

March 8, 2007

## Offshore hiring frenzy darkens domestic high tech employment picture

While high tech enterprise vendors continue to partner up when needed, IBM and Cisco, Cisco and Microsoft, Microsoft and Sun, on the home front, all smiling for the camera so to speak, behind the scenes there appears to be a vicious battle taking place over who can hire more skilled high tech people off shore.

IBM is on its way to having 100,000 employees in India by 2010, according to Bruce Richardson, a very senior research analyst at AMR.

Accenture this year will have more employees in India than in the U.S. according to Vikas Sehgal.

Sehgal should know. He is president and CEO of [Nagarro](#), a boutique offshore software development company that caters to smaller companies who can't afford to hire and then stockpile skilled employees--as Sehgal puts it--like the big guys.

The major problem looming, if it isn't already here, says Sehgal, is that small enterprises can't compete with the large high tech firms in recruiting, which like professional football recruitment, often starts in high school.

Nagarro helps those smaller companies compete says Sehgal.

Sehgal also says the largest vendors are also [stockpiling H-1B visas](#). They can afford to apply for H-1Bs en mass and hire the employees months before they can be admitted into the States under the visa and actually start working.

"These companies are taking big chunks away from the available talent pool," says Sehgal. "H-1Bs are slanted toward larger companies because they have the money to stockpile more people," he adds.

The hiring frenzy overseas appears to be putting U.S. high tech workers between a rock and a hard place.

On the lower end of the spectrum where less skills are required, such as infrastructure support and maintenance, companies look to offshore to save money.

On the high end, where application development skills for creating core enterprise applications are needed, companies want the largest pool of potential employees they can find, no matter where they are located.

Globalization which at first was said to be disenfranchising workers from poorer countries may also be disenfranchising workers from the rich nations as well. So who benefits? I guess the big international companies who call no country home and who only answer to their share holders.