Offshoring

The offshoring trend is generating controversy as more and more high-paying white-collar jobs are moved overseas. Though offshoring saves businesses labor costs as well as other expenses associated with personnel, it also contributes to an atmosphere of anxiety among workers who feel their jobs are being threatened. With job security as one of the most critical factors in determining how satisfied employees are with their jobs, the threat of offshoring could cause significant damage to employee morale. Dealing with the functional, structural and strategic aspects of the offshoring process will put HR at the center of the offshoring debate. But dealing with the repercussions of offshoring on employee satisfaction, recruitment and retention may prove to be its greater challenge.

Globalization and Offshoring

Offshoring is the exporting of jobs from developed countries to countries where labor and other costs are lower. A globalizing economy along with inexpensive telecommunications technology is making it easier for many jobs that were previously immune to offshoring to be sent overseas. As globalization accelerates, the offshoring trend is likely to intensify as well.

Current Trends in Offshoring

Though once thought of as a threat only to manufacturing workers, offshoring increasingly involves white-collar jobs with relatively high wages. Current trends indicate that offshoring is spreading to more industries and is moving higher up the skills ladder. Though factors such as English fluency rates currently give some countries an edge in the offshoring market, the mix of factors that attract investment and offshoring into a country is complex—a reality reflected in the reverse offshoring and multishoring trends. But though many of the issues behind offshoring are complicated, the current political debate surrounding it tends to veer toward the simplistic. As more jobs are affected by offshoring, the level of pressure on politicians for a legislative response to the trend may increase. As a result, business leaders, particularly in the high-tech industry, are working to convince a dubious public that offshoring’s economic benefits outweigh its costs.

Future Projections for the Growth of Offshoring

Projections for the growth of offshoring over the coming decade vary greatly. One reason is because of disagreement over how easily white-collar jobs can be transferred overseas in comparison to manufacturing jobs. Another factor is the future skill and education levels of the working age population. With college education rates reaching a plateau, some experts believe this skills deficit will be the issue with the greatest impact on national competitiveness. Industry leaders are also calling for more investment in research and development as a way to remain competitive in a global market where the only thing that can successfully compete against low labor costs is continuous innovation.

Implications for HR

HR may find itself at the center of an increasingly contentious debate about the implications of offshoring for both business and employees. And though some experts believe that offshoring does not pose a major threat to HR professionals themselves, others argue that HR is as vulnerable as any other white-collar profession.
The concept of offshoring is not really new, but it has become a high-profile topic over the last year, primarily because so many of the jobs leaving the country are relatively high-paying white-collar ones. Offshoring is essentially about the cost of human capital—typically the largest expense line item in most companies is personnel—and because of this, the human resource function plays a central role in both the decision to move jobs overseas and in managing the process once it has been initiated. But as anyone reading about offshoring in the latest news stories knows, the trend is controversial. As a result, HR professionals may find themselves at the center of a growing debate about the costs and benefits of offshoring jobs. But perhaps most critically HR practitioners will need to deal with the aftermath of offshoring and the potential negative impact it could have on the morale of those workers who have managed to hold on to their jobs.

Globalization and Offshoring

Though dealing with effects of offshoring on employee morale and job satisfaction will be crucial, HR’s involvement in offshoring is on many levels, both functional and strategic. The process of eliminating jobs from a national operation and moving them overseas involves putting into place systems and procedures that will manage and unify a global workforce. This will challenge both HR practitioners and the processes and technologies they use.

But the more strategic tasks of addressing the structural, cultural and leadership challenges that the addition of new overseas operations could pose are also critical. HR practitioners will be called upon to assess the impact of offshoring on both the workers remaining in the home country and increasingly on the reputation and brand of the company overall. With offshoring becoming a more volatile issue, this will not always be easy.

