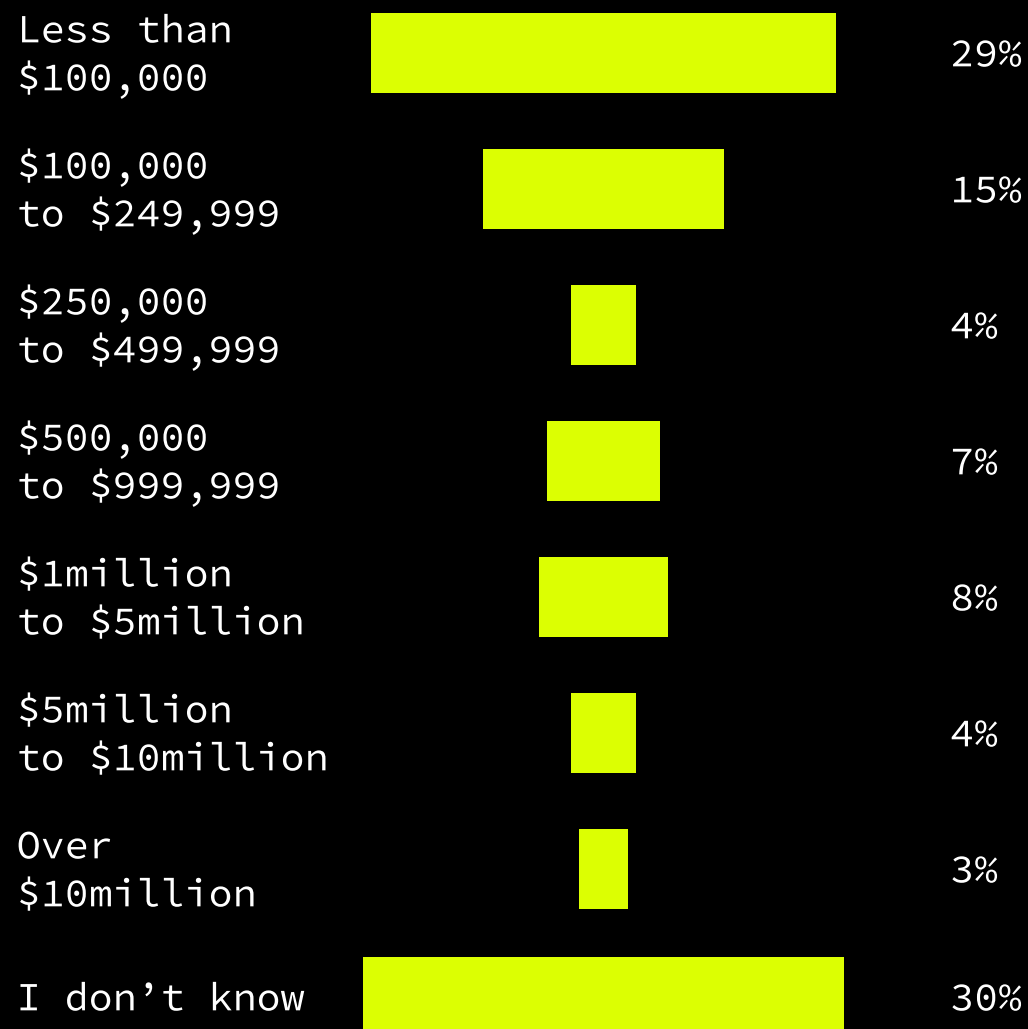
72% stated that their company consists of only 1-9 employees.

Only 4% said their companies employed over 250 people.

For the convenience of future analysis, we've divided the companies into two groups:

- Small Companies (<50 employees)
- Big Companies (50+ employees)

REVENUE



29% of interviewees stated their companies' annual revenue was less than \$100,000 and only 15% of reported revenues of over \$1 million

For the convenience of future analysis, we've divided them into three groups depending how big their annual revenues were:

- Small Revenue (less than \$100,000)
- Medium Revenue (\$100,000 - \$500,000)
- Large Revenue (\$500,000 +)

30% of respondents stated they don't know their companies' exact revenue.

EXPERIENCE

HIRING

FREELANCERS

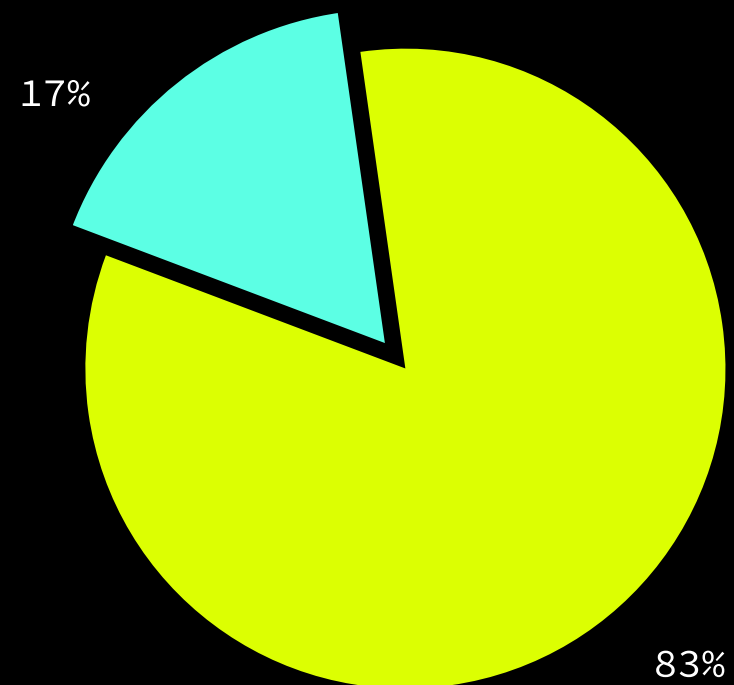
2



*Have you ever worked
with freelance developers?*

OVERALL

◀◀ *Have you ever worked with freelance developers?*



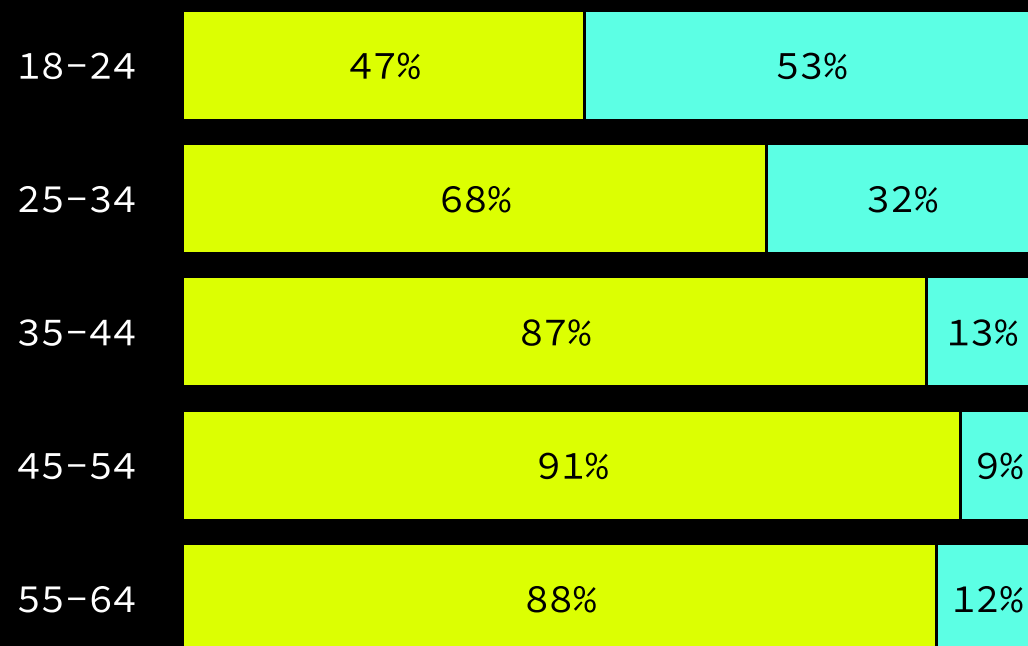
● Yes
● No

Only 17% of respondents have never worked with freelance developers before.

VS AGE



Have you ever worked with freelance developers?



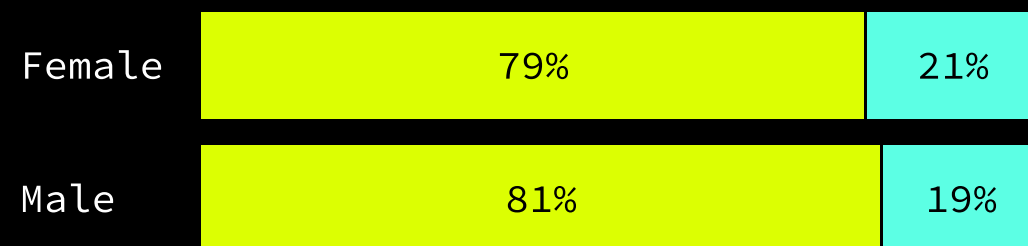
● Yes
● No

Surprisingly, the younger respondents were — the least likely they were to have worked with freelancers.

More than half of 18-24 y.o. respondents say they've never hired freelance developers. People who are 25-34 y.o. are also less likely to hire freelancers than those who are 35 and older.

VS GENDER

◀◀ *Have you ever worked with freelance developers?*



● Yes

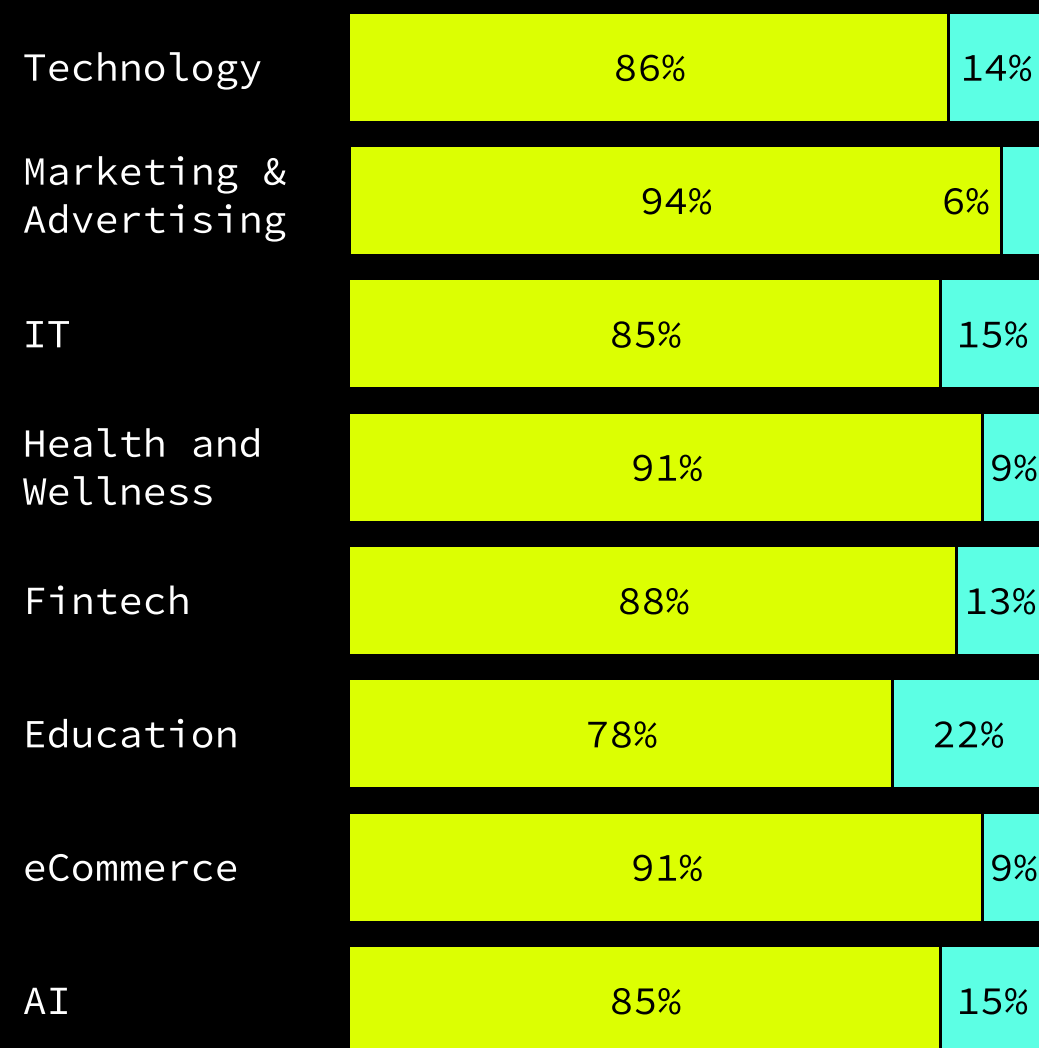
● No

While we've discovered that age did influence the reported experience of hiring freelancers there were no significant differences depending on gender.

VS POPULAR INDUSTRIES



Have you ever worked with freelance developers?

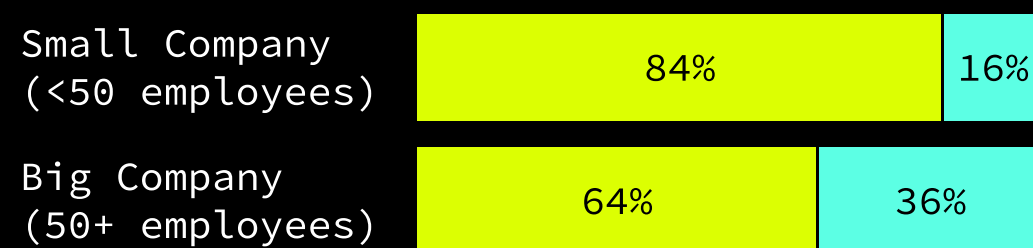


The industry that reported to rely on freelance developers the most was marketing & advertising — 94% said they’ve worked with freelancers before.

● Yes ● No

VS COMPANY SIZE

◀◀ *Have you ever worked with freelance developers?*



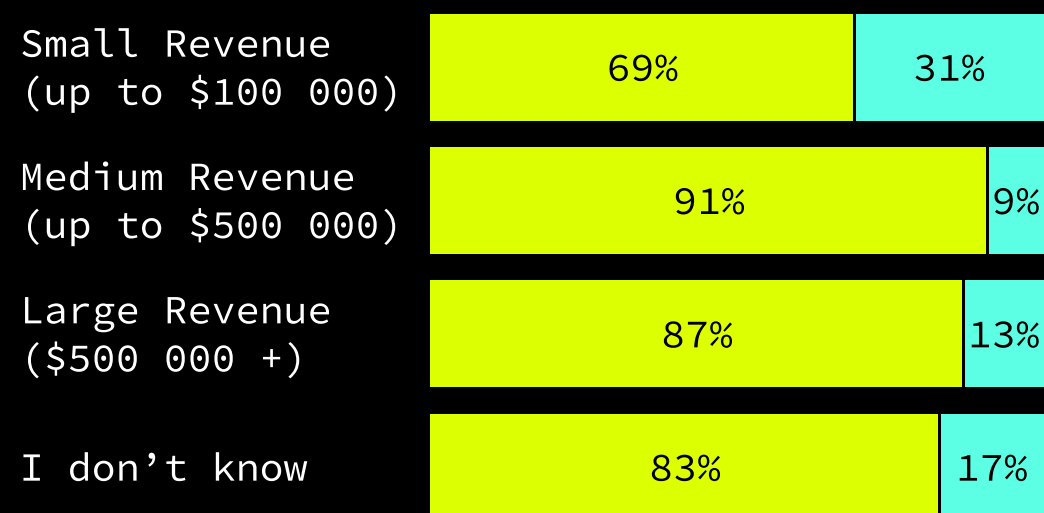
● Yes
● No

Small companies are 20% more likely to outsource their development tasks to freelancers than companies with over 50 employees.

VS REVENUE



Have you ever worked with freelance developers?



● Yes

● No

But at the same time, the companies with less than \$100 000 annual revenue are the ones that are least likely to hire freelancers.

REASONS TO HIRE

3



*Why have you decided
to start hiring freelancers?*

OVERALL

◀ Why have you decided to start hiring freelancers?



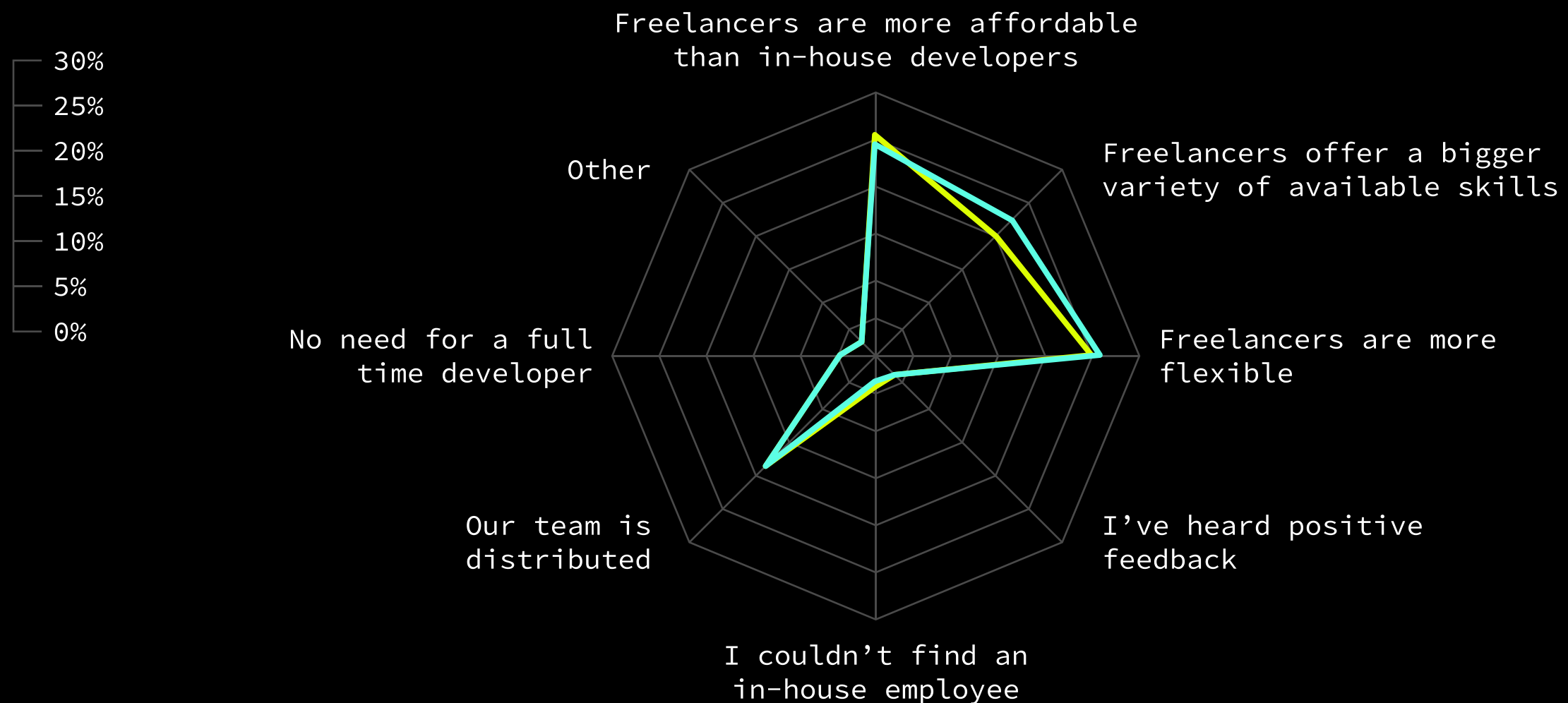
Top 3 reasons to hire freelance developers are:

1. Freelancers are more affordable than in-house developers – 25%
2. Freelancers are more flexible – 25%
3. Freelancers offer a bigger variety of available skills – 20%

Another popular reason to turn to freelancers is working with an already distributed team.

