

IT Offshoring: a Research Agenda

Teresa Marcon & Abhijit Gopal
Richard Ivey School of Business
The University of Western Ontario
London, Ontario, Canada
tmarcon@ivey.uwo.ca
agopal@ivey.uwo.ca

Abstract

As IT jobs move offshore to destinations such as India, a forceful and impassioned debate is taking place in public forums in nations around the globe. While some stakeholders welcome IT offshoring as the latest manifestation of a new global economic order that promises prosperity for all, others regard the phenomenon with skepticism or even hostility. Even as recent events and the accompanying commentary in the world of practice point to complex tensions and contradictions in Western nations and in offshoring destinations, academic responses to this aspect of the phenomenon have not yet emerged. Academic research to date has generally favoured a managerial and predominantly Western view of the phenomenon based on traditional economic or technological arguments, perhaps missing the opportunity to develop a more encompassing understanding of the situation that might usefully inform the current debate. Taking a dialectical approach that takes account of the 'other', we begin to explore the tensions at play in the realm of practice, attending both to the beneficial and detrimental consequences of IT offshoring in more and less economically prosperous nations. We draw on academic discourse from a variety of disciplines to draft a research agenda that attempts to provide a more balanced view while maintaining a close connection to the world of practice in the West and elsewhere.

Overview of Offshore IT Outsourcing Research

Citation	Publication Type	Contribution Type	Theory	Method	Focus
Apte 1990	Academic	Conceptual	TCT	-	Analysis of key factors, costs and benefits. Vendor perspective.
Ravichandran & Ahmed 1993	Practitioner	Descriptive	-	-	Issues in offshore outsourcing of ISD, with reference to phases of development
Patane and Jurison 1994	Practitioner	Descriptive	-	-	The threat to the American programmer
Apte and Mason 1995	Academic	Conceptual	TCT	-	Global disaggregation of services. Identifies activities most suited to global outsourcing.
Heeks 1996	Academic Book	Conceptual & descriptive	TCT	-	History of global outsourcing in India with emphasis on the MNE.
McFarlan 1996	Academic Book	Conceptual	TCT	-	Discussion of domestic outsourcing and some international issues in global outsourcing.
Smith et al 1996	Practitioner	Conceptual	Resource based view (implicit)	-	Develops a framework of issues relevant to offshore IT outsourcing.
Apte et al 1997	Academic	Research report	-	Questionnaire	Survey of executives in large companies in the US, Finland and Japan. Explores practices and perceptions. Comparison of domestic and international outsourcing.
Cardinali 1998	Practitioner	Descriptive	-	-	Contemplates the death of the knowledge worker in the wake of outsourcing of IT services and development.
Rajkumar and Dawley 1998	Academic Book	Descriptive	-	-	General discussion of offshoring issues & practices from both the client and the vendor perspective. Ethnocentric view.
Banarjee and Duflo 2000	Academic	Research report	Agency theory	Mathematical modeling using data from IT projects	Vendor reputation affects type of offshore outsourcing contract and the distribution of cost overruns between clients and vendors.
Nicholson et al 2000	Academic Conference	Research report	Giddens' Structuration Theory	Case study	Explores issues in the day to day relationship between UK company and its WOS in India. Focus on communication barriers and cultural issues.

Citation	Publication Type	Contribution Type	Theory	Method	Focus
Carmel and Agarwal 2001	Practitioner	Descriptive	-	-	Tactical advice for global outsourcing clients. Strategies for alleviating distance issues in global ISD.
Kobitzsch et al 2001	Practitioner	Research report	-	Case study	Global software development between a German company and its WOS in India. Focus on cooperation between firms.
Heeks et al 2001	Practitioner	Research report	Contingency theory	Case studies	Develops contingency framework based on multiple case studies. Focus on alignment. Cultural issues and tacit knowledge are important aspects.
Nicholson and Sahay 2001	Academic	Research report	Giddens' structuration theory	Case study	Indian outsourcing contractor working onsite and offsite for a UK company. Power and organizational politics. Cultural issues. Explores space and time
Rajkumar and Mani 2001	Practitioner	Descriptive	-	-	Describes the Indian IT industry and suggest success factors for offshore outsourcing.
Carmel and Agarwal 2002	Practitioner	Descriptive / conceptual	-	Case studies of large US firms	Model of development of client's engagement with offshore IT outsourcing. Focus on communication.
Gopal et al 2002	Academic	Research Report	-	Questionnaire	Interest in factors that impact the execution of ISD projects – time, rework and effort
Nahar et al 2002	Academic Conference	Conceptual	-	Case studies	Develops a framework for the offshore IT outsourcing process, from vendor selection to termination of engagement.
Choudhury and Sabherwal 2003	Academic	Research report	Agency Theory; Intraorganizational relationship theory	Case studies	Portfolios of controls in ISD projects: behavioural, self and clan controls. Seeks generalizability for outsourcing in general but the data is collected in the context of international outsourcing projects.
Gopal et al 2003	Academic	Research report	Task uncertainty; bargaining power	Questionnaire	Contract choice for offshore outsourcing vendors. Inefficient contracts.

Citation	Publication Type	Contribution Type	Theory	Method	Focus
Khan et al 2003	Conference	Research report	-	Interviews	Develops a taxonomy of offshore scenarios – from bodyshopping to complex project design and development. Vendors moving up the value chain
Jennex and Adalakun 2003	Practitioner	Research report	-	Questionnaire	Survey of SME outsourcing vendors world-wide. List of critical success factors.
Lai et al 2003	Working paper	Research report	contingency theory	Case	Coordination of global ISD between client and WOS in India. COCPIT framework plus coordination mechanisms.
Palvia 2003	Practitioner	Descriptive	-	-	Current trends in offshore IT outsourcing, recent deals.
Qu and Brocklehurst 2003	Academic	Research report	TCT	Mathematical modelling – hypothetical data	Models transaction costs. Analyzes China's competitive position in the IT offshore outsourcing space vis a vis India.
Sabherwal 2003	Academic	Research report	Agency Theory; Intraorg-anizational relationship theory	Case studies	Proposes a model of coordination for outsourced ISD projects. Clients prefer markets and vendors prefer hierarchies. Seeks generalizability for outsourcing in general but the data is collected in the context of international outsourcing projects.

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