Globalization is creating the context within which the movement of jobs is made easier. The North American Free Trade Agreement (NAFTA), which was signed in 1993, has evoked both criticism and outspoken support. Supporters of NAFTA say that it has stimulated trade and investments and that these in turn will raise incomes and future rates of growth. Critics, on the other hand, say that NAFTA has led to job loss, particularly of jobs in high-wage manufacturing, and rising income inequality. The arguments on both sides of the issue are repeated in the offshoring debate.

Perhaps what both sides agree on is that globalization is rapidly accelerating. The shift from offshoring mainly manufacturing jobs to the trend of moving certain white-collar jobs overseas has added more intensity to both sides of the debate. For businesses competing on cost in a knowledge-based economy, the extra 10 to 20% savings in labor costs that offshoring can offer is impossible to turn down, especially since they can be sure their competitors will not. For those middle-class workers in fear of losing their jobs to offshoring, the force of the trend seems as threatening as it is impossible to stop.

Current Trends in Offshoring

Though offshoring has been around for many years, current trends are raising its profile. The most important is the change in the types of jobs that are being moved overseas. But the changing nature of both the economies and the workforce of nations where jobs are being sent are also adding weight to the notion that offshoring has the potential to dramatically impact the U.S. jobs outlook.

Types of jobs being offshored

What started with low-skilled manufacturing jobs moved into higher-skilled manufacturing jobs and has now penetrated the service and IT sectors. The impact on the IT sector has had the highest profile recently. Stories abound of software engineers with master’s degrees and decades of experience being laid off and unable to find work after their jobs were offshored to India. But most analysts agree that the trend is likely to move beyond the high-tech and manufacturing sectors as well as higher up the job and skills ladder. This movement into high-skilled jobs has already happened in those sectors where offshoring has been around the longest; the manufacturing jobs that moved overseas in the 1980s were mainly low-skilled but those being offshored today are increasingly high-skilled jobs. Likewise, some of the IT jobs now being offshored involve such high-level tasks as software development.

According to a recent study from consulting firm A.T. Kearney, financial service companies are planning to move about a half million jobs offshore by 2008. These include high-level financial analyst and research jobs. Other jobs often cited as likely targets of offshoring include call centers, accounting, legal research, architecture and design. Though A.T. Kearney predicts that back-office processing of information and IT-enabled services will continue to be offshored, the greatest impact and most growth will come from services requiring higher skill levels.

Destination countries

Because the level of skill required in these jobs is higher than that of many of the manufacturing jobs that were previously moved overseas, national education and skill rates are the basis on which countries compete. These intangible assets are a crucial piece in the offshoring debate and the main reason why some countries stand out more than others as potential destinations for offshored jobs. One key factor is English language skills; offshoring is dominated by English-speaking companies and countries where large
numbers of workers in the labor pool are fluent in English. This is true of both the countries doing the offshoring as well as the countries where the jobs are being sent.

One reason why out of all of the Asian countries where jobs have been offshored India is seen as the country likely to benefit the most is because so many members of the population speak English fluently. Another factor is that India produces nearly 2 million university graduates every year, with many of these graduates holding degrees in science and engineering.

China is another major destination for offshored jobs. Though it has fewer English-speaking workers compared to India, it does have high numbers of engineering and science graduates and has long been the destination of offshored U.S. manufacturing jobs. According to many economists, China will overtake the U.S. economy in size by mid-century. China is not only getting offshored jobs from the United States, but due to the language factor is also getting many offshored jobs from Japan. This is occurring in certain regions in China where some members of the population are fluent in Japanese.

Brazil, Russia and the Philippines are also leading offshoring destinations. The Philippines benefits from a large English-speaking population and Russia benefits from large numbers of science and technology graduates and its close proximity to Europe. Western European countries such as Germany and France are also offshoring jobs to Central European countries such as Poland, the Czech Republic and Hungary. The United Kingdom is offshoring jobs to other English-speaking countries such as Ireland and South Africa.