VS INDUSTRY

◀◀ *Why have you decided to start hiring freelancers?*



● Tech ● Non-tech

VS SIZE

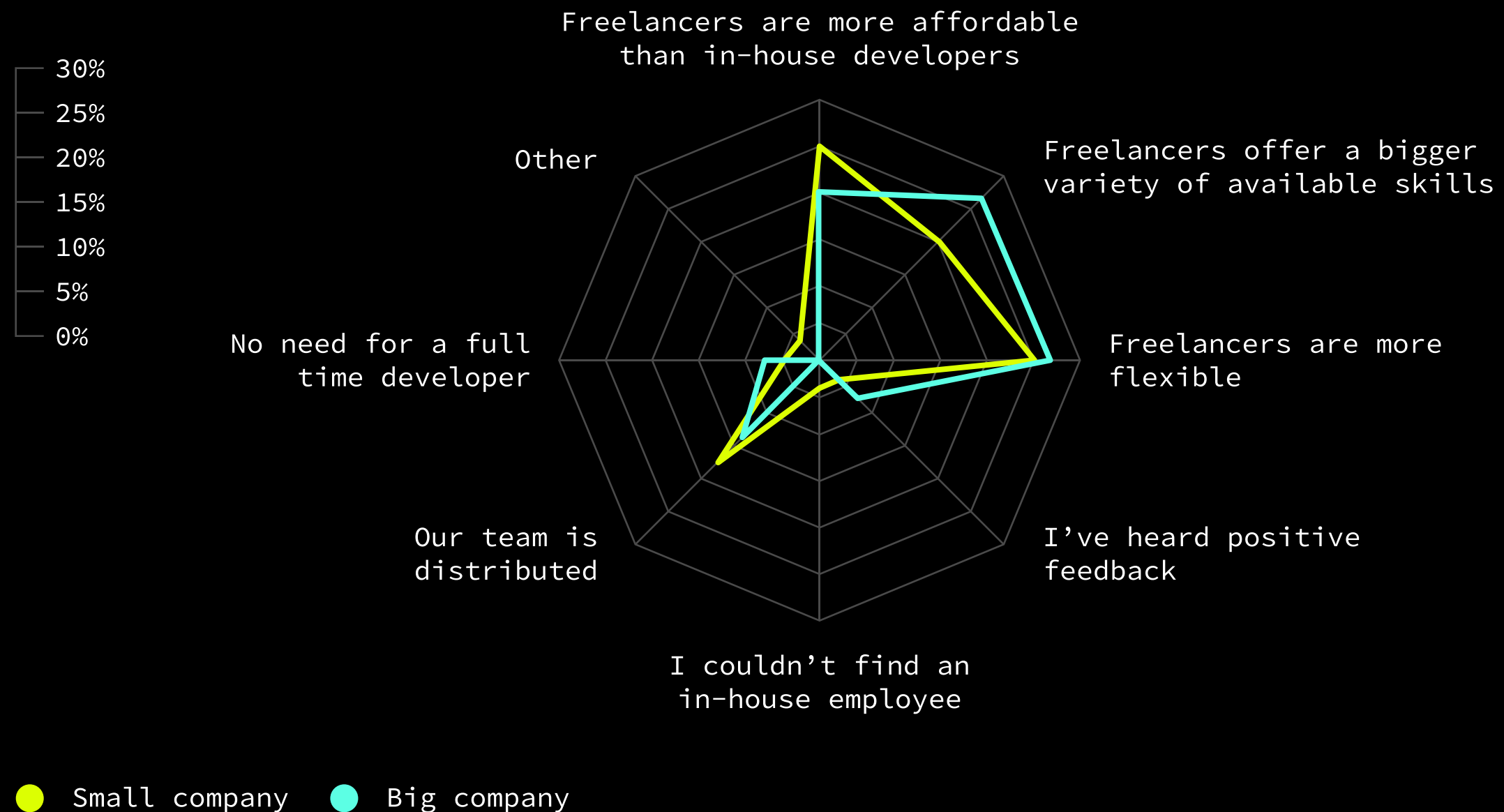
◀◀ *Why have you decided to start hiring freelancers?*

The most popular reason for the bigger companies to hire freelance developers is the bigger variety of skills available among freelancers.

For small companies, affordability is on the top of the list.

VS SIZE

◀◀ *Why have you decided to start hiring freelancers?*



VS REVENUE

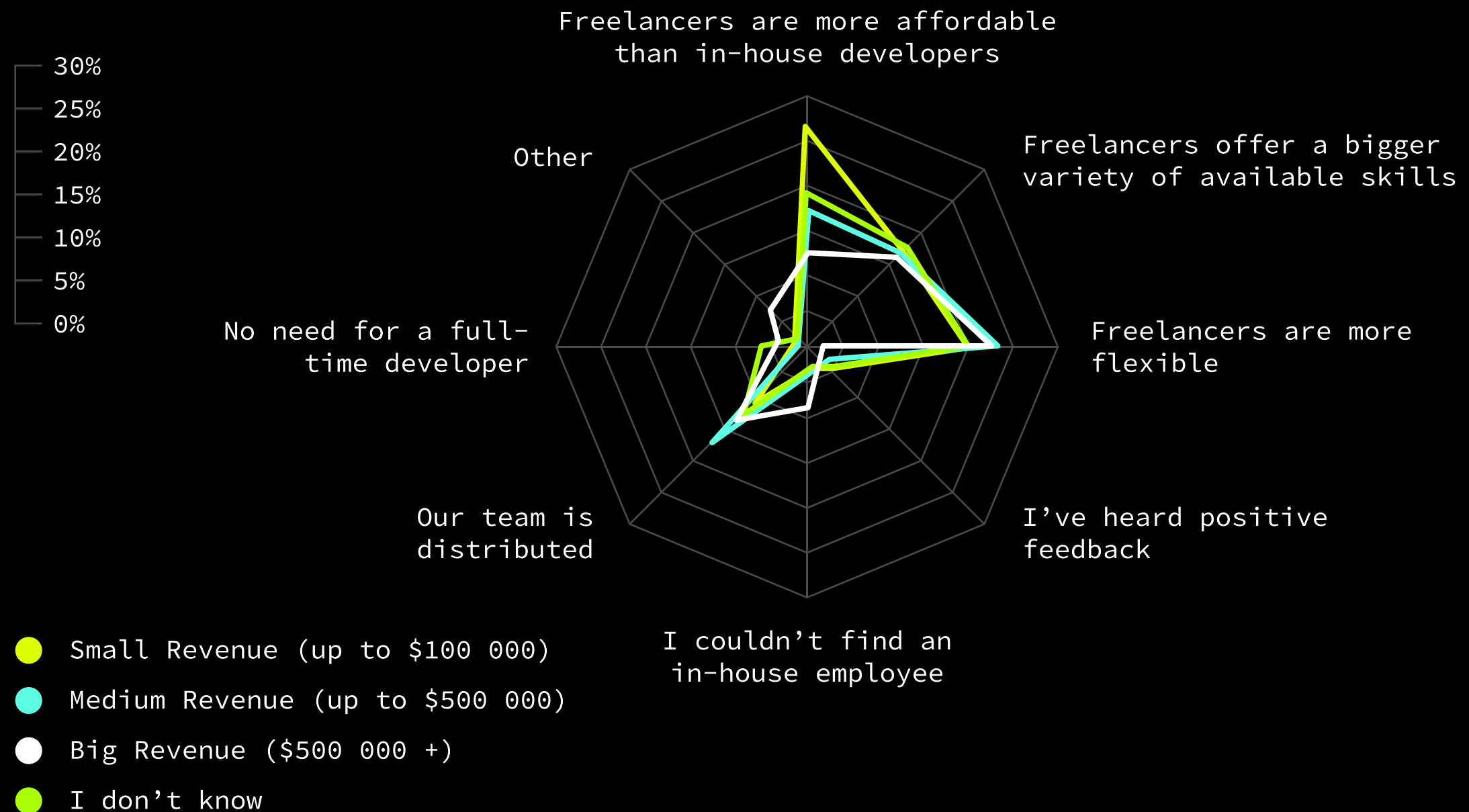
◀◀ *Why have you decided to start hiring freelancers?*

As expected, the lower company's annual revenue is — the more important affordability is for them.

Another interesting finding is that companies which annual revenue marks at \$100 000 - \$500 000 are more likely to start hiring freelance developers as an addition to their distributed teams.

VS REVENUE

« *Why have you decided to start hiring freelancers?*



**REASONS
NOT TO HIRE**

4



*What is the main reason(s) you
have never hired a freelancer?*

VS INDUSTRY

◀◀ *What is the main reason(s) you have never hired a freelancer?*

On the contrary, the top 4 reasons why respondents have never hired freelancers before were these:

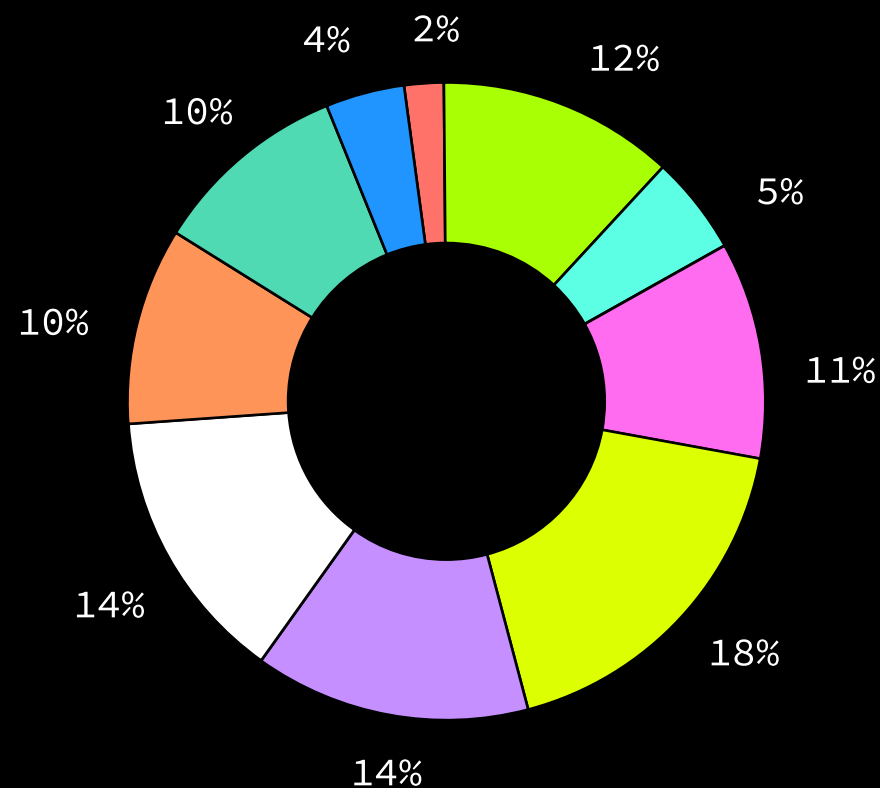
1. I am not sure I can afford to hire a freelancer – 18%
2. I doubt the professional skills of freelancers — 14%
3. I am concerned about my intellectual property – 14%
4. I prefer working with people who are in the same office– 12%.

It is important to mention, that the gaps in percentages between answers to this question weren't large. Meaning, there wasn't just one factor prevailing over others.

At the same time, reasons Like Language barrier and Unsuitable time-zones turned out to be the least of the concerns.

VS INDUSTRY

« *What is the main reason(s) you have never hired a freelancer?*

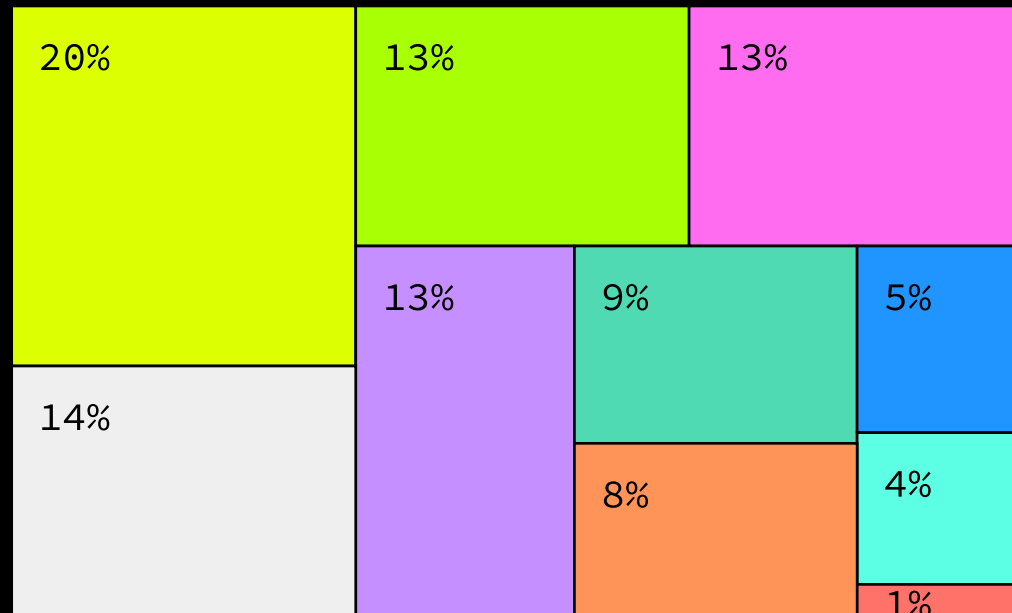


- I prefer working with people who are in the same office
- I don't trust freelancers
- I don't know where to find freelancers
- I am not sure I can afford to hire a freelancer
- I doubt the professional skills of freelancers
- I am concerned about my intellectual property
- Freelancers are only good for small projects
- Freelance/remote employees won't work well with the team
- Language barrier
- Unsuitable time-zone

VS SMALL COMPANIES



What is the main reason(s) you have never hired a freelancer?



The main concern that keeps small companies from hiring freelance developers is not being able to afford them.

- I prefer working with people who are in the same office
- I don't trust freelancers
- I don't know where to find freelancers
- I am not sure I can afford to hire a freelancer
- I doubt the professional skills of freelancers
- I am concerned about my intellectual property
- Freelancers are only good for small projects
- Freelance/remote employees won't work well with the team
- Language barrier
- Unsuitable time-zone

WHAT COULD

CHANGE

THE DECISION

NOT TO HIRE

5



*What circumstances could make
you start hiring freelancers?*

VS SMALL COMPANIES

◀◀ *What circumstances could make you start hiring freelancers?*

Positive feedback from someone I trust



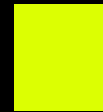
41%

If I couldn't afford a full-time developer



12%

If I couldn't find a full-time developer



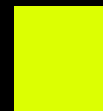
8%

If I needed someone ASAP



31%

Other



8%

41% of small companies representatives who have never worked with freelance developers before said they would change their mind and give freelancers a try if they got a positive feedback from someone they know and trust.

THE RESPONDENTS' COMMENTS

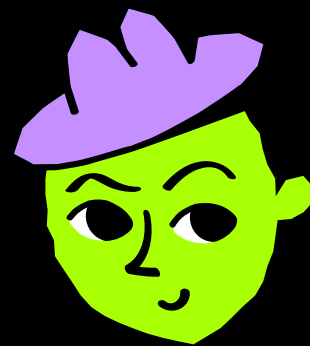
« *What circumstances could make you start hiring freelancers?*

Apart from the circumstances to hire freelancers discussed on the previous slides, we've asked our respondents to provide us with a more precise answers in the open-question format.

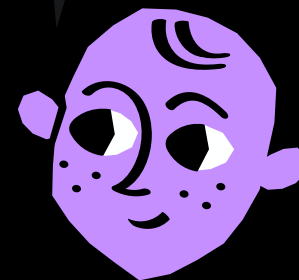
Here is what they said:

Part of them stated that nothing could make them hire freelancers because the kind of industry they work in:

As a security company, we probably won't ever use a freelancer



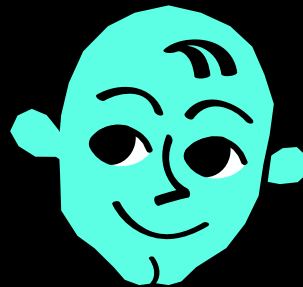
In some industries, software isn't the core function of the business, but rather supports the business. In industries where software is not the core, I'd be more open to hiring freelancers



Others were concerned about freelancers reliability, their skills and where to find them:

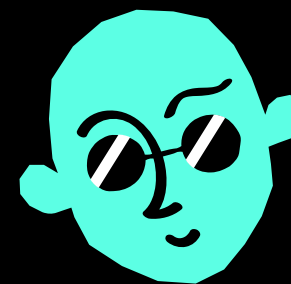
It's actually freelancer reliability that concerns me – when they take on too much or a project spikes they become unreliable. It's also difficult for us to assess their technical ability

My main concern is about quality. Will I be getting great quality that works how I need it to? I don't know where to find freelancers that I can be assured are of great quality (for example, I stay far, far away from Fiverr, because everything you get on there is subpar, and it amounts to wasted time and money)



And some are concerned about what their investors might think:

My biggest apprehension is how using freelancers is viewed by investors. I don't have a technical co-founder, and investors do not like this. The company is too early to hire a CTO, so I am in a bit of precarious place at the moment



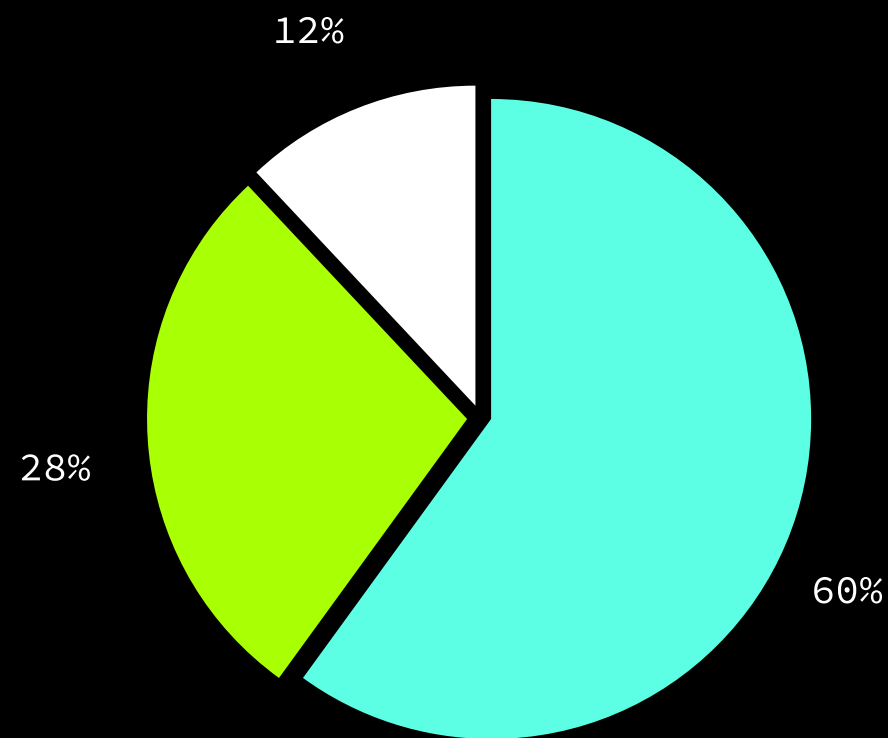
SILICON VALLEY VS THE REST OF THE USA





Where is your company/business located?

