

OUTSOURCING HEADS HOME: REVERSAL OF TREND FOR CALL-CENTER JOBS IMMINENT



The principal concern that outsourcing brings is that it greatly reduces the number of jobs open to the American worker. Outsourcing has impacted many industries, prime amongst them being manufacturing and call centers. According to the Bureau of Labor Statistics, upwards of 3 million jobs have been lost to manufacturing jobs being moved overseas and US workers at call centers have seen tens of thousands of their jobs sent to distant shores, like India and Philippines, as companies searched for cheap labor. Mary Murcott, CEO of Novo 1, a Fort Worth, Texas-based outsourcing company said that outsourcing call-center jobs had dropped to around 12 percent, from a high of 30 percent four years ago. She said, call center jobs are "coming back, but nobody's talking about it." However, the inclination towards outsourcing, for a variety of reasons, seems to be reversing, especially in customer service jobs. Straightforward transactions, that earlier required manual assistance, such as changing a password, ordering products are being automated and do not require human interactions anymore. These technological advances, have given the workers who were earlier handling these duties more leeway and free time to devote to other more intricate tasks. Such tasks call for superior communication skills and product knowledge, opening up more jobs for Americans at home-based facilities. One of the prime reasons why these jobs are coming back, according to outsourcing expert George Schindler, especially in outsourced accounting and information technology jobs, is that companies are not happy with the quality of the jobs done. "Companies are not satisfied with the quality overseas, and they can't afford to have things reworked two or three times," especially in technology development, said Schindler, president of CGI Group Inc. Foreign-sounding phone staff with strange accents also put off many clients and some companies, especially credit-card companies, whilst maintaining their call centers in India, have a team within the US and Canada for their most-valued clients. Employers are also being forced to reevaluate their offshoring policies as the government is pushing legislation that would disqualify outsourcing employers and make them ineligible for federal grants or loans. Senator Bob Casey, D-Pa., is one strong advocate for such bills to be made law. His bill is centered on the call-center industry, which he feels is the worst affected, though the legislation may include other affected industries as well. More than 605 jobs were lost when a T-Mobile USA call center in the Lehigh Valley community of Hanover Township, about 110 miles northwest of Philadelphia had to close down. The company was quick to admit that it did not close down owing to business going overseas but was the outcome of a decision to reduce the number of U.S. call centers to 17 from 24. In a statement T-Mobile said they had two million less customers than before. The closing down meant loss of a 6-year old job for Barry Lagler Jr. who worked in technical support at the facility. His \$40,000 a year salary dissipated overnight, forcing him to work part-time in the food-industry as similar jobs, to the one he held earlier were not available anymore. As customer service jobs become more specialized and require fluency in the English language as spoken by the natives, it is more than likely that non-Americans will lose out on these jobs to Americans.