



## McCombs School of Business Department of IROM

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### **MIS 383N Managing Business Process Outsourcing**

Instructor: Professor Sirkka L. Jarvenpaa  
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Class Meetings: Mondays and Wednesday, 11- 12:30 p.m., GSB 3.106

### **Description**

Business Process Outsourcing (BPO) involves contracting out a business process to one or more external organizations. When outsourcing involves offshoring, tasks are shifted to another country. BPO represents a growing trend and involves both non-core and core business processes including accounting, finance, human resources, R&D, engineering services, information technology, product development, customer relationship management, supply-chain optimization, etc. Traditionally, outsourcing/offshoring has been applied to narrow, functional areas, and decisions have been made on some simple criteria such as cost minimization. More recently, managers have understood that outsourcing/offshoring has to be managed in the broader context of business strategy and organizational transformation. Decisions on outsourcing/offshoring must fit and be consistent with the firm's longer term business strategy.

The course develops competencies and skills in making decisions about outsourcing/offshoring and leading and managing different types of outsourcing/offshoring relationships from strategic, technological, and political perspectives. The course introduces students to the challenges in managing both the transition and steady state in outsourcing/offshoring relationships: (1) how can we swiftly move through the learning curve, (2) how can we mitigate unplanned risks, (3) how can we protect critical proprietary knowledge of the outsourced functions, (4) how do we develop meaningful career paths, (5) how do we overcome cultural communication barriers, (6) how do we sustain innovation in outsourced business processes and technologies, etc. We examine issues from perspectives of the both sides of the equation: the clients and the vendors.

In this course, students learn to:

- Appreciate the historical and political perspectives to outsourcing/offshoring
- Analyze organizational processes to identify strategic and financial implications/opportunities of outsourcing and offshoring
- Develop outsourcing and offshoring targets/objectives and outsourcing strategy
- Develop and manage the selection of the vendor and the business model for an outsourcing/offshoring relationship
- Understand the legal issues: contracts, taxes, IP, privacy and compliance
- Understand the significance of inter-organizational relationship management and performance monitoring during transition and steady state

- Appreciate the necessary leadership skills and competencies from both the client and vendor perspectives
- Understand issues involved in offshoring to countries that differ in culture and business norms
- Develop competencies in distributed work teams: overcoming distance, time, and culture
- Accelerate innovation through global sourcing
- Examine differences in trends of outsourcing in different countries

The course will be conducted in a seminar format, with heavy emphasis upon student interaction via discussions of theories, case studies, role-playing, and team-projects. The case studies will introduce students to a variety of sourcing contexts, sourcing options, contracts, governance forms, etc. The cases address outsourcing/offshoring in human resources, finance, procurement, product development, IT, and research and development in the US, Europe, and Asia.

The written assignments will be three individual case write-ups, a team report of sourcing in online marketplace, and final project deliverables. There will be two oral presentations. One involves a geography presentation (team project) and the other a presentation of the final project (team project). The case write-ups should represent your independent work.

### **About the Instructor**

Sirkka L. Jarvenpaa is the James Bayless/Rauscher Pierce Refsnes Chair in Business Administration at the University of Texas at Austin. She was the holder of the distinguished Marvin Bower Fellowship at Harvard Business School the calendar year of 1994. During the spring of 2001, she was a visiting research fellow at the Sloan School, Massachusetts Institute of Technology. She has also held visiting professor positions at the University of Melbourne, Australia; Helsinki University of Technology, Finland; City University of Hong Kong, China; and Queens University, Canada. At the University of Texas at Austin, she serves as Director of the Center for Business, Technology and Law. She is a frequent contributor in industry forums on business strategy and information technology.

### **Required Readings**

Readings to be downloaded by students from the course blackboard <https://courses.utexas.edu/webapps/login/>. Case Packet will be available at the GSB Copy Center after Jan 17.

### **Blackboard Site**

This course is hosted on the UT Blackboard site <https://courses.utexas.edu/webapps/login/>

The latest version of the syllabus and documents are updated on this site. Rely on this site for information on the course (not the printed syllabus handed out in class).