LOCATION



- USA other states, 60%
- California, 28%
- Other Countries, 12%

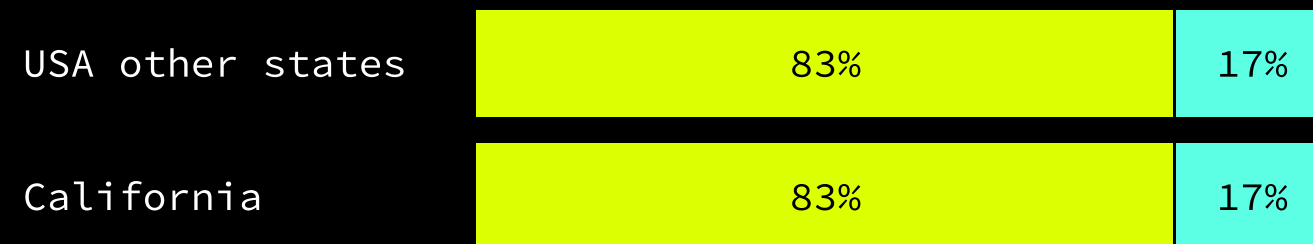
28% of our respondents stated that their business is located in California, while the number of respondents from all the other states of the USA combined was only two times bigger.

Thus, we decided to compare the answers of these two groups of respondents to see if there are major differences in the attitude towards freelancers.



*Have you ever worked with
freelance developers?*

VS EXPERIENCE



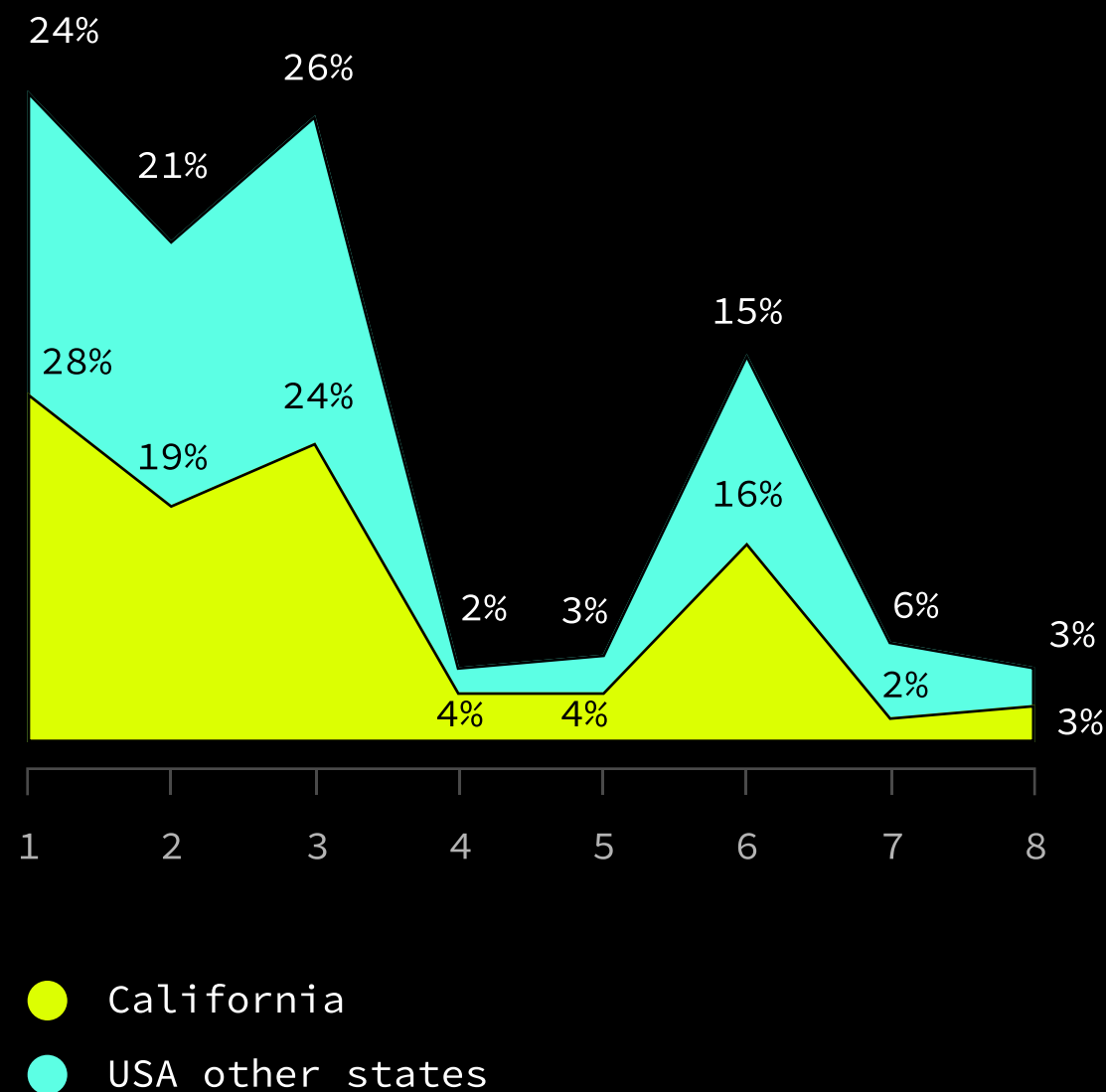
● Yes
● No

And we discovered that companies in California hire freelance developers just as often as the companies in other states.



Why have you decided to start hiring freelancers?

VS REASONS TO HIRE



We also didn't notice any major discrepancies in reasons companies decide to start hiring freelancers.

- 1 Freelancers are more affordable than in-house developers
- 2 Freelancers offer a bigger variety of available skills
- 3 Freelancers are more flexible
- 4 I've heard positive feedback
- 5 I couldn't find an in-house employee
- 6 Our team is distributed
- 7 No need for a full time developer
- 8 Other



*What is the main reason(s) you
have never hired a freelancer?*

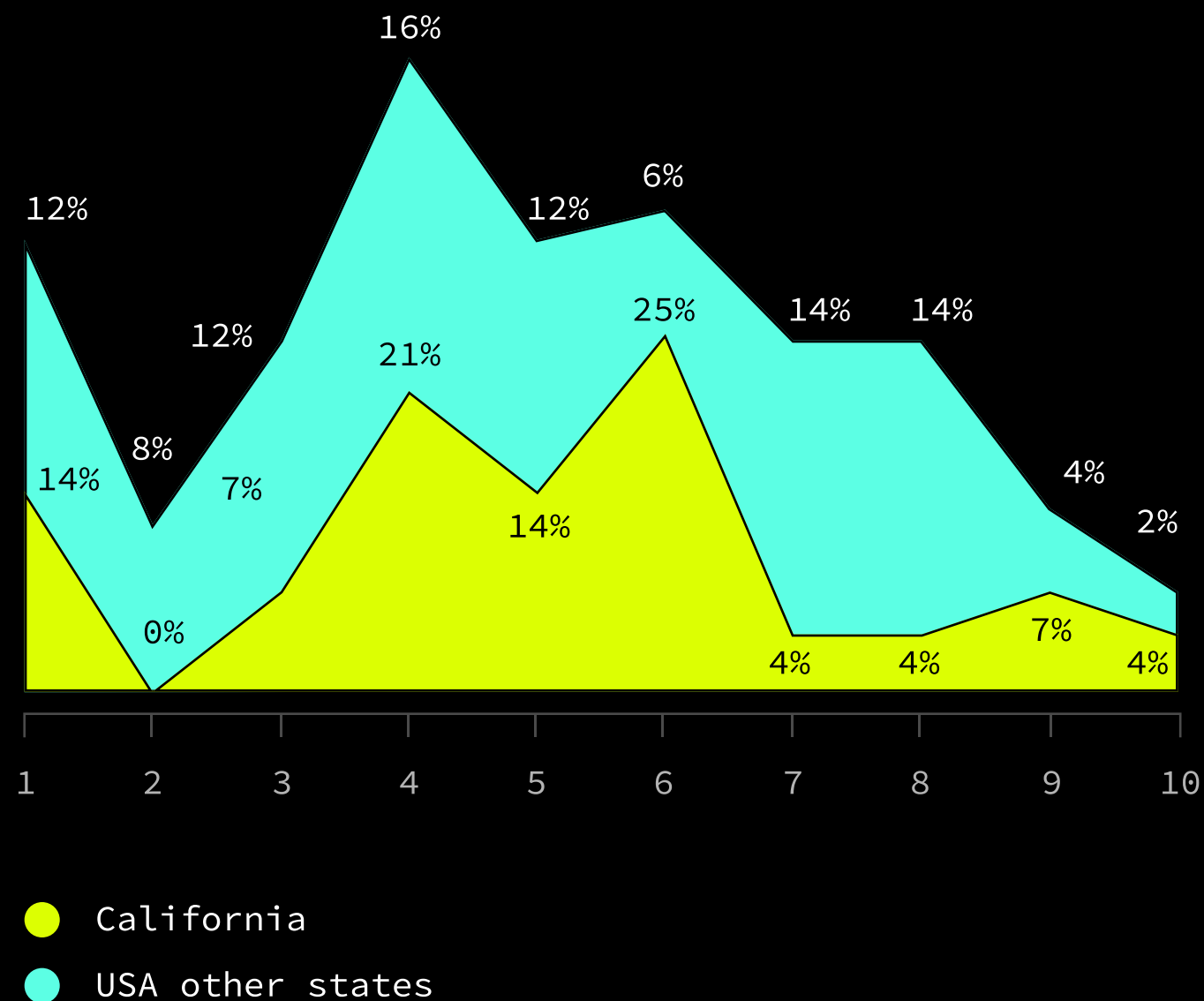
VS REASONS NOT TO HIRE

But there were differences in California vs Other States when it came to the most popular reasons not to hire freelance developers.

Turns out, companies located in California are much more concerned about their intellectual property and not being able to afford freelancers than businesses from the other states.

On the other hand, Californian startups were significantly less worried about freelancers not fitting in with the rest of the team or that freelance developers are only good for doing small tasks.

VS REASONS NOT TO HIRE



- 1 I prefer working with people who are in the same office
- 2 I don't trust freelancers
- 3 I don't know where to find freelancers
- 4 I am not sure I can afford to hire a freelancer
- 5 I doubt the professional skills of freelancers
- 6 I am concerned about my intellectual property
- 7 Freelancers are only good for small projects
- 8 Freelance/remote employees won't work well with the team
- 9 Language barrier
- 10 Unsuitable time-zone

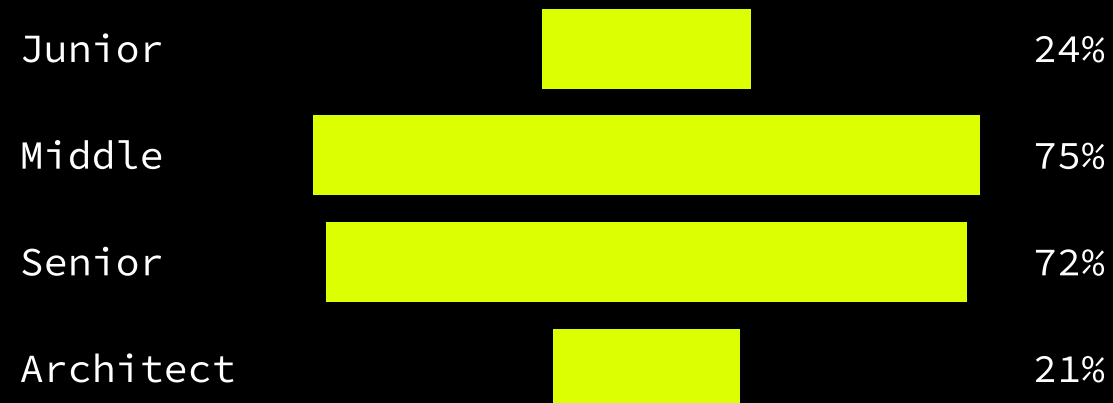
**MOST POPULAR
JOB LEVELS TO
HIRE**

7



*What level of freelance
developers do you hire?*

JOB LEVELS



Most of the businesses that hire freelancers prefer to hire the more experienced middle and senior developers. While only 24% also work with junior devs and even less businesses hire architects (21%).

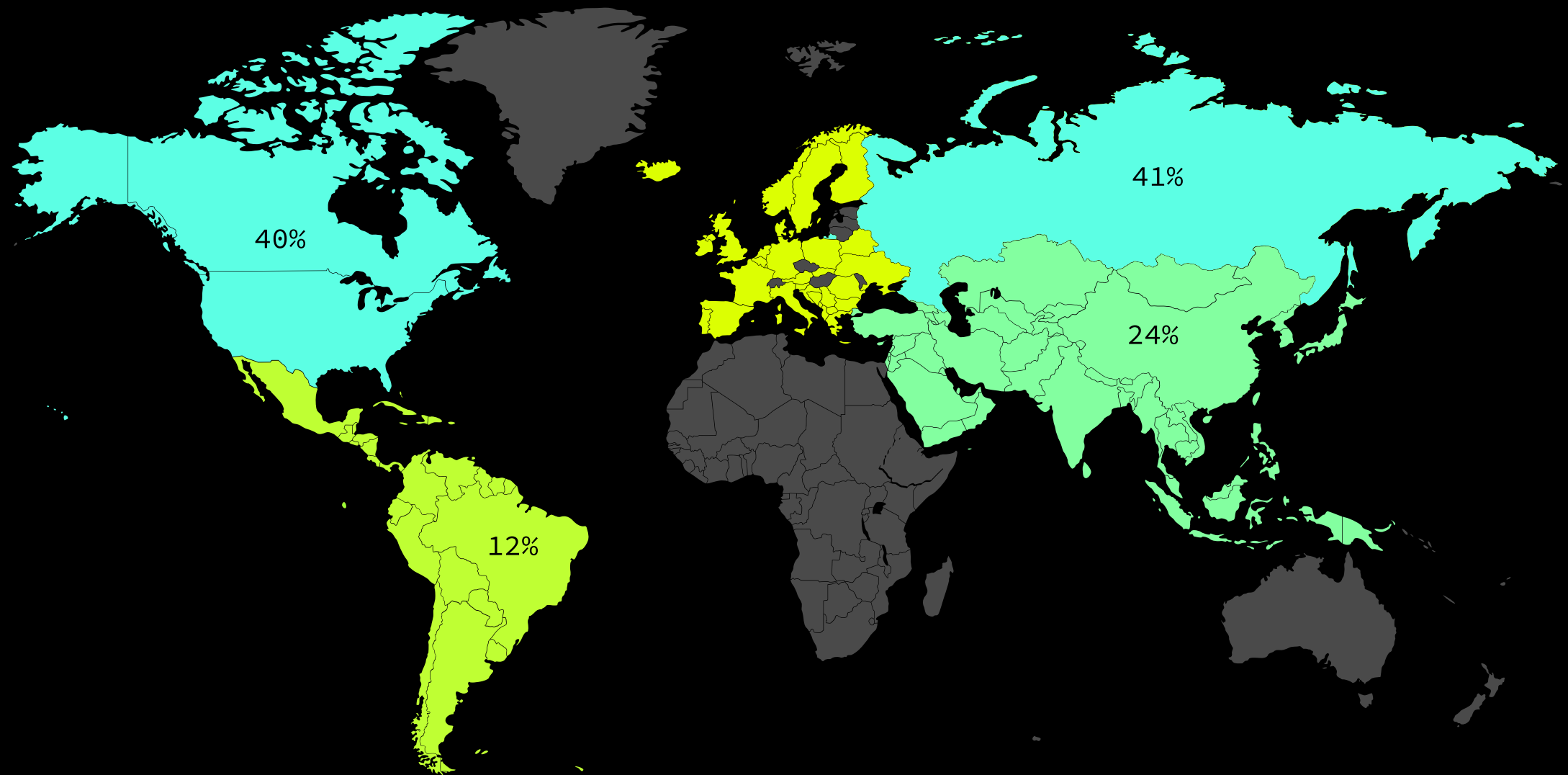
**MOST POPULAR
COUNTRIES TO
OUTSOURCE TO**

8



*In your opinion, what countries
are the best ones to outsource to?*

COUNTRIES



Frequency*



9%

41%

RESULTS

- ▶ The most popular regions to outsource to among the startups we've surveyed were named to be Eastern Europe and North America (41%-40%), followed up by Asia and Middle East (24%).
- ▶ The less popular options mentioned were South American countries and other European countries.
- ▶ 34% of respondents who hired freelance developers before, stated that they don't have any country preferences to search for freelance developers.

COMMENTS

In the comment section, some respondents explained their choices:

I would love to say that it doesn't matter, but I've had such trouble working with non-US freelancers that I almost always exclude them now

MY COUNTRY. They understand my language and culture. That makes communication far more effective between us.

Only countries where I can trust NDA and IP contracts can be enforced for primary app work, Eastern Europe if app/service is built from scratch

I prefer to hire based on timezone and workday overlap





Why do you think the countries you've chosen are the best for hiring freelance developers?