Just as Western European countries are offshoring to Central European countries in close proximity, U.S. companies are also offshoring jobs to countries close by, namely Canada and Mexico. This practice is often referred to as nearshoring or nearsourcing. While Mexico has been part of the trend toward offshoring manufacturing jobs for some time, Canada, with its relatively similar legal system, workforce and shared time zones, is more likely to be sent jobs in the IT sector.

A.T. Kearney recently created an index of most attractive countries for offshoring based on costs, the economic and political environment and the nation’s human capital. As expected, India came out on top, but China was ranked lower than expected, as shown in Figure 1. This type of ranking may influence where companies decide to set up offshoring operations. Clearly, consulting companies will be dedicating more and more resources to advising businesses on where, when and how to offshore.

### Figure 1 Composite Offshoring “Attractiveness” Scores by Country*

<table>
<thead>
<tr>
<th>Country</th>
<th>Cost</th>
<th>Environment</th>
<th>People</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>3.4</td>
<td>1.6</td>
<td>2.3</td>
</tr>
<tr>
<td>Canada</td>
<td>1.5</td>
<td>2.6</td>
<td>2.1</td>
</tr>
<tr>
<td>Brazil</td>
<td>3.1</td>
<td>1.8</td>
<td>1.2</td>
</tr>
<tr>
<td>Mexico</td>
<td>3.0</td>
<td>1.9</td>
<td>1.3</td>
</tr>
<tr>
<td>Philippines</td>
<td>2.9</td>
<td>1.7</td>
<td>1.1</td>
</tr>
<tr>
<td>Hungary</td>
<td>3.1</td>
<td>1.6</td>
<td>1.1</td>
</tr>
<tr>
<td>Ireland</td>
<td>1.8</td>
<td>2.5</td>
<td>1.5</td>
</tr>
<tr>
<td>Australia</td>
<td>2.0</td>
<td>2.3</td>
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<tr>
<td>Czech Republic</td>
<td>3.1</td>
<td>1.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Russia</td>
<td>3.1</td>
<td>1.4</td>
<td>1.1</td>
</tr>
<tr>
<td>China</td>
<td>3.1</td>
<td>1.1</td>
<td>1.0</td>
</tr>
</tbody>
</table>

Note: Higher scores indicate higher levels of attractiveness.

*Scoring methodology reviewed and confirmed by leading industry analysts.

Aside from language proficiency and skill levels of the workforce, several other factors come into play when companies decide where to offshore. Political stability is one issue but economic conditions are perhaps the most critical. The establishment of foreign operations is a major investment and even contracted outsourcing relationships tend to last over several years. If wages in a country are rapidly rising or the currency shifts in relation to the dollar, this will have an impact on the level of long-term cost savings U.S. companies may experience. Wages in India, for example, are rising rapidly—especially at the highest skill levels and some analysts believe that the cost savings in these high-skill areas will shrink over the next few years.

The legal framework of the destination country is also a consideration. More rigorous internal processes and safeguards may need to be put in place in offshored operations because of security reasons as some countries have few laws or legal precedents for dealing with issues such as identity and data theft. Protection of sensitive and confidential employee data is already a key concern for HR professionals who may be called upon to develop data protection measures that are tailored to specific regional needs and take into account a complex network of relationships with foreign contractors. Security issues are one reason why there is a growing trend toward legislation that stipulates which kinds of government contracts on both a state and federal level can be fulfilled overseas.

Reverse offshoring and multishoring

Some countries—even those traditionally viewed as destinations for offshored U.S. jobs such as China—have also been sending jobs to the United States, a trend referred to as “reverse offshoring.” The most well-known examples of this have been the German and Japanese automakers’ plants in the South. In this case, organizations may adopt “multishoring” as a strategy, where different parts of the production process take place in several different countries based on the specific advantages offered in each.

