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# Offshoring: Opportunities and Challenges

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# Offshoring: Opportunities and Challenges

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The offshoring phenomenon has created several research opportunities pertaining to the effective management of IT services emanating from globally-distributed and virtual teams, and differences in cultures, native languages, and legal, educational, and economic systems. Further, offshoring creates a variety of new social impacts in both client and provider countries including retraining, morale, and burnout. Offshoring has simultaneously created challenges for the IS academia. The real and perceived loss of jobs from offshoring is one of several reasons for the widespread declining enrollments in IS programs in the US and Europe, and this has also raised issues of IS curriculum redesign. The panel will discuss offshoring in a balanced manner considering both the advantages and risks of offshoring and discussing opportunities and challenges in theory building and curriculum redesign.

## **An Asian Perspective on Offshoring by Rajendra K. Bandi, IIM, Bangalore**

While much of the offshoring research is focused in the context of movement of work from North America to several Asian countries (India in particular), Raj will provide some insights into the offshoring of work from European countries to Asian countries, as well as movement of work within the Asian countries. He will also discuss the differences observed across Asian countries, the motives behind and the decision making processes used offshoring work, the transition processes of offshored work, and most importantly, from a destination country perspective, the sustainability of offshored work.

## **Offshoring – Australia and the Middle Ground by Mark Borman, The University of Sydney**

Australia is aiming to be stuck in the middle in offshoring - a half way house between the US/Europe and India. Mark will give a brief overview of the Australian Computing Society's position statement on offshoring. He will also discuss examples of current Australian offshoring (inward and outward) and the potential impact of the two-way flow of services – and people – to assist in assessing the viability of this middle position now and in the future.

## **China's Future as an Offshoring Destination by Mike Galivan, Georgia State University**

Mike will discuss China as an offshoring destination. This will include a discussion of the current projections for China's future role as a leading offshore destination, its relative advantages and limitations compared to other countries, and a survey that he is currently conducting to assess the readiness of Chinese software firms to undertake such work.

## **Retention Practices of Offshore Sourcers by Kate M. Kaiser, Marquette University**

As demand for development services increase, so does the demand for experienced quality developers. Attrition rates can impact the quality for the deliverables and team stability. What retention practices are effective for Indian offshoring firms, both indigenous and U.S. based? What challenges do the preferences of developers hold for the ability of firms to satisfy these demands?

## **Knowledge Transfer in Offshore BPO Projects by Rajiv Kishore, SUNY at Buffalo**

Knowledge transfer is an important and challenging task in business process outsourcing (BPO) projects that involve process innovation. The problem of knowledge transfer gets exacerbated in the context of offshore BPO projects due to geographical distribution of and cultural differences between client and vendor teams. Rajiv will discuss the types of knowledge that need to be transferred, the specific problems faced in successfully transferring and utilizing knowledge germane to the project, and the mechanisms that can be used to enhance the knowledge transfer process in globally distributed BPO projects.

## **Project Performance Factors in Offshore Projects by Mihir Parikh, University of Central Florida**

As offshoring becomes a mainstream activity for IT planning and management, organizations can access resources, which are critical to build unique capabilities but are internally unavailable, from offshore partners. Mihir will discuss knowledge resource diversity in offshoring projects and its impact on various factors related to project performance. He will also discuss implications for both research and practice in organizing effective offshore project teams.