VS EASTERN EUROPE AND USA&CANADA

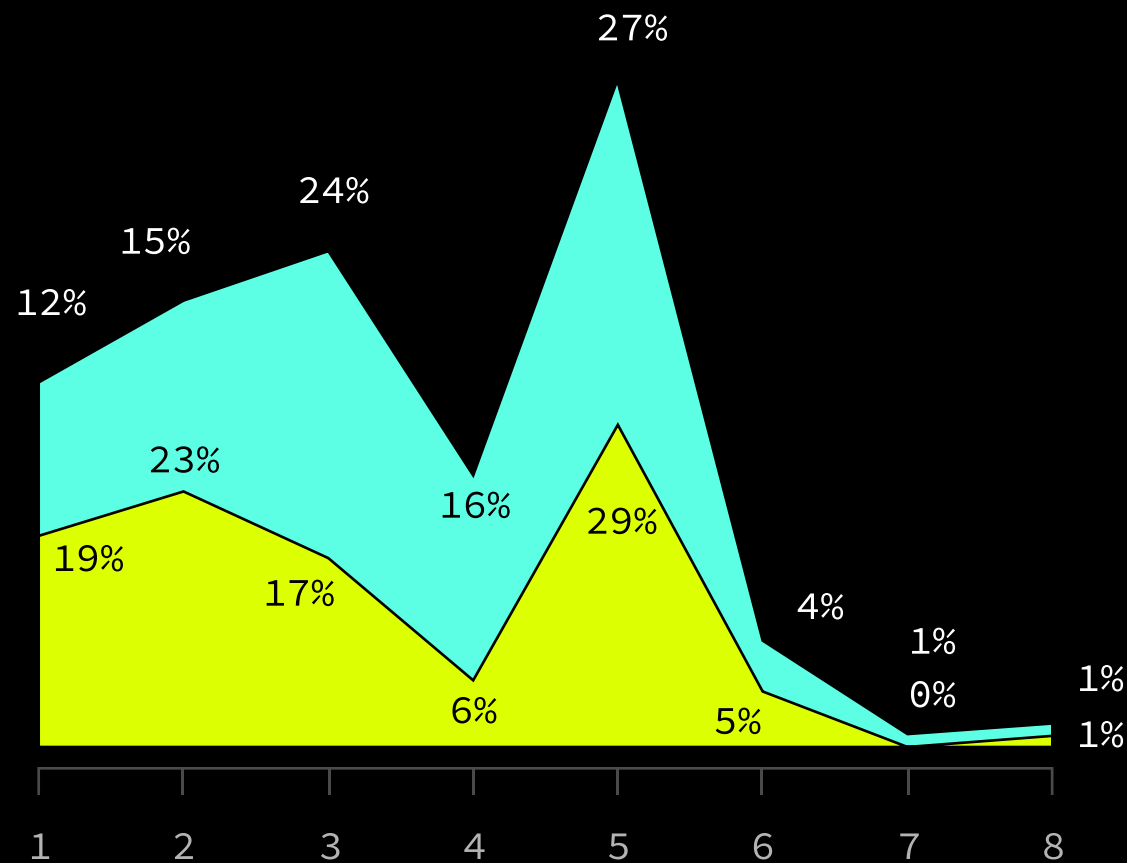
Top 3 reasons why Eastern Europe countries are the best for hiring freelance developers according to our interviewees were:

1. Great previous experience with developers from there
2. They have the biggest pool of talent
3. They have the best rates

Top 3 reasons why USA&Canada are the best countries for hiring freelance developers are:

1. Great previous experience with developers from there
2. Because of the language spoken/communication specificity
3. The location is in the most convenient time zone for me

VS EASTERN EUROPE AND USA&CANADA



- USA & Canada
- Eastern Europe (e.g. Poland, Ukraine, Romania, Bulgaria, Belarus, Russia)

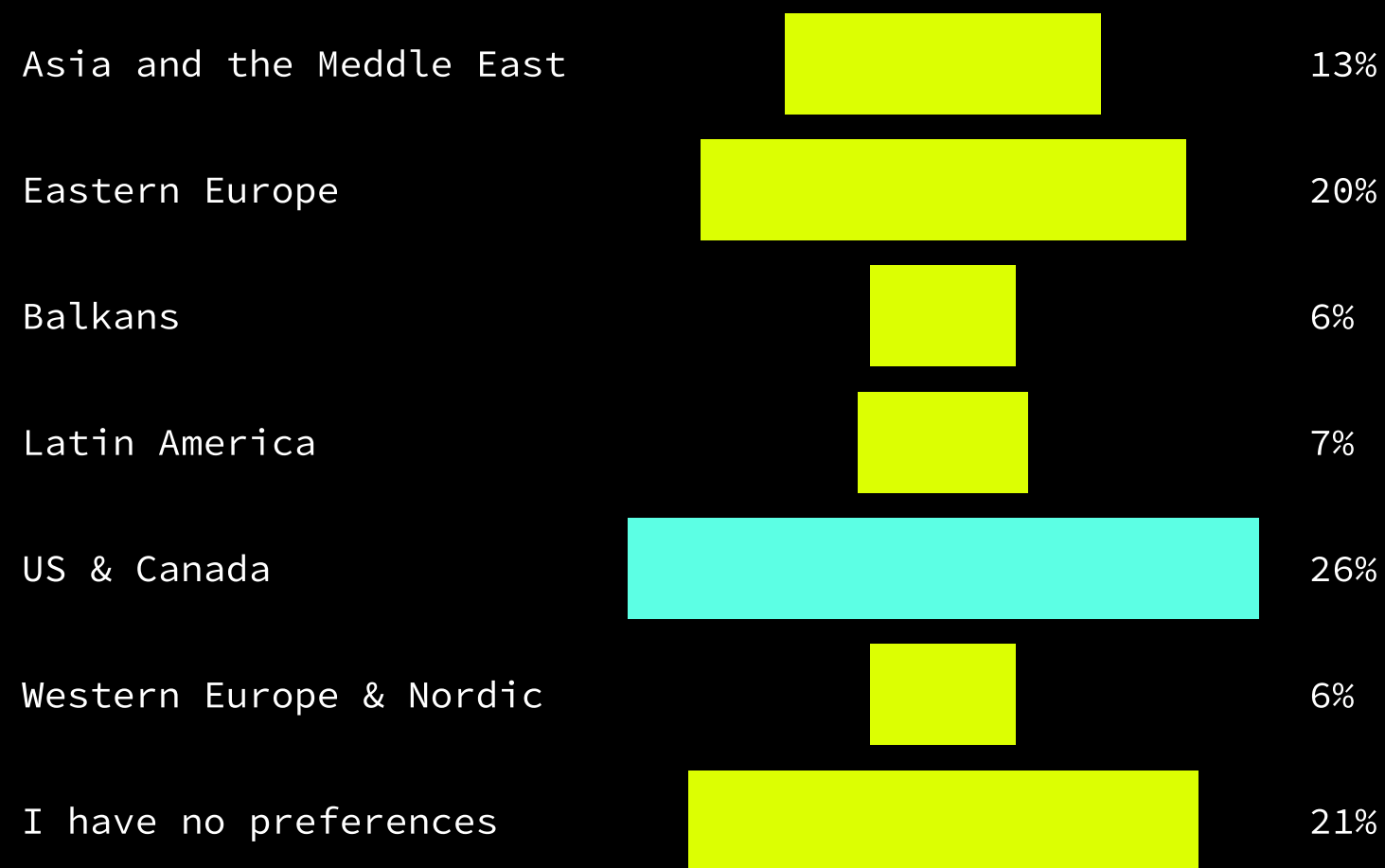
- 1 They have the best rates
- 2 They have the biggest pool of talent
- 3 Because of the language spoken/communication specificity
- 4 The location is in the most convenient time zone for me
- 5 I have great previous experience with developers from there
- 6 I've heard only good references
- 7 I have no preferences
- 8 Other



*What are your preferred countries
to outsource to?*

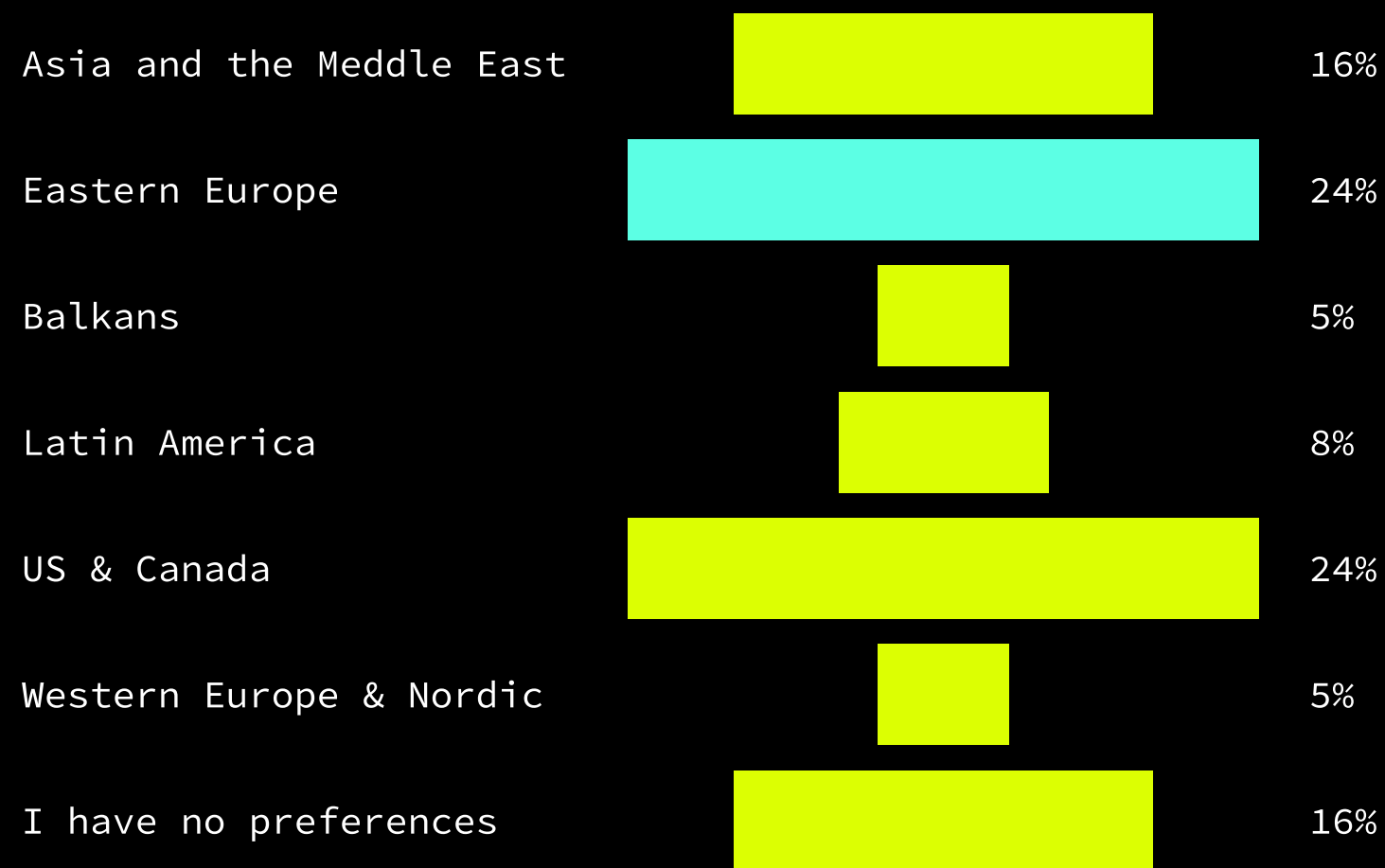
VS JUNIOR DEVELOPERS

« *What are your preferred countries to outsource to?*



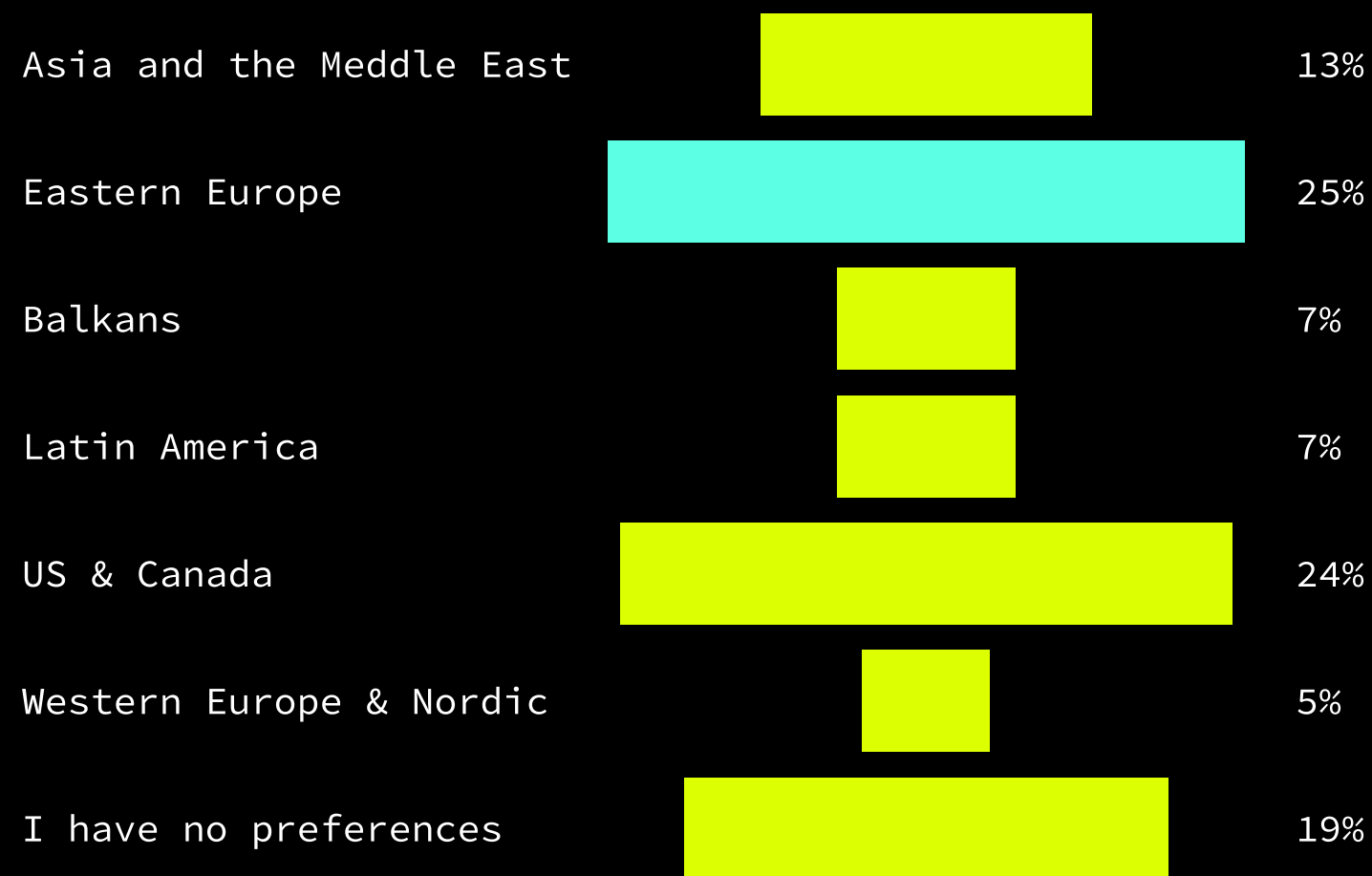
VS MIDDLE DEVELOPERS

« *What are your preferred countries to outsource to?*



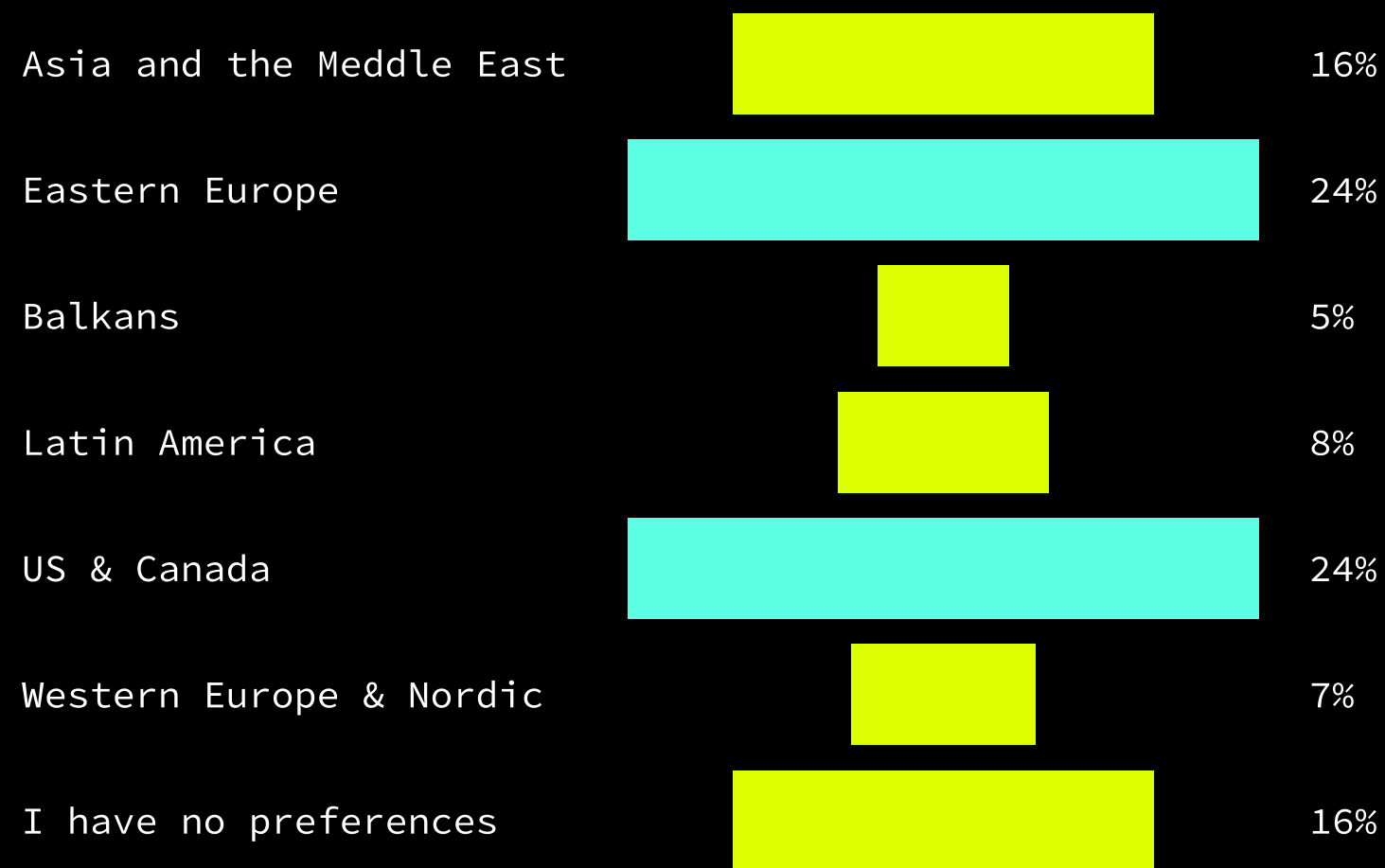
VS SENIOR DEVELOPERS

« *What are your preferred countries to outsource to?*



VS ARCHITECTS

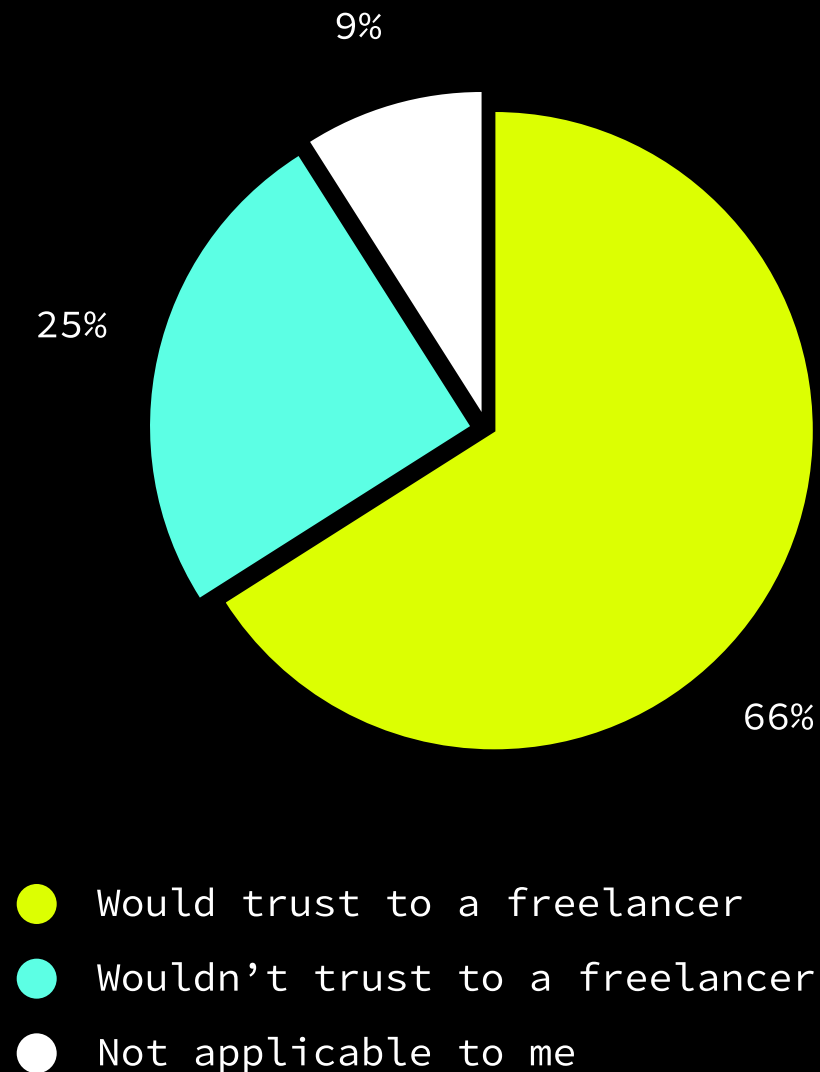
« *What are your preferred countries to outsource to?*



TRUST

9

OVERALL TRUST



This trust score was combined based on the overall answers to the list of 10 questions focused on different kinds of tasks with three options:

- 'Would trust to a freelancer',
- 'Wouldn't trust to a freelancer'
- 'Not applicable to me'.

