

For laid-off IBM workers, a job in India?

An IBM program offers some incentive to relocate. Americans who have migrated overseas find less pay – but a good lifestyle.

By Ben Arnoldy | Staff writer/ March 26, 2009 edition

IBM announced a major round of US layoffs on Thursday, even as the company has been hiring workers in developing nations like India.

But over the past year, the company began offering US workers who are facing a job cut a novel carrot: If you apply for a new IBM position in a foreign country and are hired again at local wages, we will cover some of the transition costs like visa fees.

Few IBMers have taken the offer, and the firm has taken public relations lumps over it. But a handful of pioneering Americans at other firms have started to shop their skills on the Indian market, finding fulfillment and job security at a time of deep recession back home.

The IBM offer hints at a future where it's not just skilled Indians who might have to travel halfway around the globe for a job. It's likely that more American job seekers will have to think globally, say analysts, and the experiences of Americans who have taken jobs with companies here say it's not something to fear.

"I was making six figures when I left the States. I'm making six figures here – in rupees," laughs Jeanne Heydecker, a marketing executive now living outside of Delhi and working at her third Indian company. The salary for this single mother actually translates to roughly \$50,000 a year. But it would be a mistake to suppose her quality of life has gone down.

Most everything she could want is available in Delhi. The healthcare, she says, has been top-notch and bottom-dollar. And like most Westerners and wealthy Indians here, she is able to hire people to cook, clean, and drive for her.

"You can come home from work and focus on your family, not on maintaining the car and the housework," she says. She left Chicago in 2007 after realizing that she was bored at work and didn't see companies nearby that were hiring "new people to do new things." Through the social-networking site LinkedIn.com and Skype, Ms. Heydecker talked with the head of a Calcutta technology company who eventually hired her sight unseen.

Not yet a well-worn path

Hers is not yet a well-worn path. But in the coming decades, it will be, says

Arvind Panagariya, an expert on the Indian economy at Columbia University in New York.

“Does the average American [worker] think globally? No. I don’t think we’re at that stage yet. But it will happen,” he says. “Such a massive technological revolution will cause the borders to blur, if not disappear.”

So far, there isn’t much evidence of Americans expanding their search beyond places less like Peoria and more like Pune.

“In previous recessions, we have seen such an increase in interest in overseas jobs, but not this time,” says Lisa Hystad, publisher of the International Career Employment Weekly. “Perhaps that is due to the many news stories stating that the economic downturn is worldwide.”

In IBM’s case, fewer than 20 people have taken up the offer for help in locating a new IBM job overseas, estimated company spokesman Doug Shelton, speaking Monday before the latest layoffs. He declined to make any employees available for interviews.

But the jobs in places like India are worth considering, Mr. Shelton suggested, saying that the cost of living is lower and international experience is highly prized in a global marketplace.

“It didn’t go down very well,” says Lee Conrad, a national coordinator with the Communication Workers of America who is trying to unionize IBM. “It was like people felt they were seeing not only their jobs offshored but their citizenship offshored.

“It’s definitely a huge loss in wages to the American worker,” he adds. “I think that’s why it isn’t being so readily accepted. In years past, IBM would transfer an employee to another country, but they would stay with their US wages. That’s changed.”

Mr. Conrad adds that IBM workers are upset at having to train Indians to do their jobs, only then to be laid off.

The sizzle of India’s growth has slowed some, declining to 5 percent this year. Prices for outsourcing services, a key industry in India’s new economy, could be slashed up to 20 percent by 2010, according to Gartner Inc. in Stamford, Conn.

Still, there remains a whiff of opportunity in the air in places like Pune, a mid-sized city in southern India that feels far from America’s economic doldrums. Construction cranes tower in the sky and spools of cable and piles of pipes line the roads as apartment buildings, office buildings, and hotels continue to be built.

In one of the new office high-rises, Mindcrest, a legal outsourcing firm, has recently hired three Americans – and has plans to hire more Westerners in the coming year. Like Heydecker in Delhi, the three women are mid-career and weren't sent here on a temporary foreign rotation by a multinational firm back home.

"The [jobs] situation back home doesn't make me want to go back," says Michelle Vega, an attorney in her mid-30s who hears friends in the US describe businesses closing and mass layoffs. "I'd rather stay in Pune where people are still happy."

It's perhaps doubly surprising to be employed in a happy workplace when the office is a large room filled with hundreds of lawyers sitting at cubicles. The company hires mostly Indian attorneys to provide basic legal services – such as research, document reviewing, and contracts management – to large companies and law firms in the West.

Ms. Vega and her American counterparts Deirdre Byrne and Rana Rosen help the Indian attorneys understand what the Western clients want. None of them believe their work takes away American jobs, but say it instead frees young lawyers in the US from some early-career drudgery.

Over lunch, the three women laugh about stashing pine nuts, manila folders, and lint-remover rolling pins in their luggage when they come back from visits home. There are other challenges: power cuts, the bureaucracy of setting up basic services like a cellphone, and the more pervasive scenes of deep poverty on the street here.

Demanding job, nice lifestyle

But Ms. Byrne, who has worked as a high-powered Manhattan attorney and a realtor for Sotheby's in the Hamptons, sums up the consensus: "We have a very nice life, and for a fraction of the costs at home" – even with smaller salaries.

She stresses that the work is demanding "on the scale of a New York law firm," but comes with a "bonhomie" generally absent from Big Apple offices.

As for why more Americans are not considering work abroad, expatriates here admit it grows more complicated for those with more family ties.

Heydecker's teenage son had to give up friends and skateboarding but has adjusted well, she says. She adds that the advantages to working abroad are often not communicated well.

"I don't think companies like IBM are getting people in touch with those who are out here doing it, and showcasing those success stories," says Heydecker. "It

can be isolating in the beginning, but eventually, your life is pretty sweet. It all depends on how open your mind is.”