

African star tech start-up lays off hundreds of junior developers

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Major African tech start-up Andela sacked hundreds of its staff this week—the majority from Nigeria—in one of the largest layoffs in the continent's budding tech industry.

The start-up, backed by hundreds of millions of dollars from investors including Facebook and tennis star Serena Williams, laid off more than 250 junior software developers in Nigeria and Uganda, with up to 170 trainees in Kenya "impacted", it said in a statement on Tuesday evening.

Andela is ending its entry level training programmes for tech developers in the three countries. Training will only continue in Rwanda out of its four bases in Africa—in a major departure from its business model.

"Our initial strategy was to identify high-potential talent on the African continent, train them in software development," co-founder and CEO, Jeremy Johnson said in a statement.

"It's also become clear, however, that the majority of the demand is for more experienced talent," he said.

The company which has over 1500 engineers, trains talented developers in Africa and outsources them to some 200 <u>tech companies</u> in US tech haven Silicon Valley and around the world.

Yet the US, its largest market, has seen a growth of junior web developers, decreasing demand from Africa.



The majority of its engineers are junior level, yet it will now focus on training and hiring experienced staff.

Andela was founded in 2014—its name inspired by former South African president, Nelson Mandela—to fill a shortage of skilled software developers and invest in Africa's best minds.

"Brilliance is evenly distributed, but opportunity is not", its founders have said, seeking to challenge common perception that there is a lack of technical professionals in Africa.

The start-up has won mass plaudits across the continent and caught the attention of high profile investors, with Mark Zuckerberg and former US Vice President Al Gore key backers.

In January, Andela raised \$100 million from venture capital funds, bringing its total funding to 180 million dollars—cementing its status as one of the most highly regarded tech firms in Africa.

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