### **Recommended (not Required) Books**

Cohen, L. and Yong, A. Multisourcing: Moving Beyond Outsourcing to Achieve Growth and Agility, Harvard Business Review 2006.

Vashistha, A. and Vashistha, A. The offshore nation: strategies for success in global outsourcing and offshoring, McGraw-Hill, 2006.

Friedman, T. The World is Flat: A Brief History of the Twenty-First Century. 2005.

Carmel, E. and Tjia, P. Offshoring Information Technology: Sourcing and Outsourcing to a Global Workforce, Cambridge, 2005

Brown, D. and Wilson, S. The Blackbook of Outsourcing: How to Manage the Changes, Challenges, and Opportunities, John Wiley and Sons, 2005.

### **Grading**

Percent	Requirement	Due Date
25%	Class participation including blackboard participation (5%)	Throughout the semester
15%	Short Written (individual) case study analyses	At the beginning of class: Feb 12, Feb 19, Feb. 26
10%	Geography Assignment	Mar 1 (via email)
20%	Take Home Mid Term EXAM	Distributed on March 26; due by March 30 (5 pm)
10%	Sourcing in Online Marketplace (elance.com or rentacoder.com)	April 11
20%	Final Project	Proposal due on March 21. Presentations during the last two sessions of the semester. Final report due on May 11

### **Class Participation**

For class discussion to be useful for everyone's learning, it is absolutely critical that you read assigned materials BEFORE coming to the class session.

The preparation should include the following three things:

1. What does each assigned reading or case say? What is the central issue/theme/point that is conveyed?
2. What have you learned? What has it added to your knowledge/understanding of the subject? What connections did you make to your experience?
3. Tie the reading or case into the larger set of materials on the subject in the course

The evaluation will be based on substantive contribution to your and other students' learning experience, not merely on the quantity of words spoken. Evidence that you have prepared for class and are able to offer interpretations of the readings will be important. Thorough preparation of each case will be especially important to contribute to the class. If you are a little shy, try to make at least one contribution per class.

Students are encouraged to ask questions and come to class with questions prepared. Good questions reflect good thinking about the cases, the material, the life experiences, and one's self. Asking questions helps a student to integrate theory and practice.

**If you are unable to attend a particular class, you need to write up answers to the case discussion questions to avoid penalizing your participation grade (1 to 2 page write-up).**

#### *Blackboard Participation (5% of class participation)*

Identify and post articles/top stories on outsourcing/offshoring on Outsourcing/Offshoring News Sharing section under Blackboard Participation with a short summary (include a full citation or URL). Each student is asked to post at least two articles per semester. Each student is required to post comments on at least two

of the articles that are posted (not including their own). The articles can not be older than 6 months and can not be from a blog source. News stories have to be distinctly different from what was posted by someone else. The syllabus contains a list of websites connected to sourcing but you are free to find other sources for your articles.

The summaries should indicate (1) relevance to class, (2) why the article is important? controversial? and (3) what new (e.g., lessons, issues) you learned from reading this article.

### **Written Case Study Analysis**

Three times during the semester, students will submit an individually prepared and written case analysis for evaluation. This will be a maximum of 2 pages in length (double-space typed) and due at the beginning of the class session.

### **Geography Presentation (teams of two)**

Imagine you are representing a professional services association for a new hot emerging offshore location (exclude well established locations such as e.g., India, Philippines). In a slide presentation create a sales pitch for an offshore geography (country, city) for a particular type(s) of offshored service(s). Include consideration of demand and supply of the type of offshored service in the locale right now or near future. Include considerations of benefits and risks. For any risks, explain how these risks are mitigated by companies offering services in or sourcing to this location.

Selecting a country/city: Each team should concentrate on a unique city/country. Each team needs to post the name of the city and country it wants to focus on by Jan 31 on Blackboard Participation. Include one or two sentence justification why the location is a new hot emerging offshore site. If the particular city/country is already chosen, then choose another.

Submission Guidelines: Please submit an electronic version of the slides to the instructor via email by **deadline (March 1)**. Max – 8 slides (not counting title/references). Teams will be called to present their pitch in class in different class sessions.

