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Boston contractor helping US companies find low-wage labor abroad *The Boston Globe*

By Hiawatha Bray, Globe Staff, 11/2/2003

Meet Brian Keane, professional outsourcer.

He is president and CEO of Boston consulting firm Keane Inc., which employs 1,000 workers in the Indian cities of Hyderabad, Noida, and Gurgaon, and 300 more in Halifax, Nova Scotia. "We expect it'll be 3,000 in India in a couple of years," Keane said.

By acting as the contractor that finds and hires skilled, low-wage workers outside the United States, Keane is typical of the conduits that enable US companies to outsource an increasing number and variety of jobs. Keane's customers include mortgage lender Countrywide Financial Corp., utility PSE & G Inc., air conditioning company Carrier Corp., and hotel operator La Quinta Corp.

"These are major corporations that need to get their costs in line and are doing what other industries have done before, whether it's textiles or shoe manufacturing, or even complex manufacturing," Keane said.

For Keane, offshore outsourcing represents a lot of money -- about \$175 million of last year's \$870 million in revenues. And the company expects to do \$200 million in offshore business this year.

Keane began with the Canadian facility in 1996. But the company's biggest commitment to overseas outsourcing was made last year, when it bought SignalTree Solutions, an American firm with 300 software developers in India. That workforce has more than tripled, and Keane expects a lot more growth.

But Brian Keane said outsourcing does not only mean stripping away American jobs from American workers. "Those accounts where we've moved work offshore or nearshore are those accounts that are growing," he said. "They're not just growing offshore; they're growing locally."

For instance, a company that launches a new software product may have most of the actual code-writing done in India, but it will still need workers in the United States to design the product, he said. Brian Keane acknowledged that offshore outsourcing has cost some jobs at Keane "on the margin." But he said, "That's been way more than compensated by the additional jobs we've been able to protect." Worldwide, about 7,500 people work at Keane. Without offshore outsourcing, "Keane would be a smaller company today," he said.