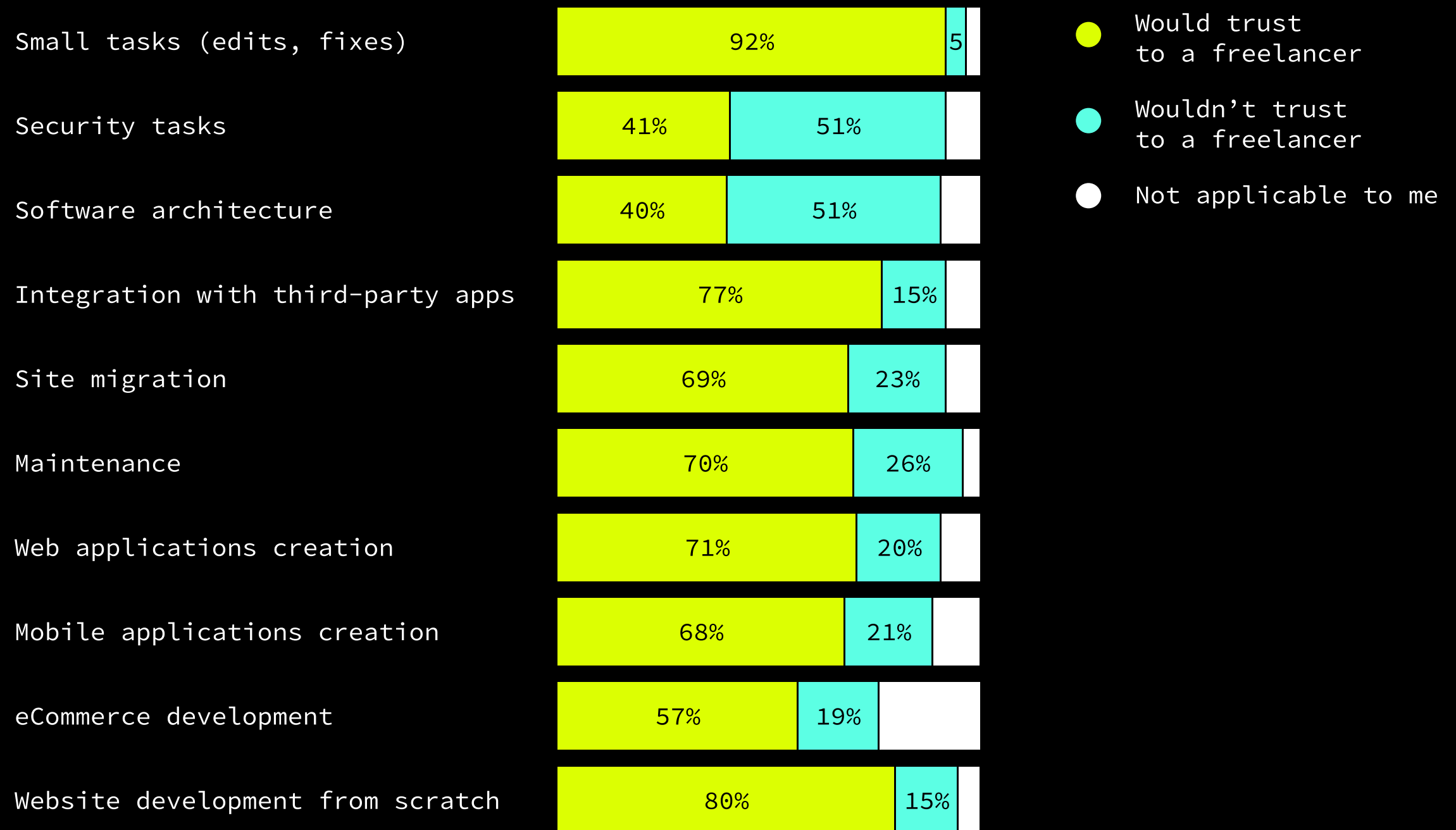
Out of all answers in this section, in 66% of cases respondents chose 'Would trust to a freelancer', which demonstrates a high level of trust to freelance developers in general.

VS TASKS

Small tasks like edits and fixes and integration with third-party apps are trusted to freelancers the most often along with website and app development from scratch.

Security tasks, software architecture and maintenance are the tasks most business said they wouldn't trust to a freelancer (51%, 51%, 26% of negative answers respectively).

OVERALL TASKS

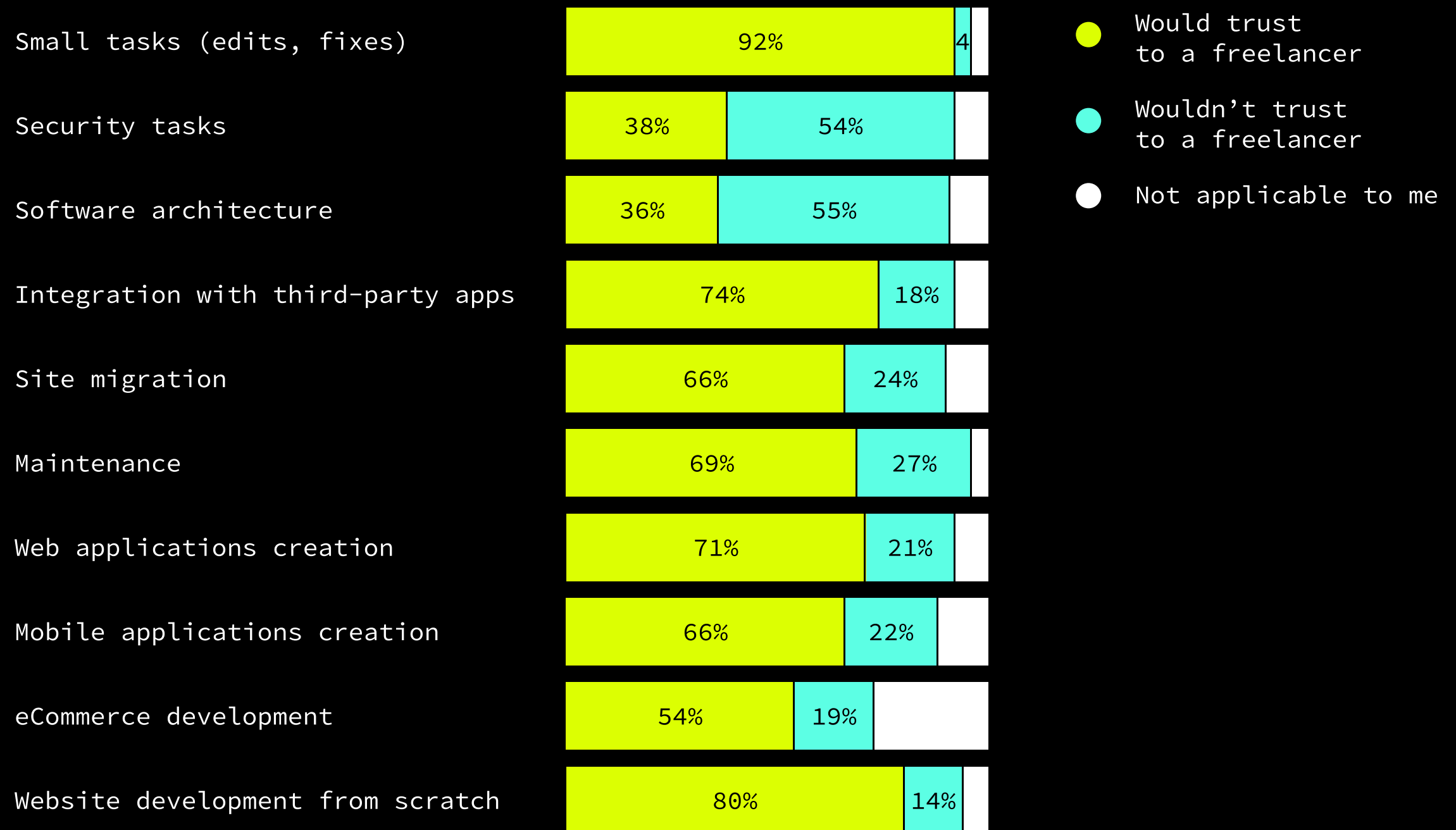


VS TECH COMPANIES

In general, tech companies tend to trust completing different tasks to a freelance developer. They easily trust small tasks, website development, third-party apps integration and web apps development to freelancers.

However, when it comes to software architecture and security tasks, the majority of tech sphere companies won't trust them to freelance developers (54% and 55% respectively).

VS TECH COMPANIES



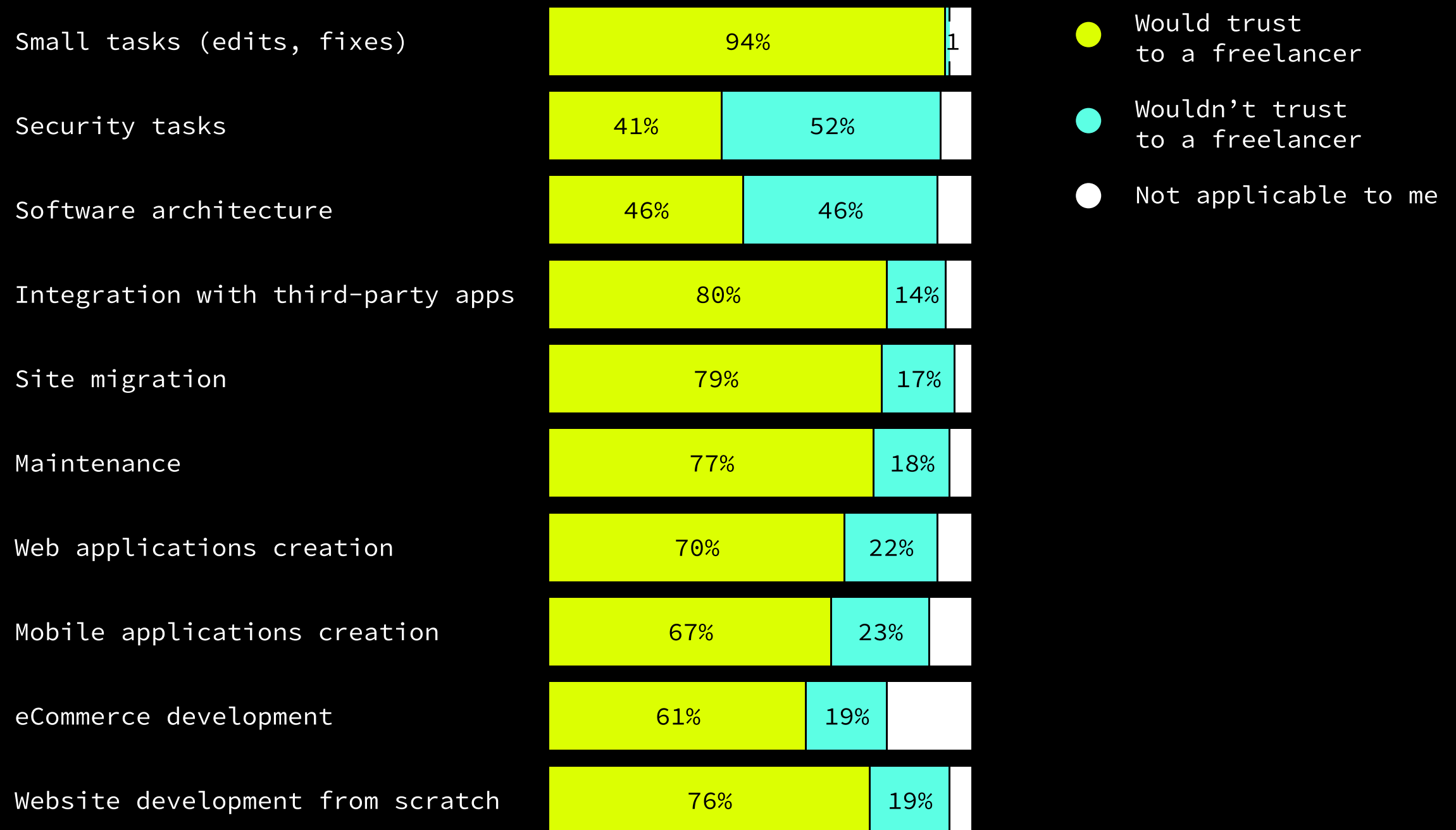
VS NON-TECH COMPANIES

Compared to tech companies, non-tech businesses trust freelancers even more. Only 1% of respondents from non-tech companies said they wouldn't trust Small tasks to a freelancer.

And while security tasks and software architecture are still less likely to be trusted to freelance devs, the percentage of non-tech businesses which would outsource them is higher.

Non-tech startups are also more likely to trust maintenance and site migration to freelancers than the tech companies.

VS NON-TECH COMPANIES

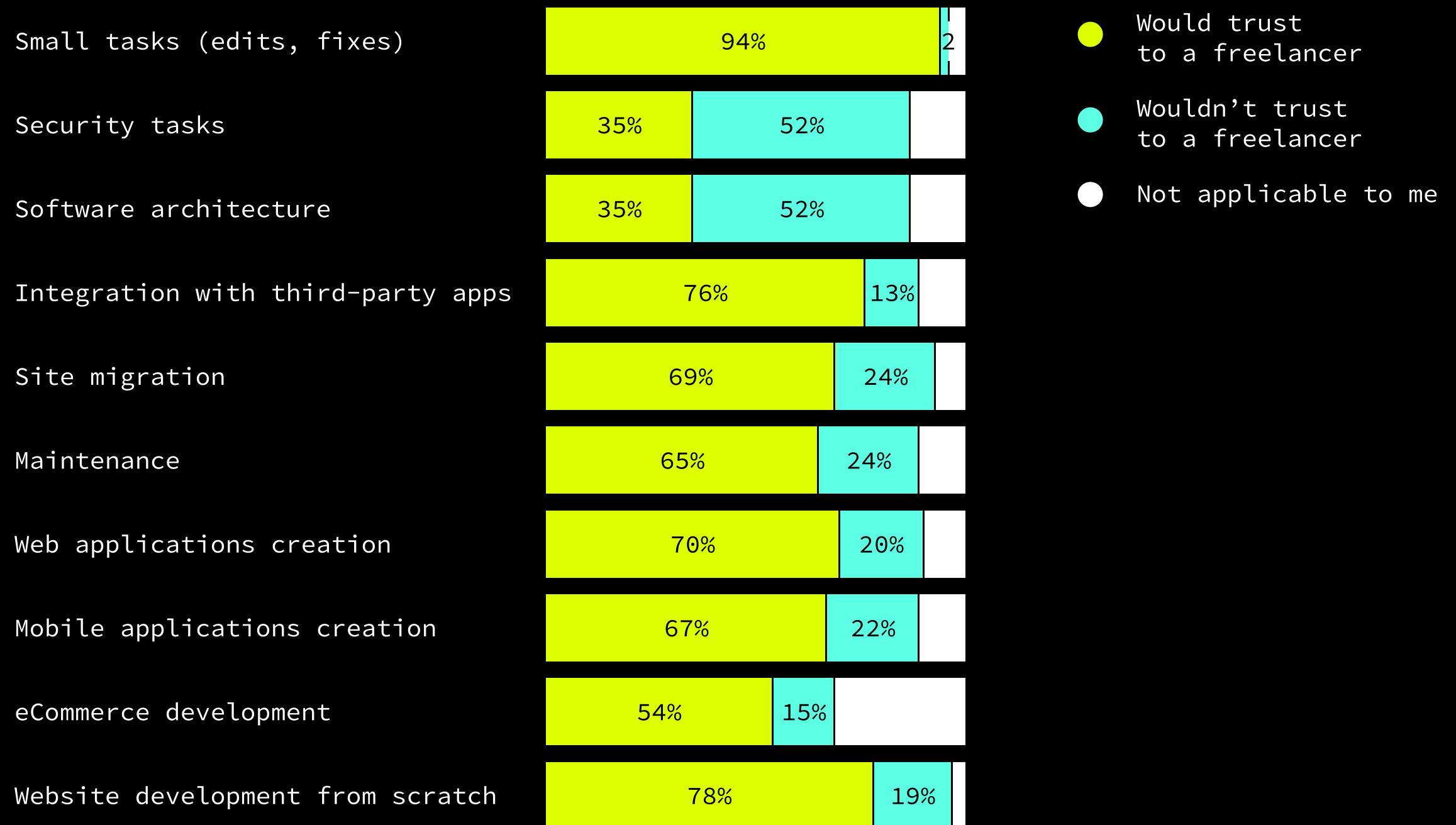


VS SMALL REVENUE

We've also discovered that the trust levels businesses express in regards to freelance developers seems to depend on how big their revenues are.

Companies with revenues up to \$100 000 a year tend to have average trust scores.

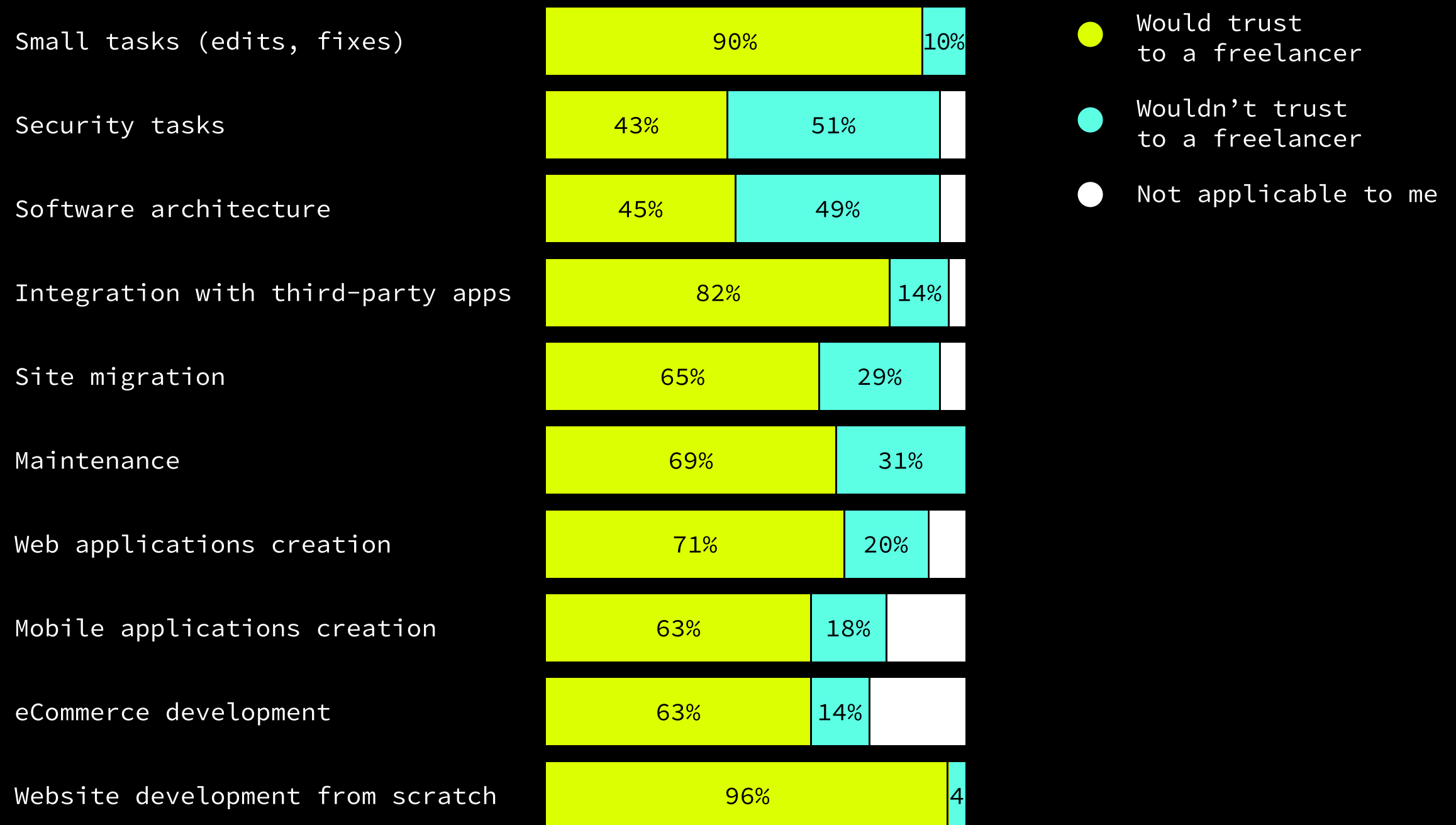
VS SMALL REVENUE



VS MIDDLE REVENUE

Businesses with \$500 000 - \$1 000 000 annual revenues tend to trust freelance developers the most.