### **Sourcing in Online Marketplace (teams of two or three)**

In this assignment, you will be asked to outsource a small project on Elance.com or Rentacoder.com online freelance service. Rentacoder.com has no minimum bid. Elance.com and Rentacoder.com are auction sites like Ebay.com, but for services. Here you can find providers for many different services (website development, slide presentation development, graphics design, proof reading, ghost writing, and many other services). In this assignment, you need to pick a relatively small task to outsource and go through the process of posting your project, getting bids, choosing a provider, and getting a deliverable product. The product needs to be submitted to me in some shape (e.g., if it is a website design, send me the files as attachment to your final report). Once you go through the project, you need to write up your experiences in the report discussing how the project went and what you learned from the experience concerning outsourcing. Please include your project statement and deliverable as the attachment to the report.

There are two constraints:

- a) You may not spend more than \$50 for the job (17% - \$25 from each person)
- b) You should give your providers a deadline of one week

Please do not outsource the proofreading of a paper because you will not learn as much from the type of outsourcing.

Start on this assignment early as you will need to get your credit card verified so that you can pay the provider (the verification process may take up to a week) and you will need to have some time to write up the report once the project is complete.

Submission guidelines: Please submit a printed document – 4 pages long, 12 point font, double spaced + the statement of work and the deliverables as attachments at the beginning of the class on April 11<sup>th</sup>.

### **Mid Semester Take Home Exam**

This take-home exam is an individual assignment and you should discuss neither the case nor the exam questions with others in class. The exam is based on a case study. The exam will test your (1) understanding of concepts, theories, frameworks and models, (2) ability to organize and illustrate the same, and (3) ability to apply the knowledge of 1 and 2 for critical analysis and synthesis in the context of a specific case study. Remember that there are no “correct” answers to the exam questions. The grading will be based on your understanding of the issues and solutions and how you use the relevant materials learned in class and introduced in readings to justify and explain your arguments and recommendations. It is also intended to assess if you realistically understand what it takes to manage BPO effectively from the client and provider perspectives.

The take home case and questions will be handed out on Monday March 26<sup>th</sup>. There is no class on Wednesday March 28. The exam answers are due Friday 5 p.m. on March 30<sup>th</sup>.

### **Final Project**

This assignment can be completed individually or in teams of two. You may do research on a particular topic related to global sourcing of services or prepare a case analysis of your chosen company's experiences with outsourcing/offshoring. If you choose the latter, you are encouraged to identify an organization where you have the ability to interview executives. Although a case study can be developed on the basis of publicly available reports (Wall Street Journal, Business Week, Annual Reports etc.), interviews with executives will help you deepen the insights and lessons learned. An in-class presentation of the final project (20 minutes) will be required during the final two class periods.

Project Proposal: A one page proposal of the paper is due by March 21<sup>st</sup> handed in class.

Paper Due: About a 10 page double-spaced paper is due on May 11<sup>th</sup> submitted to the instructor electronically. The length is a mere guideline and can be exceeded.

Presentation Due: Either on April 30<sup>th</sup> or May 2<sup>nd</sup> as assigned by the instructor.

### **Useful Links**

The following web sites will be quite useful to you. I urge you to use these *before* you begin googling. They are also available on Blackboard Useful Sites.

1. News clipping on offshoring: <http://www.globalsourcingnow.com>
2. Sourcing magazine: <http://www.sourcingmag.com/>
3. Managing Offshore (magazine): <http://www.managingoffshore.com/>

4. ZDNet Outsourcing Cases: <http://itpapers.zdnet.com/search.aspx?&scid=99&dtid=3>
5. InformationWeek Outsourcing section: <http://www.informationweek.com/outsourcing/>
6. CIO Magazine: <http://www.cio.com/>
7. CIO Insight: <http://www.cioinsight.com/>
8. ComputerWorld: <http://computerworld.com>
9. InfoWorld: <http://www.infoworld.com/>
10. Offshore Consultancy: NeoIT: <http://www.neoit.com>
11. India's software association, NASSCOM: <http://www.nasscom.org>
12. Consultancy: Gartner: <http://www.Gartner.com>
13. Consultancy: Forrester: <http://www.forrester.com>
14. Consultancy: Accenture Research and Insights: [http://www.accenture.com/Global/Research\\_and\\_Insights/](http://www.accenture.com/Global/Research_and_Insights/)
15. Offshore consultancy: TPI: <http://www.tpi.net>
16. Offshore consultancy: Equaterra: <http://www.equaterra.com>

