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THE FUTURE OF WORK -- THE CHANGING TALENT GAME

How To Keep Your Job Onshore

An ever-wider variety of white-collar jobs is being sent offshore. Here's how to make sure yours isn't one of them

How do you keep from being Bangalored? Or Shanghaied? That's the question Valparaiso University freshman Matt Cavin asked himself two years ago when he was in China on a summer study program. Young Chinese were intently studying English, science, and math. One day, when he was sitting by a lake reading Thomas L. Friedman's *The World is Flat*, a Chinese student approached, wanting to practice his English. As they talked, Cavin mulled Friedman's message about U.S. jobs moving to low-cost countries such as India and China, and he had an epiphany: "I started thinking about what it means to be in active competition with kids overseas. I realized I had to set myself apart."

When he returned to the U.S., Cavin mapped out an ambitious self-improvement program. Gone was his theology major. In its place, when he graduates next spring, he'll have no fewer than three bachelor's degrees: international business, economics, and Mandarin. Cavin, 21, sees plenty of opportunities. He isn't running scared. But he's running.

As he should be. We're entering a new phase of outsourcing where an ever-wider variety of American and Western European jobs are being sent offshore. First it was the software programmers, then call-center employees, then back-office personnel in accounting, banking, and insurance. Now it's financial analysts, pharmacists, lawyers, and research scientists. There's practically no limit to the types of white-collar jobs that can be shifted, as long as the work can be done via the Web and telephone.

Fortunately the offshoring trend is moving with the speed of a road paver rather than a hot rod, so there's time for alert Americans and Europeans to scramble out of the way. The safest bet is having a job that absolutely requires your physical presence, such as being an electrician or brain surgeon. Failing that, sustainable careers typically are those that involve deep relationships with customers and extensive knowledge of local market conditions. It helps if you have multidisciplinary skills that aren't yet common in many low-cost countries. (Think computer science plus biology, or law and international business.) Bonus points go to those who perform well in person with the boss. And while entire jobs are being moved offshore, in many cases it's discrete tasks that are shifted. So U.S. and West European workers need to break down their jobs into the tasks that are easy to move and those that are not—and make sure they're excelling in the second category.

The face-time factor was one of the variables that Alan S. Blinder, a professor at Princeton University, built into the "offshorability index" he published in March. Atop Blinder's list of the most likely white collar jobs to be sent overseas are software programmers, data entry clerks, draftsmen, and computer research scientists. Overall in the U.S., Blinder classifies 8.2 million people's current jobs as highly offshorable and 20.7 million more as offshorable. "The message is: If your job can be done by a person in India who is just as smart as you but works for a fraction of the wage, you're in a perilous occupation," he says.

Plenty of jobs have been lost already. Between 2000 and last year, the American computer programmer work force fell from 530,730 to 396,012, or about 25%, according to the U.S. Bureau of Labor Statistics. A different BLS measure, however, shows the number of people in computer systems design services is at an all-time high. So, while some lower-level programming jobs are moving offshore, techies who specialize in advising clients are still in demand.

Yet the pressure from offshoring never lets up. One outsourcer, Integreon Managed Solutions Inc., has 500 employees serving the financial-services industry, most of them in India. Integreon's engagement with a marquee New York investment bank demonstrates how these relationships shake out for U.S. and British employees. Before the dot-com bust, the bank, which asked not to be identified for this article, did in-house research for potential clients on acquisition targets, markets, and valuations. The work was performed by researchers and junior analysts. Now 50% of basic information gathering is handled by Integreon. The bank's research department receives requests for information from its investment bankers, evaluates their complexity, and farms out the most straightforward tasks to Integreon in India.

Yet for those on Wall Street who fear for their livelihoods, there's hope. In the Integreon example, more complicated tasks that require local knowledge and analytical skills are retained for the bank's own employees. For instance, a junior analyst in New York might unearth a great acquisition opportunity that's not readily apparent from simply studying financial reports. The bank's clients are looking for just such

providing more sophisticated pieces of research," says the bank's research director. In the process, the junior analysts are improving their job security and setting themselves up to become investment bankers.

Law is another developing hot spot for offshoring. While large law firms have been slow to shift work to India, corporations and smaller firms are taking the plunge. LegalEase Solutions, a Detroit outsourcing business with 50 clients in the U.S., shows how it's done. The firm's 20 Indian lawyers handle everything from researching legal precedents to writing drafts of briefs. Clients submit requests by e-mail. A LegalEase lawyer in the U.S. reviews them and assigns them to lawyers in India. The Indians do the research, analysis, and writing but are supervised by the U.S. attorney.

The service lessens the need for LegalEase clients to hire associates to do legal grunt work. At Fausone Bohn LLP in the Detroit suburb of Northville, Mich., a staff of 10 lawyers farms out tasks, such as writing case law memos, that the attorneys use when preparing briefs. The main challenge is getting lawyers comfortable with the process. "There's a certain amount of worrying that if we take this offshore, their jobs might be next," says partner Paul F. Bohn. But lawyers who excel at taking depositions, cross-examining witnesses, and writing complex legal briefs that require detailed knowledge of a particular case still have a place. It's the interpersonal and communication skills that will make them vital additions to a legal team in Detroit, New York, or London.

For financial firms and law offices, outsourcing usually involves less complex entry-level tasks. Yet some professional jobs that are moving offshore require elite skills, and that makes the task of holding on to your position trickier. Accenture, the consulting giant, has a team of chemists, physicians, statisticians, and pharmacists in Bangalore helping Western pharmaceutical companies review and document the results of clinical trials. Emboldened by the results Accenture (**ACN**) achieved for them, Wyeth executives have opened a clinical research lab in Bangalore where they design new drug-testing protocols. When the lights go out at the company's research center in Collegeville, Pa., its Indian researchers start their day in Bangalore—performing exactly the same work. One of the keys to career security at U.S. research labs is to craft a job that requires frequent interactions with customers or government labs—stuff that can't so easily be done by a brainiac in Bangalore.

Individuals worried about their careers should try to spot trouble and make adjustments early. Four years ago, Iain Davidson, a 25-year IBM (**IBM**) veteran who lives in Raleigh, N.C., saw that the work he was doing as a procurement manager for the company's PC unit was increasingly moving to Asia. So he set about reinventing himself. Davidson took a course offered by IBM (**IBM**) in how to communicate well with clients. He now manages procurement for an IBM client, NiSource, a Midwest utility company. "You can't take anything for granted, but so far, they want this job done face to face," Davidson says.

By Steve Hamm

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