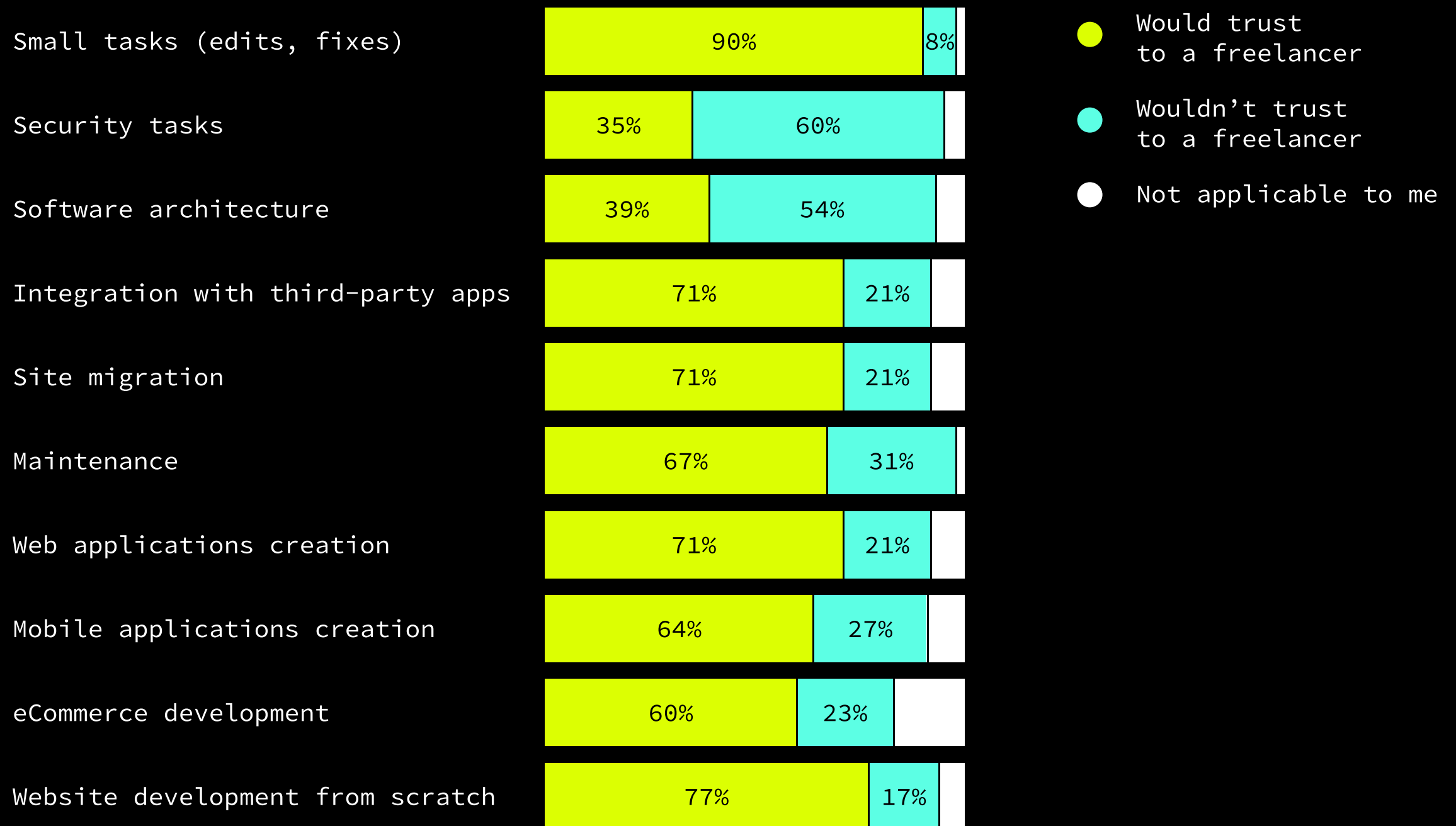
VS MIDDLE REVENUE



VS BIG REVENUE

Compared to businesses with lower annual revenues, high-earning companies tend to trust freelance developers the least while still expressing high trust scores and readiness to delegate to freelancers almost all kinds of tasks except security and architecture.

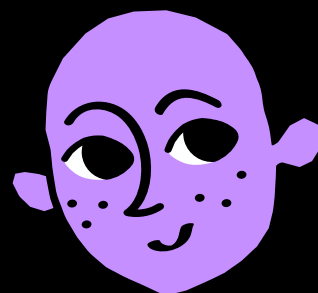
VS BIG REVENUE



COMMENTS ON TRUST

Here's what the respondents also said regarding trust:

I would have said yes to all. As long as the freelancer has a good reputation or that I receive a recommendation from a peer, freelancer can always be an option. Some tasks do require more knowledge of how "we" work and could be a challenge when working with a freelancer



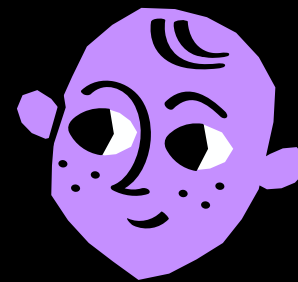
On the binary between would and would not, some of these I'd be in between on. As in, it depends, and I lean toward would prefer not to but would consider it



Many respondents stated about the necessity of vetting freelancers:



The main thing is vetting them.
Good people are hard to find



The caveat of "trust a freelancer"
is that they would need to be
vetted by in-house engineering team

FREELANCERS VS IN-HOUSE TEAMS

10



*To which extent do you
agree or disagree with these
statements?*

VS IN-HOUSE TEAMS

Most often the respondents completely or partly **agreed** on these statements:

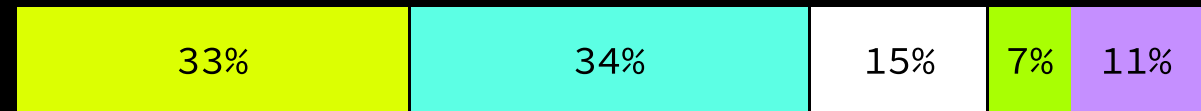
1. Freelancers are more affordable than in-house developers (80%)
2. Freelancers propose a wider range of skills than in-house teams (69%)
3. In-house teams are more trustworthy when it comes to security than freelancers (67%, with the highest percentage of those, who completely agreed with the statement - 33%)

The statements the respondents most often partly or completely **disagreed** with were these:

1. Freelancers are easier to manage compared to in-house teams (68%, including 29% of those, who completely disagreed with the statement)
2. Freelancers are hard to rely on (52%)
3. Freelancers are more likely to miss deadlines than in-house teams (48%)

VS IN-HOUSE TEAMS

In-house teams are more trustworthy when it comes to security than freelancers



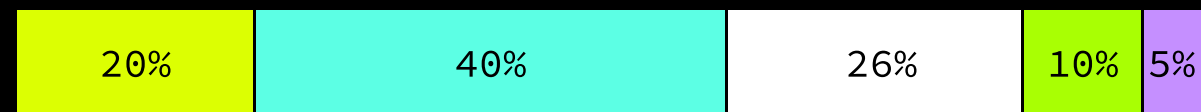
Freelancers are hard to rely on



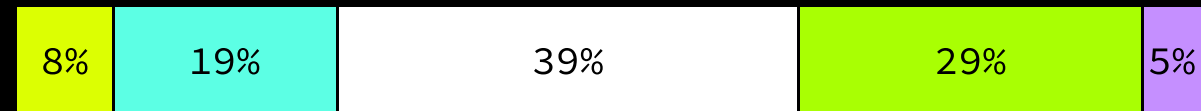
Freelancers are more likely to miss deadlines than in-house teams



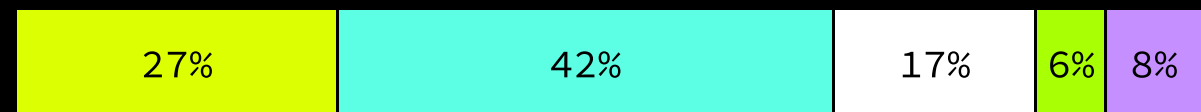
Hiring freelancers means having access to the top talent and experts



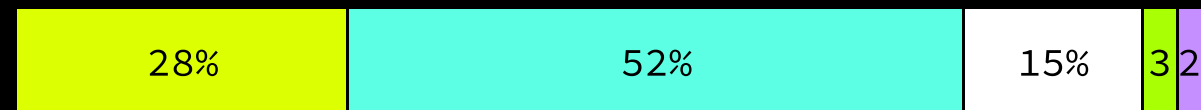
Freelancers are easier to manage comparing with in-house teams



Freelancers propose a wider range of skills than in-house teams



Freelancers are more affordable than in-house teams



● Completely agree

● Partly agree

● Partly disagree

● Completely disagree

● Don't have an opinion

**HIRING
FREELANCE
DEVELOPERS**





*While choosing between a few
freelancers, I would prefer...*

DECIDING FACTORS

Top 3 priorities while choosing which freelancers to hire are are:

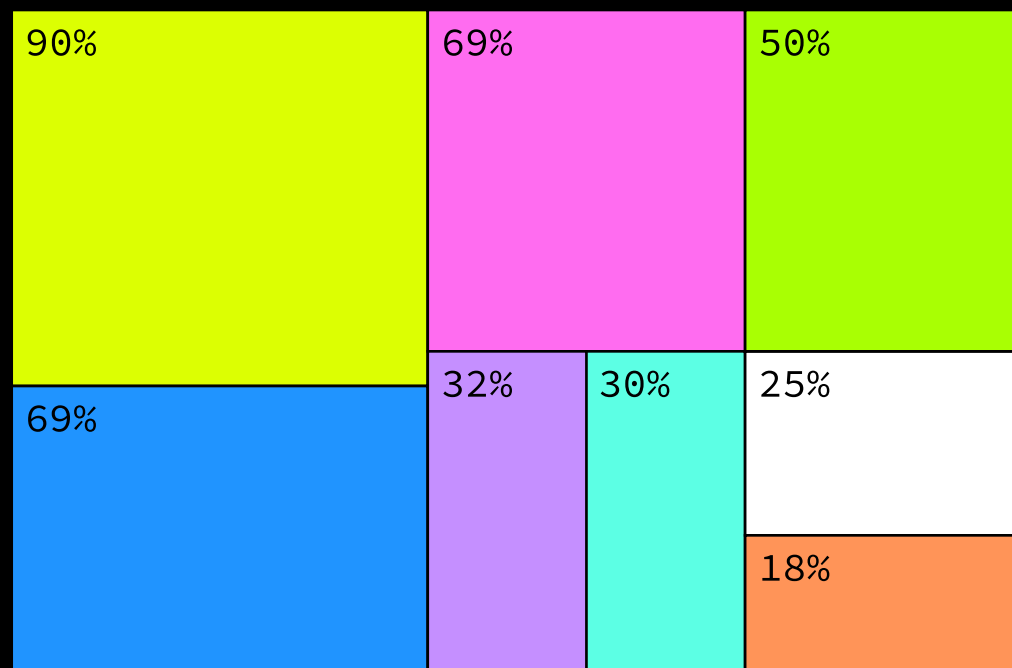
1. Someone who speaks English over someone who doesn't (90%)
2. Someone more experienced (69%)
3. Someone who is more proactive over someone who strictly follows the instructions (69%)

The least important factors are:

1. Someone less qualified but friendly over someone more experienced but unfriendly (18%)
2. Someone from the US over someone from outside the US (25%)
3. Someone with a lower hourly rate (30%)

DECIDING FACTORS

◀◀ *While choosing between a few freelancers, I would prefer**



- Someone who speaks English over someone who doesn't
- Someone more experienced
- Someone who is more proactive over someone who is strictly following the instructions
- Someone with a better portfolio
- Someone with a culture/mentality close to mine
- Someone with a lower hourly rate
- Someone from the US over someone from outside the US
- Someone less qualified but friendly over someone more experienced but unfriendly

VS RESPONDENTS' AGE

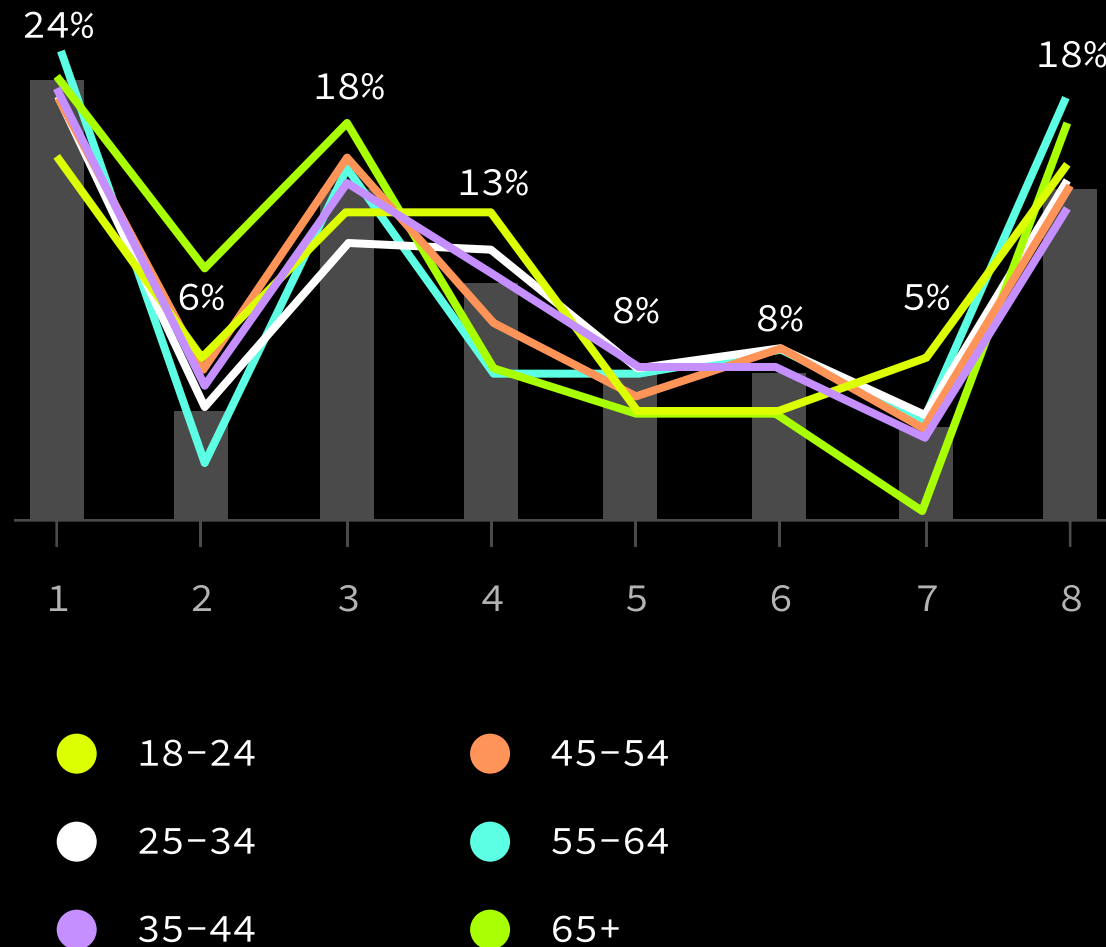
◀◀ *While choosing between a few freelancers, I would prefer**

The overall answers to this question do not differ much depending on age, but there are several exceptions:

- Someone who speaks English over someone who doesn't – for the youngest group of 18-24 y.o. respondents this point was the least important in comparison with others (19%);
- Someone from the US over someone from outside the US – the 65+ age group chose this option twice as often as others (14%)
- Someone with a better portfolio – older age groups of the age 55+ found this point more important than others (8%)
- Someone less qualified but friendly over someone more experienced but unfriendly – 18-24 years old respondents agreed with this statement more often than others while people older than 65 found it the least important

VS RESPONDENTS' AGE

◀◀ *While choosing between a few freelancers, I would prefer**



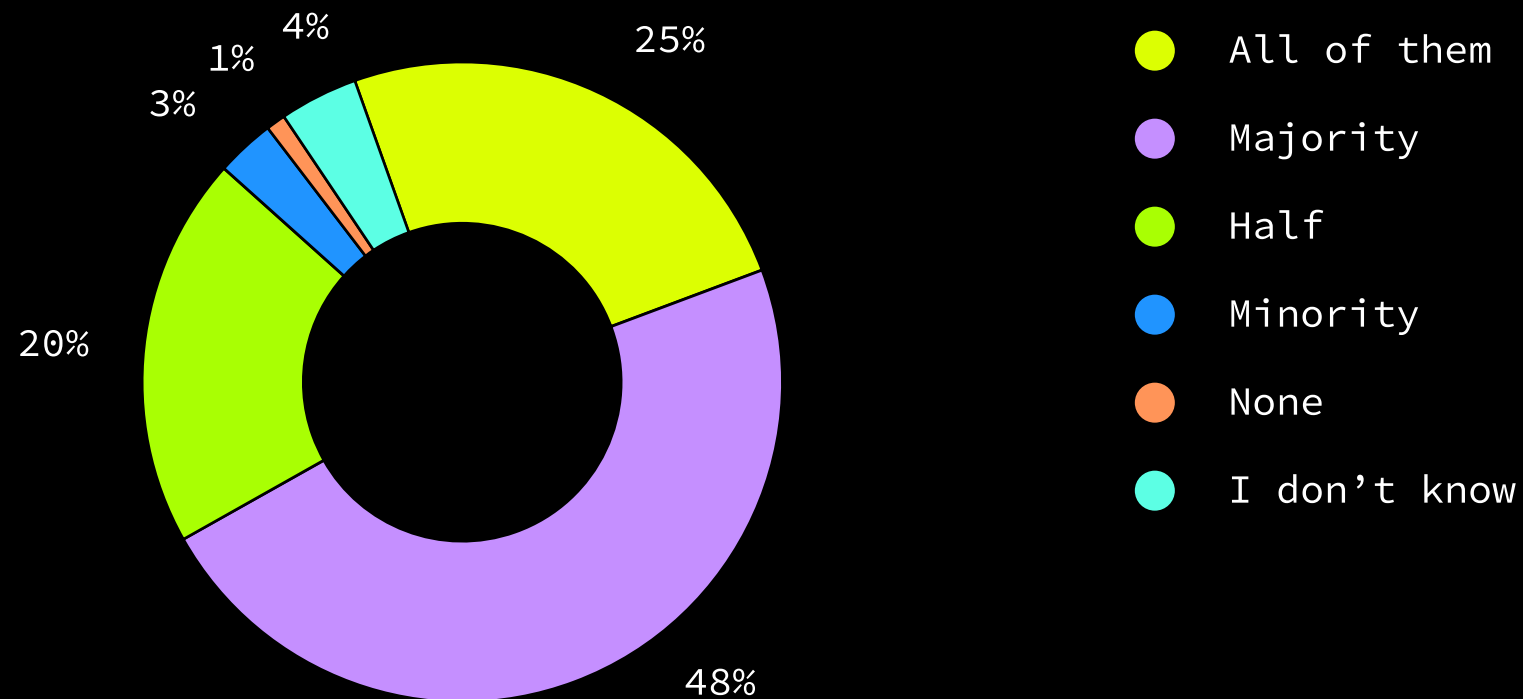
- 1 Someone who speaks English over someone who doesn't
- 2 Someone from the US over someone from outside the US
- 3 Someone more experienced
- 4 Someone with a better portfolio
- 5 Someone with a lower hourly rate
- 6 Someone with a culture/mentality close to mine
- 7 Someone less qualified but friendly over someone more experienced but unfriendly
- 8 Someone who is more proactive over someone who is strictly following the instructions



