

## The American Job Revolution You Know Nothing About By Thomas Mirc

There is an economic revolution occurring right now, in America. Despite all of the dour news about stagnant economic growth, the decline of the middle class and legions dropping out of the workforce, there is a jobs engine roaring like a Boeing turbojet. And you know NOTHING about it.

America is starting to address its longstanding Science, Technology, Engineering and Math deficiency through the sheer power of private sector entrepreneurship. And it's not happening where you'd most likely suspect it. Areas of Nebraska, Alabama, Kansas, rural Missouri, and Southeastern Georgia are cultivating more than just crops, they're educating and building highly adept and versatile technical information technology workers. Software engineers, developers, data analysts and support technicians are working with Global S&P 500 organizations daily, while they drive past silos and grain elevators, past John Deere Green water towers on their drives home.

In just the past year, the Domestic Sourcing IT market has achieved rapid growth and it starting to draw the attention of S&P 500 firms looking to onshore IT operations that had been sent to India, Thailand, or Eastern Europe. For Americans, it's a feel good story. For small-town economies, it's a transformative phenomenon. Xpanxion is a firm that provides Quality Engineering consulting and resourcing. With offices already in Kearney, Nebraska, Ames, lowa (as well as Pune, India), rapid growth necessitated the opening of another operations center in Manhattan, Kansas. Rural Sourcing, Inc., has an operations center in Jonesboro, Arkansas. Just last month, they officially opened a center in Mobile, Alabama, based on rapid growth in customer demand. Onshore Outsourcing, a firm started in Macon, Missouri, opened a center in Glennville, Georgia in 2013 based on expanding demand. Another firm, Systems in Motion, continues to see substantial increase in level of inquiry for their Ann Arbor, Michigan based services.

It's even happening in Baltimore city. Catalyst IT Services, with operations in Baltimore and Portland, Oregon, is rapidly expanding and has extended their hiring efforts substantially in 2014. With industry analysts like Forrester, HfS, Gartner and IDC recognizing the trend and providing enhanced coverage on the sector, the explosive growth seems poised to continue. In 2014, the International Association of Outsourcing Professionals (IAOP) will be providing dedicated coverage on the Domestic Sourcing segment. The key to this movement is talent identification and education.

Two common factors of each Domestic IT Sourcing business are 1) talent identification and 2) strong training and educational programs. The Domestic Sourcing business model approaches the job market differently. Leaders in the industry believe that aptitude, ambition

and intelligence are better predictors of success in IT roles than resumes, and in some cases, than a college education. Their willingness to test this theory has resulted in significant economic reward, and has significantly opened doors for the next generation of American workers, particularly those in small towns, rural regions, and economically deprived areas. In the past, these workers would have been overlooked, or would have to had migrated to a city center to obtain low-level tech work. In this model, potential is defined solely by performance – a true meritocracy.

At Red Hat, we used two of these firms in tandem, in a domestic sourcing strategy, as a component of our overall staffing strategy. We saw substantially strong performance, and as a result, continue to build around the program. Next time you hear about declining economic prospects for the next American generation, think about the 15,000 IT jobs that have been created almost silently in this sector since 2011. The demand continues to accelerate, and local economies continue to benefit from the trend. It's a completely new way of navigating the IT market, and its fueled by tried-and-true American ideals, entrepreneurship, work-ethic, and the small-business sector. The revolution is not limited to IT, as the manufacturing sector is significantly ahead in repatriating American jobs. It's a silent revolution of sorts, that won't be silent for long. If you believe in the American economy, do your part and spread the word.

## **About the Author**



Thomas Mirc is a Senior Manager at Red Hat, and an evangelist for the emerging Domestic IT Sourcing Industry. He was a member of the inaugural panel for Momentum 2013, a conference covering the state of the rapidly growing US Domestic Sourcing industry. He is also a member of the steering committee for the Partnership for Appalachian Girls Education (PAGE) a Financial Analyst and investor, a kayak racer, and an avid student of U.S. regional history and literature.