With a possible increase in the trend toward multishoring, HR will increasingly be called upon to manage human capital across several countries— involving issues from training to understanding local labor regulations. A key strategic contribution from HR will be determining to what extent the labor costs associated with offshoring will be offset by other costs, such as structural costs and training and skills development, a task that will require knowledge of the local labor pool and education systems. In the short term, most analysts expect offshoring to continue at a brisk pace because these costs remain so low in comparison to those in the United States. Though some analysts believe the cost savings will decrease the further up the skills ladder a job is, this view is in direct opposition to the observation that it is precisely the higher skilled jobs that are seeing the most growth in offshoring. These different factors make the decision to offshore more complex than simply sending jobs to those countries with the cheapest labor costs, and could further encourage the trend toward multishoring, where a mix of operations in both high-cost/high-wage countries and low-wage countries are used.

The political response

Most of the political debate about offshoring has traditionally focused on manufacturing jobs, but the emphasis is now shifting to white-collar jobs, due in part to active campaigning on the part of laid-off IT workers and to the activism of some service-sector unions. It was a major topic of discussion in the most recent annual Economic Report of the President. It has also become a standard topic on the presidential campaign trail; democratic presidential candidate Sen. John F. Kerry has introduced legislation that would require employees of offshore call centers to identify their locations and President Bush in response to the trend has sought funding for job re-training, community colleges and “personal re-employment accounts.”

Among lawmakers, some of the debate has been around the claim that companies are using visa rules to bring in foreign employees to be trained in the United States, as a precursor to setting up overseas operations. The angriest protests to offshoring have frequently come from professionals who claim they have been forced to train foreign employees only to see their own jobs eliminated and their trainees sent back to their country of origin in order to help set up offshored operations. This accusation has most often been aimed at high-tech companies, who for their part argue that there simply are not enough science and technology graduates in the United States to fill these jobs. The debate has resulted in several proposals on the part of lawmakers to change existing visa rules. In the summer of 2003, legislation was introduced to repeal the H-1B visa program, which allows U.S. companies and universities to import foreign workers in science and engineering fields. There were also proposals to make changes to the L-1 visa, which allows multinational corporations to bring into the United States employees from their overseas subsidiaries on an intracompany transfer basis.

In other developments, proposals on both a federal and state level aim to curb the use of foreign companies in government contracts. Early in the year, the U.S. Senate approved a buy American bill for some government contracts. And many states are beginning to introduce legislation concerning offshoring. Most of these involve limiting state contracts for services to work performed by U.S. workers. But some are more radical—New Jersey has
introduced a bill stipulating that all employees at call centers answering a call from a customer must identify themselves by stating their name, the name of their employer and the location of the municipality, state and country in which the employee is located. In response to these latest developments, chief executives from companies such as Hewlett-Packard, Intel, Dell and IBM have come together to form the Computer Systems Project. The group aims to counter the hostility, both popular and political, to offshoring and to take action against legislation that seeks to impose limits on the practice. Though most experts estimate that the number of jobs these recent proposals would impact is still fairly small, critics of the new measures say they could have major negative consequences for the U.S. high-tech industry. They argue that such steps could bring about retaliation from U.S. trade partners and, with the United States continuing to dominate the world in the IT services market, damage one of the country’s most successful industries as a result.

Future Projections for the Growth of Offshoring

Many experts studying offshoring contend that in several ways transferring white-collar jobs overseas is much easier than offshoring manufacturing jobs. This is because companies offshoring service jobs do not have to invest the same amount of capital into building or moving tangible assets such as factories and equipment, but can instead rely on using the already existing knowledge and skills of a country’s workforce. And because nations and individuals are competing for economic success on the basis of these intangible assets, it is the governments and citizens themselves who are making the financial and cultural investments that are required to build them up to this competitive level.

