

U.S. To Train 3,000 Offshore IT Workers

Federally-backed program aims to help outsourcers in South Asia become more fluent in areas like Java programming—and the English language.

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Despite President Obama's pledge to retain more hi-tech jobs in the U.S., a federal agency run by a hand-picked Obama appointee has launched a \$36 million program to train workers, including 3,000 specialists in IT and related functions, in South Asia.

UPDATE: *InformationWeek* has learned that USAID just launched [a similar campaign in Armenia](#).

Following their training, the tech workers will be placed with outsourcing vendors in the region that provide offshore IT and business services to American companies looking to take advantage of the Asian subcontinent's low labor costs.

Under director Rajiv Shah, the United States Agency for International Development will partner with private outsourcers in Sri Lanka to teach workers there advanced IT skills like Enterprise Java (Java EE) programming, as well as skills in business process outsourcing and call center support. USAID will also help the trainees brush up on their English language proficiency.

USAID is contributing about \$10 million to the effort, while its private partners are investing roughly \$26 million.

"To help fill workforce gaps in BPO and IT, USAID is teaming up with leading BPO and IT/English language training companies to establish professional IT and English skills development training centers," the U.S. Embassy in Colombo, Sri Lanka, said in a statement posted Friday on its Web site.

"Courses in Business Process Outsourcing, Enterprise Java, and English Language Skills will be offered at no charge to over 3,000 under- and unemployed students who will then participate in on-the-job training schemes with private firms," the embassy said.

USAID is also partnering with Sri Lankan companies in other industries, including construction and garment manufacturing, to help create 10,000 new jobs in the country, which is still recovering from a 30-year civil war that ended in 2009.

But it's the outsourcing program that's sure to draw the most fire from critics. While Obama acknowledged that occupations such as garment making don't add much value to the U.S. economy, he argued relentlessly during his presidential run that lawmakers needed to do more to keep hi-tech jobs in IT, biological sciences, and green energy in the country.

He also accused the Bush administration of creating tax loopholes that made it easier for U.S. companies to place work offshore in low-cost countries.

As recently as Monday, Obama, speaking at a Democratic fundraiser in Atlanta, boasted about his efforts to reduce offshoring. The President said he's implemented "a plan that's focused on making our middle class more secure and our country more competitive in the long run -- so that the jobs and industries of the future aren't all going to China and India, but are being created right here in the United States of America."

Obama in January tapped Shah to head USAID. At the time of his appointment, Shah—whose experience in the development community included senior positions at the Bill & Melinda Gates Foundation—said the organization needed to focus more on helping developing nations build technology-based economies. "We need to develop new capabilities to pursue innovation, science, and technology," said Shah, during his swearing in ceremony.

Sri Lanka's outsourcing industry is nascent, but growing as it begins to scoop up work from neighboring India.

In addition to homegrown firms, it's attracting investment from Indian outsourcers looking to expand beyond increasingly expensive tech hubs like Bangalore, Hyderabad, and Mumbai. In 2007, consultants at A.T. Kearney listed the country as 29th on their list of the top 50 global outsourcing destinations.