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In Search of the Next Bangalore

By Aryn Baker/Bangalore

A new word has appeared during watercooler conversations in offices across the U.S. The term is **Bangalored**. It refers to India's high-tech hub, and it means your job has just moved to India without you. But in the shifting global labor market, vernacular can quickly become outdated. What is the term for a job that is outsourced to India only to be relayed to China or Romania?

There is none--but one may soon be needed. That's because India, which virtually invented offshore outsourcing, is becoming a victim of its own success. Such companies as Infosys, Wipro and Tata Consultancy Services (TCS) grew into billion-dollar behemoths by tapping armies of quick-coding, English-speaking, low-wage techies to do the software programming and back-office tasks that U.S. companies used to perform in-house. But Indian salaries are rising--the median annual wage for a software engineer jumped 11%, from \$6,313 in 2004 to \$7,010 in 2005, according to India's National Association of Software and Service Companies (NASSCOM)--and the country's technical colleges aren't producing highly skilled workers quickly enough. So foreign companies are turning to low-cost markets outside India, like China, the Philippines and Eastern Europe, to do more of their grunt work. "China has much the same resources as us: great pools of talent and a young workforce--and better schools, airports and roads," says Kiran Karnik, president of NASSCOM.

So is Bangalore going bust? Not necessarily. But the competition has forced India's outsourcing giants to look for workers beyond its borders. Infosys, Wipro and TCS have all built outsourcing campuses in China and are actively recruiting Chinese employees to serve North Asian markets. Infosys has gone one step further by hiring 300 Americans who recently graduated from top universities. They will undergo six months of training in India and then be redeployed around the world. Wipro is considering opening a campus in Vietnam and plans to hire 1,000 bilingual speakers at a new center in Romania to service European clients.

So what's the word to describe someone whose job is outsourced to Romania via India? Wipro's Lilian Jessie Paul likes globombed. Sudip Banerjee, president of enterprise solutions at Wipro, prefers flattened, with a nod to Thomas Friedman, author of the globalization bible *The World Is Flat*. Says Banerjee: "The jobs will go to those who can do them best, in the most cost-effective manner. Geography is irrelevant." That's something Indians are starting to learn too.

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