The idea that offshoring white-collar jobs is actually easier than offshoring manufacturing jobs has meant that some of the estimates for the potential number of jobs that could be offshored over the coming years have been fairly high. A recent study by University of California, Berkeley-based researchers Ashok Deo Bardham and Cynthia A. Kroll, titled “The New Wave of Outsourcing,” calculated the number of jobs that could potentially be outsourced. The number arrived at was 14 million jobs, which was the maximum number based on the occupational sectors that shared the characteristics of those jobs already being offshored. They calculated that around 11% of all U.S. occupations are vulnerable to outsourcing or offshoring, as shown in Figure 2. Until the Berkeley study, most estimates hovered around the 3 million mark, with the most often-cited estimate by Forrester Research of 3.3 million jobs offshored by 2015. Though the Berkeley researchers stress that the 14 million figure is their maximum estimate, they believe the 3.3 million estimate may be too low.

### Economic implications

Whatever the numbers, if the proponents of offshoring are right and the trend is a winning situation for both the countries offshoring jobs and the countries picking up jobs, then English-speaking countries could have a competitive advantage in the global market, because these are the countries where the trend is really taking hold. On the other hand, if critics of the trend turn out to be right, the opposite may be true, with workers in industrialized English-speaking countries most vulnerable to losing their jobs to offshoring and to downward pressure in wages. Some analysts say that this could in turn result in lower consumer spending rates and a lose-lose situation for countries involved in both aspects of the trend; the first because of higher rates of unemployment and stagnant wages and the second because of decreased demand for

<table>
<thead>
<tr>
<th>Sectors</th>
<th>2001 Employment</th>
<th>2001 Average Annual Salary</th>
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<tbody>
<tr>
<td>All Occupations</td>
<td>127,980,410</td>
<td>$34,020</td>
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<tr>
<td>(Total U.S. Employment)</td>
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<tr>
<td>Occupations at Risk of Outsourcing</td>
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<tr>
<td>Office Support*</td>
<td>8,637,900</td>
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<tr>
<td>Computer Operators</td>
<td>177,990</td>
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<tr>
<td>Data Entry Keyers</td>
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<tr>
<td>Business and Financial Support**</td>
<td>2,153,480</td>
<td>$52,559</td>
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<tr>
<td>Computer and Math Professionals</td>
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<td>Paralegals and Legal Assistants</td>
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<tr>
<td>Medical Transcriptionists</td>
<td>94,090</td>
<td>$27,020</td>
</tr>
<tr>
<td>Total in Outsourcing Risk Occupations</td>
<td>14,063,130</td>
<td>$39,361</td>
</tr>
<tr>
<td>Percent of All Occupations</td>
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</tbody>
</table>


*Office support aggregates data from 22 detailed office and administrative support categories.
**Business and financial support aggregates data from 10 detailed business and financial occupations.
the products and services they sell back to the countries that sent them the jobs in the first place. They also worry that offshoring will have a negative impact on U.S. productivity rates and argue that many of the productivity gains of the past decade have come about as a result of the need to generate as much productivity from U.S. workers as possible. An abundance of readily available cheap overseas labor makes this no longer as critical and they claim that U.S. productivity gains will suffer as a result.

But supporters of offshoring as a business strategy say that not only is the trend not a threat to the United States, but the country stands to benefit from sending jobs abroad as much if not more than the countries picking up these jobs. They argue that this is because the economic benefits of the trend will go far beyond reduced labor costs and say that the savings passed on to consumers and business customers will be reinvested and that re-engineering as a part of the offshoring process design will bring about further productivity and cost improvements. They also argue that offshoring creates new revenues as workers in more countries are able to purchase U.S. products. Finally, they argue that we are likely to be facing a labor shortage in the near future due to fewer workers replacing the retiring baby boomers and that offshoring will help to offset the negative economic consequences of this demographic trend.

