

## JOURNAL REPORTS: WEALTH MANAGEMENT

# Do You Know Cobol? If So, There Might Be a Job for You.

With a generation of old coders leaving, companies are scrambling to find those who know the decades-old program



One of the early Cobol programmers himself, Bill Hinshaw. PHOTO: EILEEN HINSHAW

*By Max Colchester*

Sept. 21, 2018 1:28 pm ET

Ten years before man walked on the moon, a group of software engineers created the Common Business-Oriented Language—better known as Cobol—to standardize business computer programming.

Not long after, in the early 1960s, Bill Hinshaw began plying his trade as one of the thousands of Cobol programmers working in banks across the world. Now, more than 50 years later, the 76-year-old coder is still working in Cobol, much to his amazement.

“I was coming to the end of my career and I thought that Cobol might be going away,” says Mr. Hinshaw. “But it has actually grown.”

Indeed, despite its advanced age, Cobol is still the most prevalent programming language in the financial-services industry world-wide. Software programmed in Cobol powers millions of

banking transactions every day and underpins critical computer mainframes.

---

## JOURNAL REPORT

---

- [Insights from The Experts](#)
- [Read more at WSJ.com/WealthReport](#)

---

## INNOVATIONS IN FINANCE

---

- [A Better Way to Think About Portfolio Rebalancing](#)
- [Big Investors Seek a #MeToo Clawback](#)
- [The Future of Credit-Card ID Verification](#)
- [Policy Makers Rethink a 2% Inflation Target](#)

And Cobol isn't going away anytime soon. Banks and other companies have come to the uncomfortable realization that ripping out old mainframes is pricey and complicated. Transitioning to new systems is likely to take years, and besides, a lot of the older tech works just fine.

The problem is that Cobol isn't popular with new programmers. So, with a generation of Cobol specialists retiring, there is a continuing hunt to find a new generation of programmers to service this technology.

In Texas, Mr. Hinshaw's company, the Cobol Cowboys, a group of mostly older programmers, is training U.S. military veterans in the programming language.

Accenture PLC is coaching hundreds of Cobol programmers every year in India and the Philippines to work at banks. In Malaysia, one consultancy that provides engineers versed in Cobol for its clients, iTAc MSC Outsourcing, has adopted the slogan "Keeping the Dinosaurs Alive."

A host of companies offer online courses in Cobol in places like South Africa, India and Bangladesh. Developing economies are key technology-outsourcing centers for banks.

## Can't let go

Detractors say Cobol isn't versatile and results in reams of code, because it is partly written in actual English words. It's also used to configure mainframes, which isn't exactly a career-enhancing proposition for young coders in an era dominated by cloud computing.

Still, for banks that expect to be tied to their old technology to some extent for the foreseeable future, fluency in Cobol remains key. While a bunch of smaller banks have successfully ripped out their old core processing systems, no major bank has dared to do so, says John Schlesinger, chief enterprise architect at Temenos, a company that sells software to banks. The cost of a major overhaul and the risk of a botched upgrade leaving customers without access to their bank accounts are too great, he says.

That's not to say old technology isn't costly for banks. Finance companies are expected to spend \$261 billion on technology this year, with 67% of that spent on maintaining older systems, according to research company Celent. And it's expensive and complex to bolt onto these systems the kind of new, snazzy services that a wave of emerging financial-technology companies are pitching to consumers.

Several companies are making hay while the sun still shines on Cobol. Micro Focus International PLC is offering courses to some 400 colleges to train Cobol programmers. The company, one of whose specialties is upgrading old computer systems, polled its customers last year and found that 90% plan to use Cobol systems for the next decade.

"We don't see that demand going anytime soon," says Derek Britton, who runs a unit at Micro Focus that modernizes old systems.

## **Nod to Hollywood**

Mr. Hinshaw’s Cobol Cowboys—the name is a nod to the Clint Eastwood movie “Space Cowboys,” about a crew of aging test pilots—has a team of some 200 freelance coders. The average age is around 60. “They can work when they want to,” says Mr. Hinshaw. “They can spend time with their grandchildren.”

When it comes to coding, age is in the eye of the beholder, says Mr. Hinshaw. Several other coding languages have comfortably slipped into useful middle age. For instance, the coding language “C”—one of the most popular of all time—is still widely used more than 45 years after it came on the scene.

And Cobol isn’t retiring on his watch, Mr. Hinshaw says. “I don’t see Cobol going away in my lifetime.”

*Mr. Colchester is a reporter for The Wall Street Journal in London. He can be reached at [max.colchester@wsj.com](mailto:max.colchester@wsj.com).*

*Appeared in the September 24, 2018, print edition as ‘Wanted: Coders Who Can Cobol.’*

- 
- **College Rankings**
  - **College Rankings Highlights**
  - **Energy**
  - **Funds/ETFs**
  - **Health Care**
  - **Leadership**
  - **Retirement**
  - **Small Business**
  - **Technology**
  - **Wealth Management**