*Among the freelance developers
you've worked with previously,
how many were male?*

GENDER DISTRIBUTION

◀◀ *Among the freelance developers you've worked with previously, how many were male?*



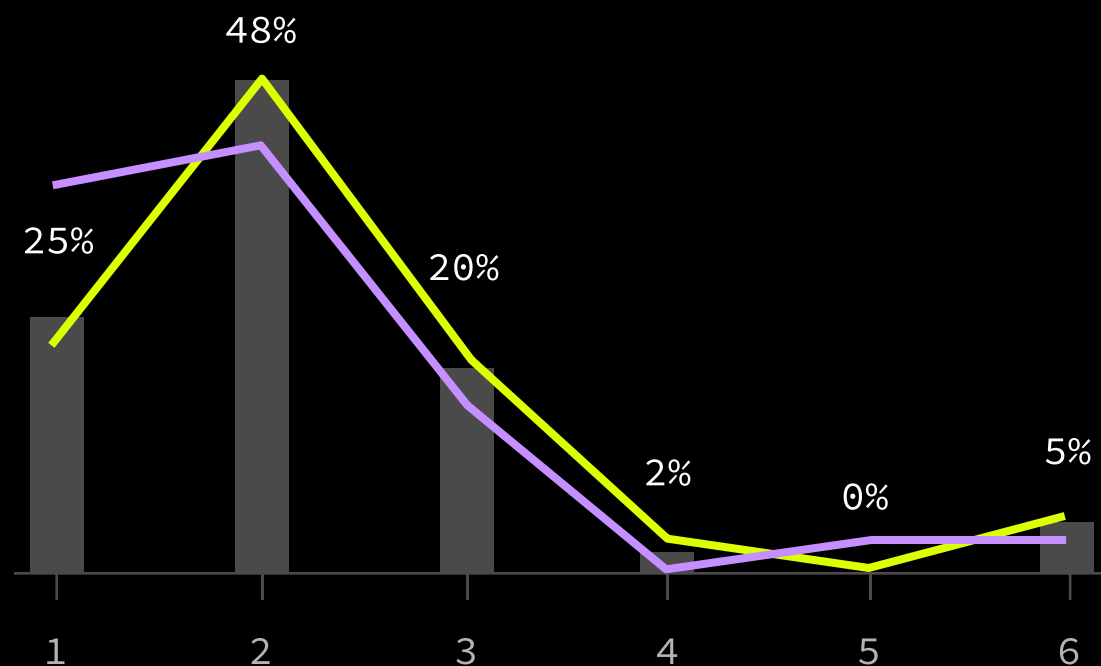
VS RESPONDENTS'S GENDER

◀◀ *Among the freelance developers you've worked with previously, how many were male?*

While we didn't notice any significant difference between the answers of female and male respondents when it came to the gender balance among previously hired freelancers, the one thing that varied was that a bigger percentage of female respondents said that all of the freelance developers they've worked with before were male (38%) and male respondents more often chose the «majority» option.

VS RESPONDENTS'S GENDER

« Among the freelance developers you've worked with previously, how many were male?



- 1 All of them
- 2 Majority
- 3 Half
- 4 Minority
- 5 None
- 6 I don't know

- Male
- Female
- 35-44

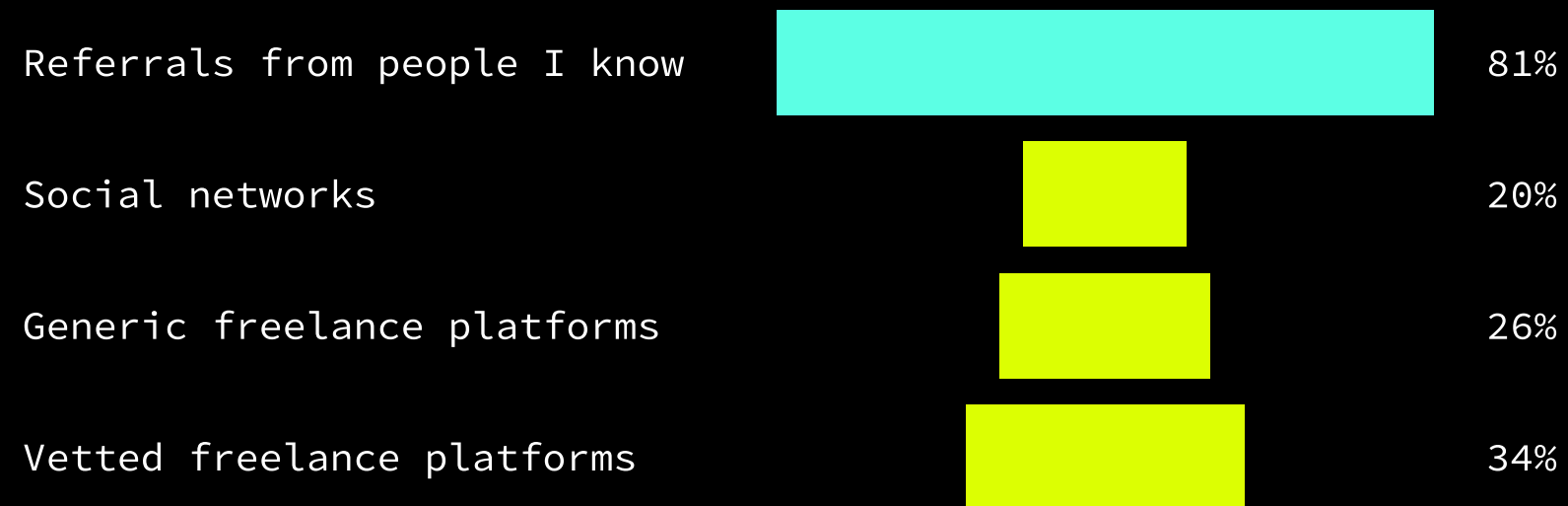
WORKING WITH FREELANCERS

12



*Where do you prefer to hire/find
freelancers?*

HIRE/FIND





What hourly rate are you willing to pay freelancers?

HOURLY RATE

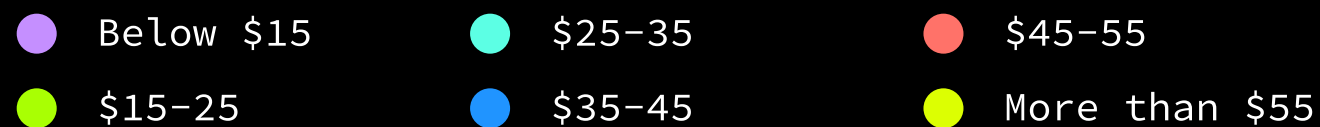
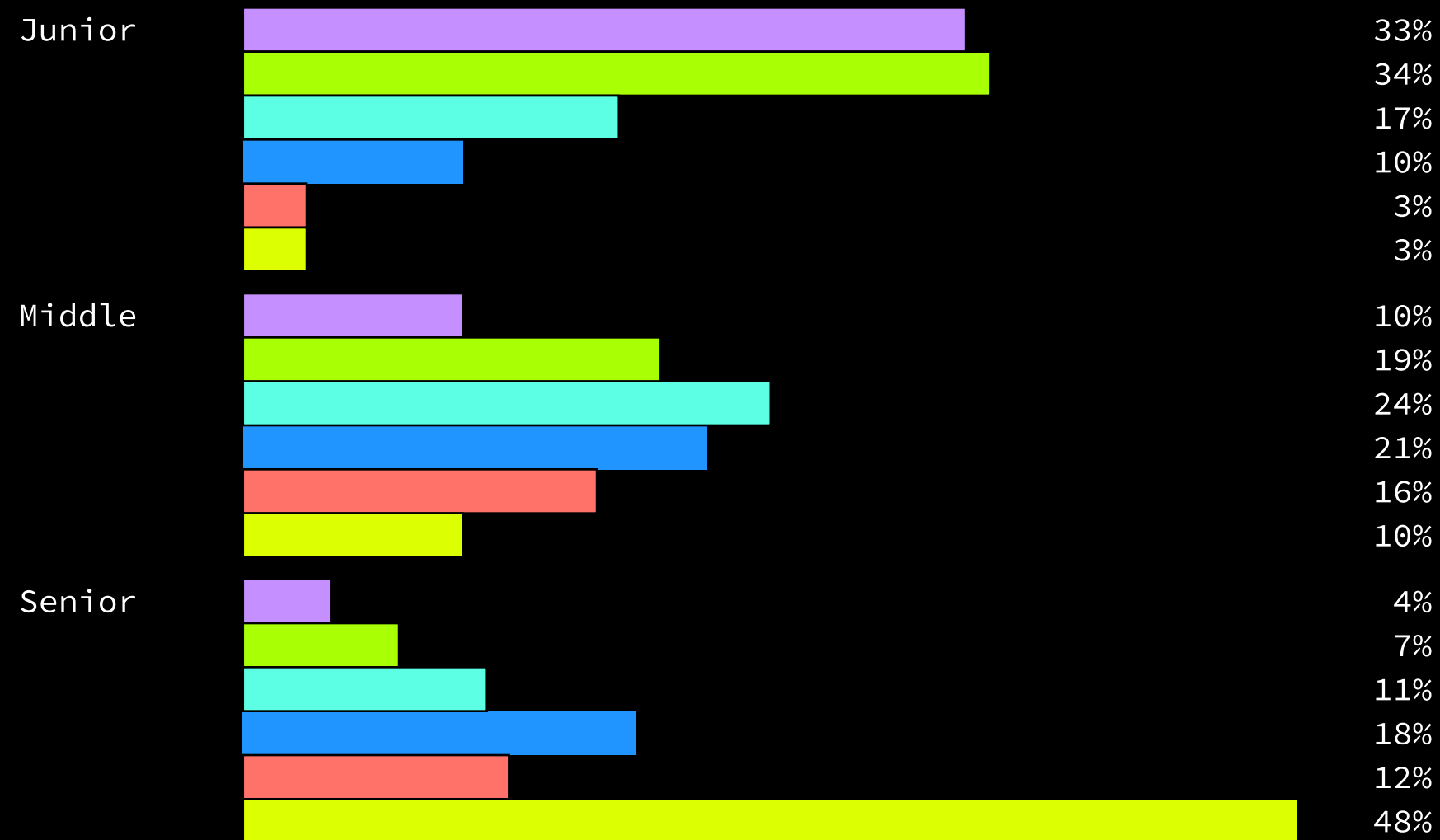
According to our respondents, only 4% were willing to pay senior freelance developers less than \$15/ hour, with the majority voting for \$55+/hour as being a fair pay.

The most popular hourly rates for junior developers stated as up to \$25/hour, and for the middle devs it's the range of \$15-\$45/hour.

Here's what our interviewees also had to say regarding the costs of hiring freelance developers:

- 'Generally agree on a flat rate based upon how much work/time/experience is likely required. This ensures we'll always know our costs ahead of time and gives the freelancer greater freedom and flexibility to perform task as they choose.'
- 'I hire based on: talent/skill first and see if I can stay within budget and make a profit. Also depends on what the project requires and if it's a one-off or could lead to more work.'

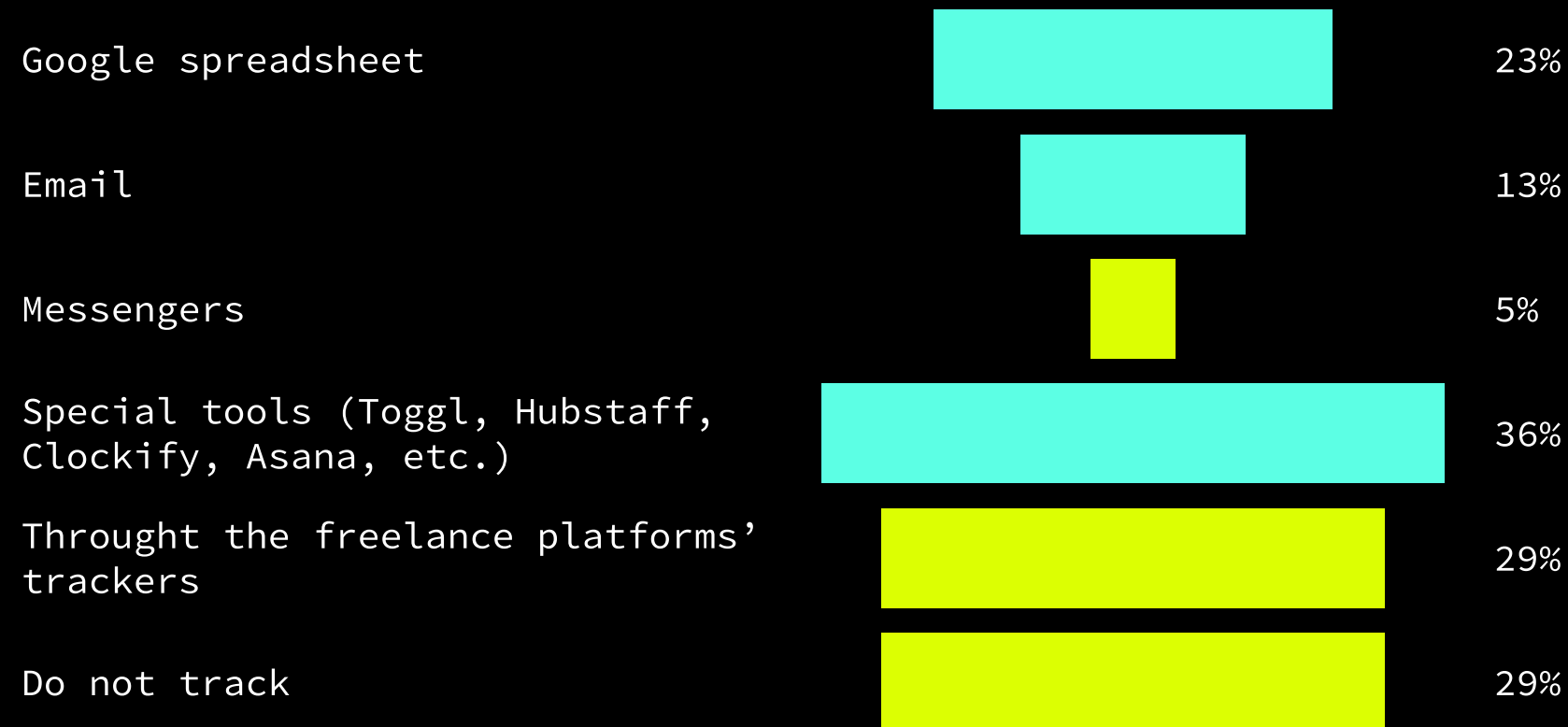
HOURLY RATE





How do you track freelancers' hours?

