
<http://www.latimes.com/business/la-fi-indiaunion24sep24,1,3440420,print.story?coll=la-headlines-business>

Indian Workers Resist Unions

Employees in the outsourcing industry toil long hours but balk at organizing efforts.

From Associated Press

September 24, 2005

BANGALORE, India — From Europe and North America, India's offshore workers — call center operators, data entry clerks and telemarketers — may seem like the sweatshop laborers of the information age, toiling long hours for meager pay.

But an international alliance of unions that wants to organize them is finding a very different reality in India: Many workers think of themselves as members of a relatively well-paid, respected professional elite in no need of a union's protection.

"I know these young people have a negative image about unions," says Narayan Ram Hegde of Union Network International, a global alliance of 900 unions.

But "these professionals are more like cyber-coolies," he said. "We hope we will be able to convince them over time."

Hegde is leading the drive to unionize workers in India's back-office outsourcing industry — a sector that employs about 350,000 and is expected to add 80,000 jobs this year.

Union Network International has been quietly setting up the union for the last year — its formal launch date was Sunday. But it has so far managed to attract only about 500 recruits, underscoring workers' hostility to unions and the difficulty of the task organizers face.

"A union would make sense if there was no job security," said K.V. Sudhakar, who does technical support work in IBM Corp.'s offshore outsourcing center in the western city of Pune. "Here jobs are more, people are less — companies are trying all means possible to keep employees happy so that they won't leave."

It's not the first time the union has encountered such sentiments. A previous effort to start a union for Indian software programmers — the highly skilled elite of the business — flopped in 2000 after the programmers balked at joining, offering similar reasons.

A comparable situation is playing out in the U.S. where, with manufacturing

jobs disappearing, many union leaders say they must organize high-tech workers and academics to survive. But the Communications Workers of America union has had a tough job trying to organize white-collar workers at companies such as IBM and Microsoft Corp.

Global companies have increasingly farmed out any task that can be done over a computer network to low-wage countries. India is the undisputed king of the business with 44% of the global market and an industry that earned revenue of \$17.2 billion in 2004.

For Union Network International, the organizing drive is crucial because jobs outsourced to India cut into the unions' traditional pool of members in Europe and North America.

"We lose members [in the West] because of outsourcing," Hedge says. Setting up new ones in India "will help us have the same negotiating power."

He says the new union can help the industry's workers win better conditions. The work can be monotonous and grinding — fielding calls from irate Americans whose computers are crashing; spending eight hours plugging numbers into a Dutch bank's database; deciphering hundreds of X-rays of sick Europeans in a single shift.

Burnout is common, and 3 out of every 10 workers change jobs each year. Hard figures are difficult to come by, but industry experts say that stress forces 1 in 7 workers to leave the industry every year.

Among those who decided to join the union is Raghavan Iyengar, a call center supervisor in Bangalore. He said companies gave incentives for those who worked extra time, and young workers ignored health problems, such as insomnia and back pain, to earn those extra bucks.

"The industry's motto is 'Shut your mouth and take your money,' " Iyengar said. "We want to change that."

But money can be a powerful lure in India, where per capita income hovers around \$500 a year and most people make much less toiling in dusty fields or on steaming city streets.

Call center rookies, in contrast, make about \$2,400 a year — about twice the pay of first-year teachers, accountants or lawyers — and work in air-conditioned offices, many of which have health clubs and well-stocked cafeterias. With experience, the salaries multiply.

The easy money is on display every Friday evening in Bangalore, the industry's center, where young workers unwind after a week

of work in the posh clubs and restaurants that have grown with the outsourcing business.

As for complaints about working conditions, Ruchinder Singh, who works in the southern city of Hyderabad for GE Capital International, said he could take them straight to his company's chief executive.

"When my CEO will listen to what I have to say, then why do I need a union?" asked Singh, who helps customers around the world use specialized software programs.

"We have a structure in place where the management is constantly in touch with teams and responds within 24 hours to any complaint," he said. "We are not factory workers, we are knowledge professionals — every employee is treated as an asset in this industry."

Back-office workers are typically college graduates in their 20s and early 30s and drawn from India's urban middle and upper classes. Their parents are lawyers, doctors and small- and large-business owners.

Such a background does not make them fertile recruits for union organizers, said H.S. Sudarshan, a former call center worker and now a recruitment consultant.

Faced with problems, Sudarshan said, many just quit and take a better job.

"There is opportunity everywhere," he said. "A new job is a better solution than union."

Copyright 2005 Los Angeles Times

**Lost Your Job
To Free Trade & Offshoring
*Yet?***