

THE INDIAN PERSPECTIVE ON THE OFFSHORE OUTSOURCING SCENE: THE GOOD, THE BAD, AND THE UGLY

by K.V.K.K. Prasad

For a developing country like India, the IT industry has done wonders at least for a small percentage of the population. The outsourcing of IT services from developed countries, particularly the US, is making a tremendous impact on the economic, social and psychological aspects of a young generation of boys and girls. And, this is the best of times and also the worst of times.....

Almost 25 years ago, when the IT 'revolution' was yet to start in India, the fresh graduates had very few job options--only in government organizations and public sector organizations. Thanks to the IT outsourcing industry, today's opportunities for the fresh engineers are extraordinary. And, every graduate, irrespective of his/her major, is opting for a career in IT. That is no surprise, when an engineer with 2 years experience gets more salary than the Professors who taught him.

In many other countries while the reasons for lesser enrolment of girls in computer science are being probed, in India that is THE field of choice for majority of the girls. A visit to any computer science classroom shows that almost 50% of the students are girls. It is a welcome trend; the parents of girls are encouraging their daughters to take up computer science stream as the jobs are 'soft'.

I dislike it when my wife compares me with my neighbors, but then such comparisons are inevitable in life. When I got married, my wife joined me in a small rented house with no amenities. With my meager salary what all I could buy was a portable black and white TV to watch programs broadcast by an agency under government control. It is amazing for my wife when my neighbor, the young IT boy gets married and his wife walks into a spacious own house equipped with a home theatre, refrigerator, microwave oven, air-conditioned bedrooms; and a big car.

Branded shirts, branded shoes, dinners at Pizza huts and McDonalds, a new car every 2/3 years--life cannot be better. And, it is as if the whole economic growth is by them and for them. When insurance agencies and banks announce new financial plans exclusively targeting the IT professionals, when parents want that their daughter is married only to an IT professional, when the real estate developers build homes exclusively for IT professionals--you certainly feel that the Indian IT professional has made the greatest impact on everything and everybody. It is as though all other industries are ancillary to this industry.

The accelerated economic and professional growth certainly will have its implications. Sedentary and stressful life style of these professionals is now leading to major health problems--hypertension, heart ailments, gastroenterology problems for people in their late 20's and early 30's even. But then every problem is a business opportunity. Now

emerged a new industry for keeping IT professionals fit through gyms, yoga, crash courses on art of living and art of managing stress. Cyber-yoga is yoga designed specifically for IT professionals of this cyberspace; desktop yoga deals with yogic exercises that can be done while sitting in front of your desktop.

As more and more reports pour in (for example, "Globalization and Off shoring of Software" of the ACM Job Migration Task Force), the software industry associations give projections for the next few years on the demand for IT professionals and also ring alarm bells on how much shortage is there for manpower. Then, the governments sanction engineering colleges. If nearly 1 million students are educated on IT related fields every year how do you ensure quality? If the HR managers of the IT industry complain that the hit percentage is just 5 (if 100 persons are interviewed, only 5 are selected), then suddenly you realize that focus is not the quantity, not quality. When the teaching community continues to get those small pay packets, every university/college is short of quality teachers, and hence their output, is also short of quality. As a result, for every IT professional that is having a great time and a lucrative job, there are 20 others who are either unemployed or underemployed (if degree is the only yardstick). That has given a chance for another industry--training industry. Training of fresh engineering graduates in latest tools and techniques and certification examinations is a real money spinner. The offers are attractive too, "if you pay for training in Unix, training in C is free".

But then, this additional training does not get a job for everyone. Those who are still left out produce false experience certificates and try to get into the jobs. Yeh, there is a business opportunity here too--some business houses give a false certificate, generate false pay bills and even answer the verification queries of the prospective employers--all at a price.

Unfortunately, even with false claims of experience, some candidates are still on the streets. They now have the next option--get into a US university for higher studies. There is yet another business opportunity here: TOEFL/GRE/GMAT training; then visa counseling. And then, it seems they need to show lot of bank balance to get a visa (right or wrong, I don't know--but that is the general notion prevailing). So, at a price, some business houses temporarily transfer funds into the bank account of the candidate when the candidate goes to the US consulate for visa interview.

And, a small percentage of candidates are still left out (fortunately, there are a few who consider it unethical to claim false experience). These left outs are the inputs to small and medium enterprises who address the domestic IT market and also surprisingly carry out a good amount of research and development. Every country needs some in-house R & D; and surprisingly very few big IT companies invest in R & D in technology. They spend money on upgrading the skills of their employees and they call it R & D. The big companies focus is so much on the service industry--after all there is no risk in providing services and there is risk in R & D. Hats off to their entrepreneurship and business acumen. The service industry is also obsessed with doing outsourcing projects for foreign clients. You can call up a domestic call center and find out how courteous they are--after

all the callers to the domestic call centers are not foreigners.

If the outsourcing has its impact for good and for bad on the individuals, it also has an interesting impact on the social aspects too. With IT enabled services, call centers and BPOs, boys and girls, in their late teens and early twenties, become financially independent and have a good purchasing power. Mahatma Gandhi once said "the day a woman can walk freely on the roads, that day we can say that India achieved independence". If you go to the major cities in India, you will find girls moving freely at midnight. It has gone further. In a country where talking (let alone doing) pre-marital sex is a sin, if the managements of call centers educate the employees on AIDS/HIV and safe sex; contemplate keeping condom machines in the office premises; and if the office air-conditioners and toilets choke with used condoms--that is a small price to pay for boosting the economy of a developing country.

The percentage of arranged marriages (wherein the parents search for the bridegroom) is going down and the percentage of love marriages is going up--perhaps a welcome trend.

Even in arranged marriages, preference is always for IT professionals, other professions, only as a last resort! The marriage age is no longer early 20's, it is early 30's. And, when a busy rich boy and a busy rich girl get married; they have two bedrooms--the boy and the girl need to attend to 'conference calls' from the US client. And, they are so busy--meeting deadlines and traveling, they have no time for children; or for their old parents. Hm, another business opportunity--there is a tremendous growth of old age homes in India.

When I narrated all this to an American, he asked me "What is the conclusion?" I replied: "I don't want to conclude anything; I am just an observer, giving a running commentary".

But then, what is the underlying current that makes all these things happen? It is the money. But then, yes, money is the metric. In India..In America...throughout the world. It's time we rethink about money.. Is money the only metric for measuring development--development of individual, development of a business house, development of a country and development of society?

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