Skills and education

One unknown factor that contributes to the ongoing debate is whether better jobs will eventually replace those that have been offshored. The standard view of most economists and historians is that as each economic age gives way to the next, different and, in most cases, higher levels of skills are required in the new economic environment, and both the workforce and the economy adjust to accommodate these changes. Thus, the manufacturing-based economy was replaced by the information age and the knowledge economy. But when both the number of knowledge workers and the cost of developing them shifts in favor of other countries, adjusting national skill levels to move up to the next level becomes a major challenge—particularly when these skills and education rates are not necessarily improving.

A recent report based on a two-year review of high school requirements by the American Diploma Project—whose leaders include top education officials from both the Reagan and Clinton administrations—claimed that the high school diploma has lost its value in determining whether a student is ready for either work or continuing college education. And even at the college level, there are some worrying trends. Put together, three of the biggest offshoring destination countries—India, China and Russia—produce nearly three times as many science and engineering graduates each year as the United States. Moreover, enrollments in engineering and computer science degrees in the United States have actually declined in recent years. And according to a study conducted for the Educational Testing Service by Anthony Carnevale and Donna Desrochers, titled “Standards for What? The Economic Roots of K-16 Reform,” the percentage of the workforce with some college education will plateau over the next two decades.

There is some disagreement over whether this expected plateau in college education rates is due largely to demographic trends or to other causes. Certainly the cost of higher education is a barrier to many potential high-skilled workers. Regardless of the cause, a skills plateau in light of offshoring is likely to be especially damaging because the offshoring of high-skilled jobs is raising the bar for the level of knowledge and education that will be required to compete on both an individual and national level. If, after all, offshoring frees up large numbers of U.S. workers to focus on more strategic, creative and knowledge-intensive work, the assumption is that the workforce possesses this level of knowledge and creativity in the first place. This makes an effective education and skills policy absolutely crucial for national competitiveness. It also makes investment in research and development essential. Hewlett-Packard chairman Carly Fiorina focused on this issue in a recent opinion piece appearing in The Wall Street Journal where she wrote, “Once again our leadership is being challenged—not by Japan, but by emerging nations like India, Russia and China. What makes this challenge different is that these nations not only share rich educational heritages, but they are investing heavily in innovation and R&D to help drive the next generation of growth.”

Structural costs

Labor cost savings is usually the reason given for moving jobs overseas, but offshoring has also focused attention on the rise in structural business costs in the United States. These costs include employee benefits and rule compliance. A recent report by two trade groups, the Manufacturers Alliance and the National Association of Manufacturers, found that although when comparing wage compensation to total value added in manufacturing, the United States was more competitive than many other countries, when structural costs were added in, this competitive advantage vanished. This kind of finding is expected in comparison to countries such as India and China, but the report showed that it was also true in comparison to countries such as Canada and Britain.

One of the biggest reasons for this is the high cost of health care in the United States, which exceeds all other countries. Large companies in particular feel the impact of these structural costs.
Implications for HR

The decision to offshore is often treated as a strictly financial one and because of this HR may not always be involved in the decision-making process of whether to offshore. Frequently HR is only brought in to take over the management of the offshoring process once the decision has already been made. Because the decision to offshore is so tied to both the people management practices of the organization and the morale of the existing U.S.-based workforce, it is important for HR to be involved in this strategic decision-making process.

HR is a critical player in the information-gathering process that helps to determine the business impact of offshoring. Assessing structural challenges that may pose difficulties in maintaining consistency across all operations, the level of control the business must be able to maintain over projects and the existing infrastructure of both the country, company and in some cases foreign contractors, as well as potential future changes within a country’s economic or political climate are all responsibilities that may fall to HR.

Economic trends are particularly important indicators to watch. Most companies deciding to offshore are committed to having operations in the new country for at least several years. If wages are rising rapidly, as they are in some fields in India, the cost savings associated with offshoring may be lower over time as wages increase. Likewise, political changes could have an impact on the cost of doing business within certain countries.

