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Extra Will your job move to India?

Millions of U.S. jobs will be exported in the coming decade, forecasters say. Here are the jobs that are especially vulnerable, plus 5 that aren't.

By Philipp Harper

One of the most unsettling truths about the job market today can be found in two seemingly insignificant recent announcements by high-tech powerhouses Oracle and Hewlett-Packard.

Software giant **Oracle** (ORCL, news, msgs) said it's moving 2,000 developer jobs from the United States to India, doubling the number of developers it has on payroll there. Then **Hewlett-Packard** (HPQ, news, msgs) announced plans to close a customer-service operation in Florida and send the operation's 1,200 jobs overseas, again to India.

Though negligible when compared to the sheer numbers of job losses in manufacturing, the shifts by two technology companies are alarming for what they likely foretell: no less than the relocation of millions of high-end technology and

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service jobs from this country to less expensive foreign venues. In the process, there will be a redefining of what constitutes safe employment in America.

Number of U.S. jobs moving offshore

Job category	2000	2005	2010	2015
Management	0	37,477	117,835	288,281
Business	10,787	61,252	161,722	348,028
Computer	27,171	108,991	276,954	472,632
Architecture	3,498	32,302	83,237	184,347
Life sciences	0	3,677	14,478	36,770
Legal	1,793	14,220	34,673	74,642
Art, design	818	5,576	13,846	29,639
Sales	4,619	29,064	97,321	226,564
Office	53,987	295,034	791,034	1,659,310
Total	102,674	587,592	1,591,101	3,320,213

Source: U.S. Department of Labor and Forrester Research, Inc. All numbers have been rounded.

Its one thing to see a labor-intensive industry such as textile manufacturing shift to foreign soil, especially when the process has been going on for decades. Its quite another thing to watch the United States lose jobs that require highly educated workers and the support of a sophisticated technological infrastructure.

While current unemployment of about 6% isn't high by historical standards, there's no denying this trend toward job exportation.

The next generation of vulnerable jobs

A study by Forrester Research predicts that U.S. companies will transfer 3.3 million service jobs overseas by 2015, compared with just 102,000 jobs shifted in 2000. Meanwhile, the payroll associated with those jobs will rise from \$4 billion to more than \$136 billion, according to Forrester projections.

The early job exports are predominantly in the areas of information technology (including software and product development), customer service, back-office accounting and sales. Other major U.S. corporations that have sent service jobs overseas, where wage rates can be as much as 50% lower, include:

- Dell (DELL, news, msgs), which opened a customer-support center for its American market in India.
 - Delta Air Lines (<u>DAL</u>, <u>news</u>, <u>msgs</u>), which established reservations operations in India and the Philippines.
 - American International Group (<u>AIG</u>, <u>news</u>, <u>msgs</u>), which set up a processing operation in the Philippines to handle claims from its American General Life subsidiary.

As the trend gathers steam, Forrester predicts, other and more sophisticated types of knowledge-based work also will be exported.

The bottom line, says John Challenger, CEO of Challenger, Gray & Christmas, the Chicago-based outplacement firm: Its false to think the only jobs that could go overseas are low-skilled jobs that pay low wages.

5 safer sectors

The employment picture does have a bright side, though: plenty of good jobs in growing sectors are essentially unexportable.

Most are in services industries that figure to be among the fastest growing segments of the U.S. economy in coming decades. These industries run the gamut from fast-food server to physician, from security guard to bank president, and they can be found with employers both large and small.

Challenger identifies five sectors with an especially low risk of exportation:

- Health care. You cant go overseas to see a doctor or nurse or get physical therapy, Challenger
 points out. The aging of Americas population makes health care a good long-term career bet, he
 adds, singling out medical transcription and nursing as two particularly hot areas.
- Other in-person services. These are the jobs, like those in health care, that require a face-to-face
 interaction between provider and client. They are spun off by almost every human activity and
 interest. Teaching and training of all kinds constitutes one potential growth area, Challenger says,
 because education is being thought of as more of a life-long thing.
 - Real estate. Just as land is not exportable, neither are many of the activities involved in its
 development. In addition to real estate service, the category also includes residential and commercial
 construction and the burgeoning home-improvement industry.
- **Financial services.** As usual, it makes sense to follow the money. Americas vast capital holdings have spawned entire industries dedicated to their preservation and growth. Like the money itself, the jobs associated with it will be kept at home.
- **Security.** One outgrowth of the war on terrorism is increased demand for all types of security and military personnel. I see a lot more of this being needed over the next 20 years, Challenger says.

The services sector, in particular, is approaching red-hot status. General hiring in the services sector will be 22% greater on campuses this year than last, according to a recent survey by the National Association of Colleges and Employers, made up of college and university career counselors. And the most aggressive recruiters, says Bill Currin, director of Wake Forest Universitys Office of Career Services, are those from financial services companies.

Currin also notes that while government hiring is projected to be down this year, a worker shortage is developing at the federal level that will become acute in the next few years.

Hot jobs for the short run

Projections by the federal Bureau of Labor Statistics provide additional clues as to where the jobs will be in

coming years.

For the 2000-2010 decade, the BLS predicts, technology will account for eight of the 10 fastest-growing occupations, as measured by percentage increase. They are:

Where the jobs are

	# jobs added	% increase
1. Computer software engineers, applications	380,000	100
2. Computer support specialists	490,000	97
3. Computer software engineers, systems software	284,000	90
4. Network and computer systems administrators	187,000	82
5. Network systems and data communications analysts	92,000	77
6. Desktop publishers	25,000	67
7. Database administrators	70,000	66
8. Personal- and home-care aides	258,000	62
9. Computer systems analysts	258,000	60
10. Medical assistants	187,000	57

Of this group, the two software engineering jobs would seem to be the most susceptible to eventual relocation overseas. The two non-tech positions -- home-care aides and medical assistants -- are the least so.

When measuring the total numbers of new jobs created, the top 10 skew heavily toward in-person kinds of service jobs; food preparation and restaurant work, customer service, nursing, retail sales, and office and clerical work are among the occupations that dominate. Computer support and applications-software engineering are the only tech categories represented.

Where technology jobs are concerned, its important to distinguish rapid job creation from an inability to be exported. As more countries achieve parity in their technology infrastructures, they could be magnets for jobs that currently are U.S.-based, depending on differentials in labor costs.

An ignored jobs source

Another potential source of export-proof jobs -- one that perhaps is being overlooked -- is Americas small-business community.

While the BLS payroll survey indicates that 1.1 million jobs have been lost since the U.S. economy began to pull out of recession in the final quarter of 2001, its household survey indicates a gain of 1.4 million jobs.

This discrepancy may be attributable to the fact that the payroll survey often fails to capture self-employed workers or those who labor for the smallest companies. The household tally, by contrast, does account for such jobs.

So while looking for work that doesnt travel well, job seekers would do well to think small.

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