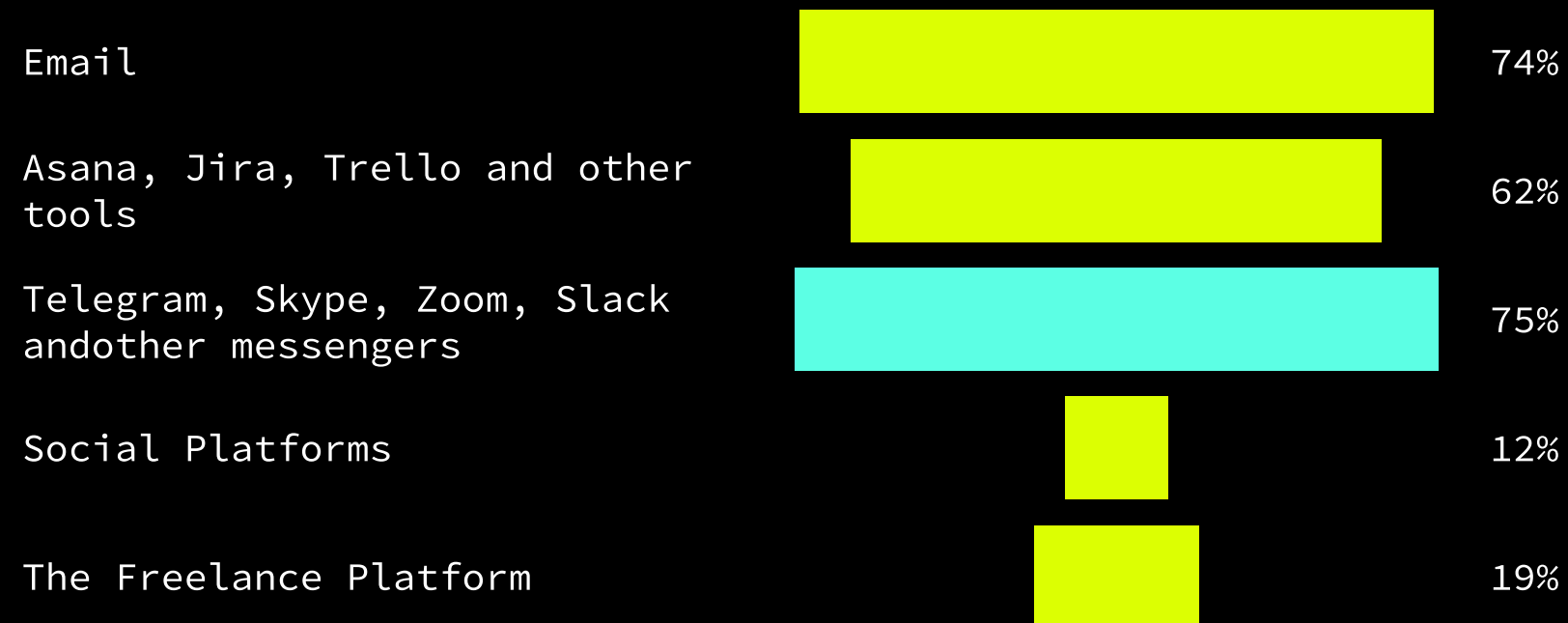
TRACKING HOURS





*What collaboration tools
do you use?*

COLLABPRATION TOOLS



**PREVIOUS
EXPERIENCE
WITH
FREELANCERS**

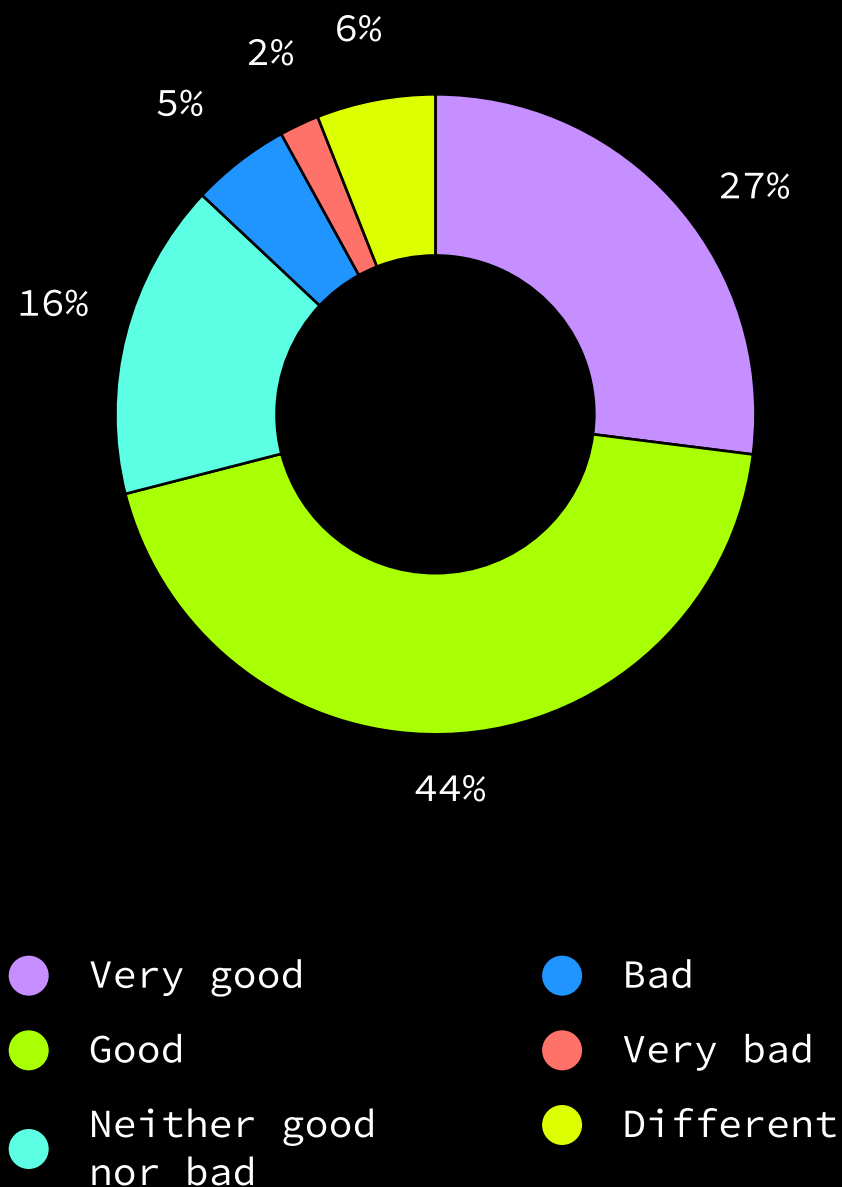
13



*How was your experience
working with freelancers?*

OVERALL

◀◀ *How was your experience working with freelancers?*



71% of respondents stated their previous experience of working with freelancers was good or very good.

On the contrary, only 6% graded their experience as bad (5%) or very bad (2%).

The same amount of people (6%) said they've had different experiences with freelancers.

VS WHERE TO HIRE/ FIND?

◀◀ *How was your experience working with freelancers?*

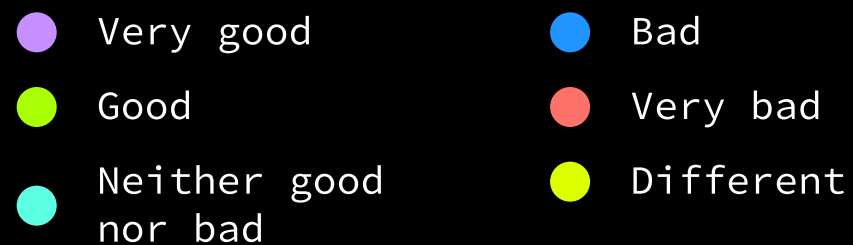
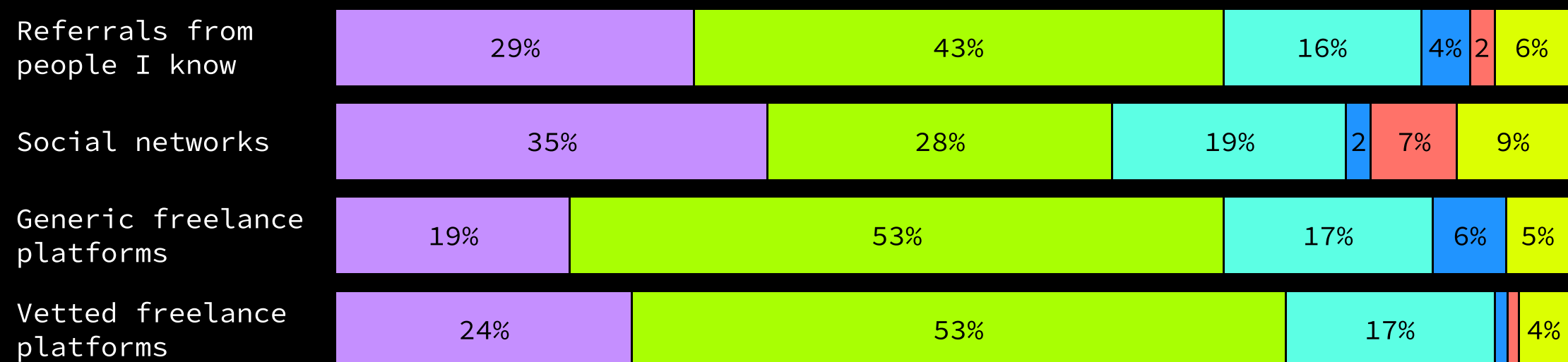
The people who stated they were the most happy about working with freelancers were those who hired developers from vetted freelance platforms. 77% of respondents stated that they had positive experience from hiring freelancers through vetted platforms, and only 2% of them had a negative experience.

Generic freelance platforms also got mostly positive reviews with 72% of positive answers. However, the share of negative experience answers was higher – 7% and the overall happiness was even lower than for those who hired freelancers based on referrals.

Those who hired through social networks reported to have the worst experiences. However, this way of hiring was reported to be quite polar – 35% of all respondents stated they had very good experience hiring through social networks (the largest share).

VS WHERE TO HIRE/ FIND?

◀◀ *How was your experience working with freelancers?*



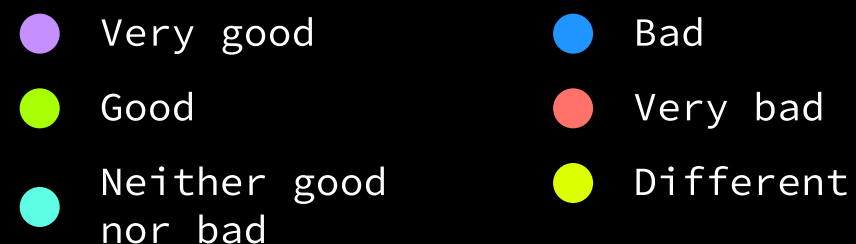
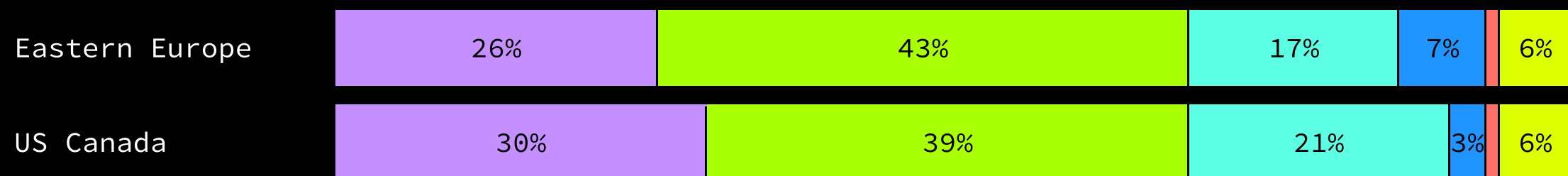
VS PREFERRED COUNTRIES

◀◀ *How was your experience working with freelancers?*

Since Eastern Europe and North America were the two most popular locations to outsource development to, we decided to compare the experiences of people who hired from those regions. As you see, despite minor fluctuations, there is no significant difference between the two.

VS PREFERRED COUNTRIES

◀◀ *How was your experience working with freelancers?*



VS TRACKING HOURS



How was your experience working with freelancers?

How do you track hours of freelancers?

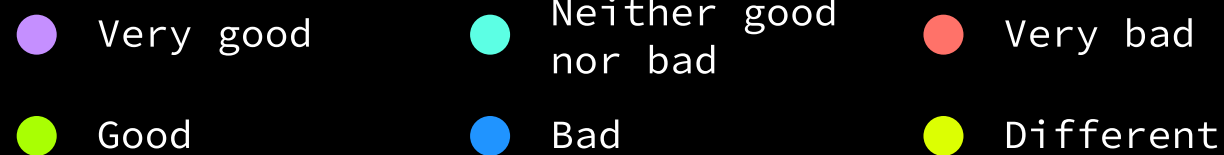
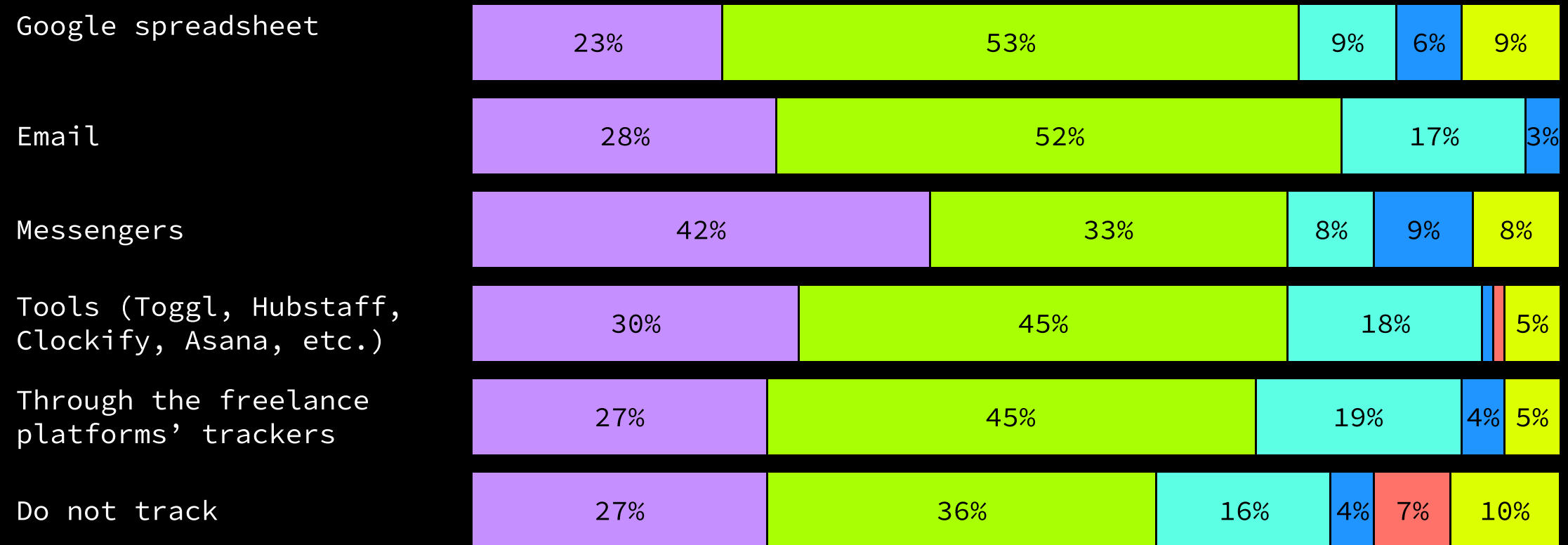
The respondents who reported not tracking freelancers' hours at all tend to have the least successful cooperation with them. On the other hand those who track developers' hours through email or using dedicated tools & trackers, report much better experience.

VS TRACKING HOURS



How was your experience working with freelancers?

How do you track hours of freelancers?



VS COLLABORATION TOOLS



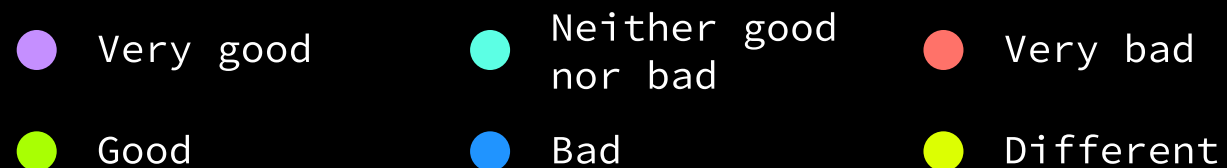
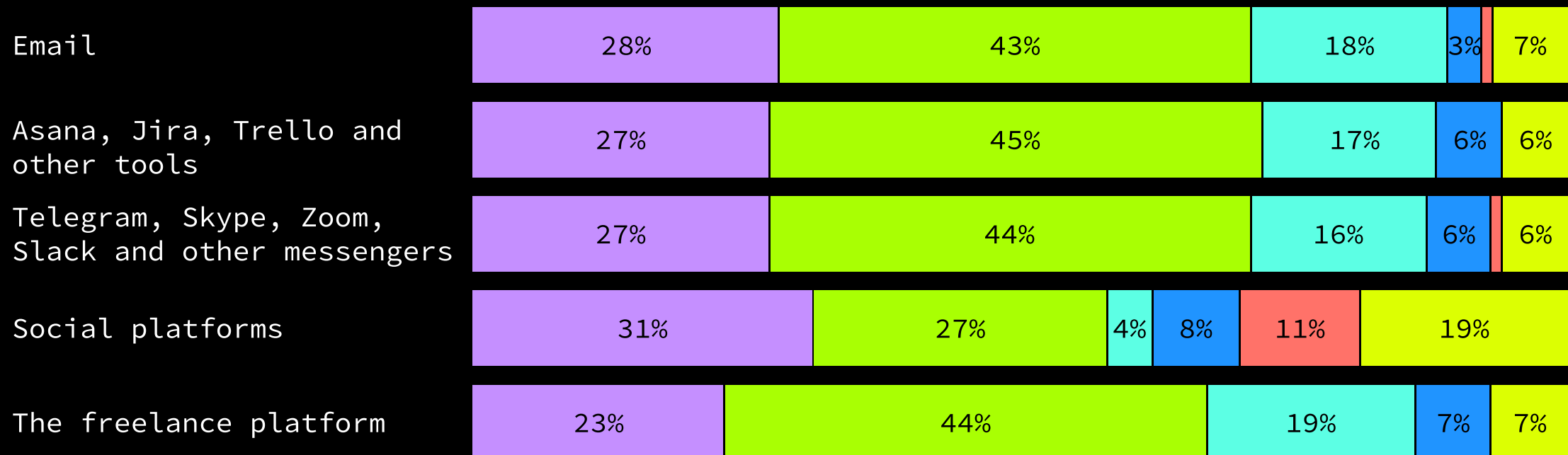
How was your experience working with freelancers? What collaboration tools do you use?

Another factor that seems to result in bad experience with freelancers is using social media platforms for collaboration with developers.

VS COLLABORATION TOOLS



How was your experience working with freelancers? What collaboration tools do you use?



BEST AND

WORST

EXPERIENCE

14

COMMENTS



*Tell us a couple of words
about your best and/or
worst experience*

Positive experiences:

- ✓ A freelancer did an excellent job on one project at a very reasonable cost with little need for supervisions. Yet on a later project, that same freelancer needed more.
- ✓ A freelancer rearchitected an API platform with data libraries, reducing deploy time, and increasing data architecture consistency for the company.
- ✓ We have freelancers that have been working with us since 2013, and that are basically family now.
- ✓ Best experience is getting a custom landing page built in record time when one of my in-house developers wasn't able to work that day.
- ✓ The freelancers that I've worked with all had the initiative to do more than that was required of them which I admired the most.
- ✓ Best hire – became co-founder & CTO.

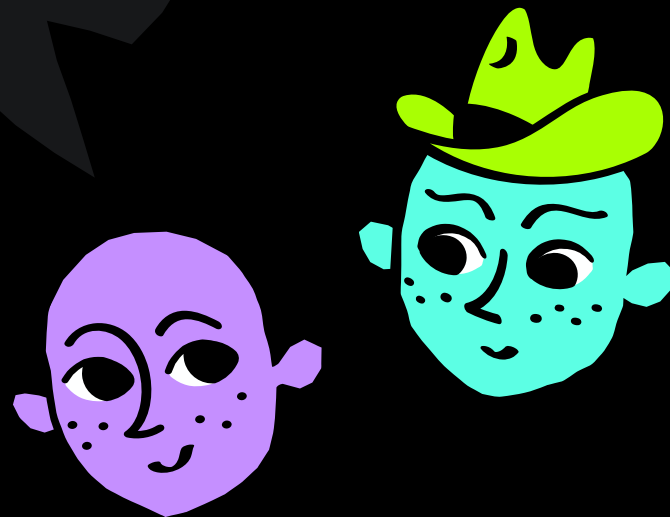
Negative experiences:

- ✗ After ending the project, i was offered for a higher price, if not he will delete the website from the hosting.
- ✗ Worst experience was being ghosted for two weeks when I had a client deliverable deadline.
- ✗ Time zone and communications are a problem. Even when english is good sometimes things get lost in translation. Requirements and objectives must be very well defined to make up for remote, culture, and language challenges.
- ✗ Worse experience is when a freelancer disappeared the day before we launched our product and came back couple weeks later.

Suggestions regarding hiring freelancers:

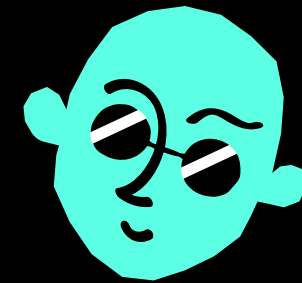
The caveat of "trust a freelancer" is that they would need to be vetted by in-house engineering team

Freelancers tend to be more on call versus agencies. I feel like hiring agile experienced individual contributors for quicky but slightly heavy lifts if the most efficient versus campaign-level projects that typically require full teams



Suggestions regarding hiring freelancers:

I found that all freelancers we hired were really dedicated and worked as if they were part of the company. Of course, this is only possible if a proper selection process is in place. I recommend choosing 2 to 3 top talent and have them complete a small project (paid). You ask them to complete the exact same work and then compare the results and interactions you have with them while reviewing your work. Yes, you'll pay 2 to 3 times for the same small task, but it could save you a lot of problems

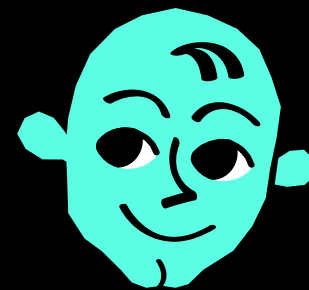


Some interesting insights from the respondents' comments:

I've only worked with remote teams. Tried to hire local out of stanford but americans all have their side projects and tough to compete with Palantir, FB, Google who are constantly poching top talent

Finding the right person is the biggest issue. I've wasted a lot of time with poor freelancers. But once you find the right freelancer, it's amazing

I find it to be a win-win situation. You find freelancers who can do menial tasks for a low cost as they are paid precisely for the work they do, not paid simply for turning up. On the flip-side, if you need some specific work, hiring an expert freelancer gives you access to top talent



TO HIRE OR
NOT TO HIRE?

15



*Would you recommend hiring
freelance developers to other
entrepreneurs?*

WOULD YOU?