Though the decision to offshore is driven by senior management, once the offshored operations are up and running their involvement usually tapers off, leaving HR to manage the continuing cultural and personnel challenges as they arise. Once the decision to offshore has been made, HR is responsible not only for managing the people management practices across all operations but for also managing the impact the decision to offshore has on the remaining U.S. employees.

It is this latter issue that may be the most crucial for HR to focus on. There is no doubt that the issue is an increasingly divisive one that could have a significant impact on employee morale. If employees feel in danger of being laid off as jobs are moved overseas, commitment and engagement are likely to be damaged. This is particularly important because job security is such a critical factor in job satisfaction. In SHRM’s recent research...
on job satisfaction, job security consistently tops the list of the most important factors that determine employee satisfaction. With job security such an important issue, the threat of offshoring is likely to have a bigger impact on employee satisfaction and performance than many employers may realize. This could have financial implications resulting from higher turnover rates and lower productivity levels, especially during the time period that the offshoring process is taking place. It could also increase unionization—the top factor in the SHRM Job Security Survey that made employees feel insecure in their jobs was not being unionized. HR will need to take these kinds of issues into account when helping employers calculate the impact—financial and otherwise—of offshoring.

Aside from all of the issues related to the people management aspect to the offshoring process, HR practitioners also wonder how vulnerable they themselves are to the offshoring trend. There is some dispute about to what extent HR practitioners should be worried. One stance is that HR should feel just as vulnerable as accountants, architects, software engineers and other white-collar professionals. But another view maintains that the biggest changes in the HR profession will continue to be brought about by technology, rather than the threat of cheap overseas labor and argues that this will continue to have the most influence on both the role of the HR profession and the kinds of jobs that the HR professionals will be doing in the future.

One certainty is that the offshoring trend is not going to go away as either a factor in the employment landscape or as a topic of sometimes contentious debate. Even organizations that decide not to offshore will still feel the impact of the trend in some way because so many industries and businesses—customers, business partners and consultants—are likely to be involved in offshoring in some way. Because of this, even those companies without offshored operations may have to deal with a workforce that is increasingly concerned about job security and the resulting impact this has on employee motivation, performance, recruitment and retention. For HR practitioners this may be offshoring’s biggest challenge.

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Global Resources at SHRM

Web Site
For access to comprehensive global HR information, visit the Global Forum Web site at www.shrm.org/global/. SHRM members have full access to specialized resources at no extra charge, including country guides from the world’s largest economies, regular e-news with the latest online articles, webcasts, networking listserve, online chats, and more.

Certification
The Human Resource Certification Institute (HRCI®) recently conducted an extensive review of the knowledge required by global HR professionals to perform their daily work. The process identified six key areas that will be covered in the new Global Professional in Human Resources (GPHR™) certification exam, which will be administered on March 21, 2004 at the annual SHRM Global Forum Conference. For more details about the GPHR exam, visit www.hrci.org/gphr/.

Self-Study
To assist those preparing to take the GPHR exam, and for experienced global HR professionals seeking further professional development, the new SHRM Global Learning System is available. For more details, visit www.shrm.org/learning/global.

Multicountry HR Profession Survey
SHRM collaborated with HR groups in 23 countries to produce the “Maturing Profession of HR” survey series. Individual country reports summarize key findings in each country and an overall comparative analysis is being drafted for release this summer. To access the report, visit www.shrm.org/hrresources/surveys_published/CountryReportsTOC.asp#TopOfPage.

World Congress
Every two years the World Federation of Personnel Management Associations (WFPMA) convenes a world congress on human resources. The 10th World Congress on Human Resource Management, Building Connections, Getting Results, will be hosted by the Brazilian HR Association (ABRH) August 17-20, 2004, in Rio de Janeiro, Brazil. SHRM will lead a delegation from the United States, and participants will be eligible for group discount registration rates and invited to a special networking reception. For congress details, visit www.hr2004.com. To register for the SHRM delegation, e-mail Rosaura Barrera at rbarrera@shrm.org.