## Schedule

Date / Topics	Case Studies	Reading List
<b>DEVELOPING GLOBAL OUTSOURCING/OFFSHORING STRATEGY</b>		
<b>Session 2 Jan 22</b>  <b>Business Strategy of Outsourcing</b>	<i>Case: Inc.Com: Was outsourcing to India the Right Move? (Blackboard)</i>  Preparation Questions: <ol style="list-style-type: none"> <li>1. What were the drivers for offshoring?</li> <li>2. Was outsourcing to India the right move? Why or why not?</li> <li>3. Are there other options that the company should have been contemplating? If so, what are they?</li> <li>4. What problems is the firm likely to face and how might the firm deal with those?</li> <li>5. What have been your personal experiences with outsourcing/offshoring?</li> <li>6.</li> </ol>	Friedman, T. "It's a Flat World After All," New York Times ( <i>Blackboard</i> )  Kirsner "The eBay of Programmers" Fast Company ( <i>Blackboard</i> )  Cohen & Young Chapter 2 "Prepare for a Well-aligned Sourcing Strategy" ( <i>Blackboard</i> )
<b>Session 3 Jan 24</b>  <b>Sourcing Models</b>	<i>Case: Procter and Gamble: Global Business Services (HBS Case Study 9-404-124) (Case Packet from Copycenter)</i>  Preparation Questions: <ol style="list-style-type: none"> <li>1. What do you think Walker (and P&amp;G) should do and why?</li> <li>2. Why should the firm develop an outsourcing strategy?</li> <li>3. How does the firm develop an outsourcing/offshoring strategy?</li> <li>4.</li> </ol>	Gottfredson, Puryear, Phillips "Strategic Sourcing From Periphery to the Core" ( <i>Blackboard</i> )  <i>SKIM: Case: Cathay Pacific: Doing More with Less (HBS Case Study 9-303-106) (Case Packet from Copycenter)</i>
<b>Session 4 Jan 29</b>  <b>Offshoring Strategy</b>	Preparation Questions: <ol style="list-style-type: none"> <li>1. Why should firms develop an offshore strategy?</li> <li>2. How does one develop an offshore strategy?</li> <li>3. What can or should be offshored and when?</li> <li>4. What are the alternative offshore models?</li> <li>5. Which model should be selected when?</li> </ol>	Aron and Singh "Getting Offshoring Right" ( <i>blackboard</i> )  Carmel & Agraval, "The Maturation of Offshore Sourcing of Information Technology" ( <i>blackboard</i> )

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		<p>SKIM: 2006 Global Outsourcing Guide  <a href="http://www.cio.com/archive/071506/2006_global_outsourcing_guide.pdf">http://www.cio.com/archive/071506/2006_global_outsourcing_guide.pdf</a>  <i>(blackboard)</i></p> <p>SKIM: Executives joining workers abroad (Austin-American Statesman, Jan 8 2007)  <a href="http://www.statesman.com/business/content/business/stories/technology/01/08/8cis.co.html">http://www.statesman.com/business/content/business/stories/technology/01/08/8cis.co.html</a></p>
<p><b>Session 5</b> Jan 31</p> <p><b>Identifying Target Processes</b></p>	<p><i>Case: Making the HR Outsourcing Decision, Adler, MIT Sloan MNGT Review (Blackboard)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. How does HR outsourcing differ from IT outsourcing?</li> <li>2. What were the strengths and weaknesses of the BP and Exult deal?</li> </ol> <p><b>DUE: Post the country/city of Geographic Assignment on Blackboard (no duplicates please)</b></p>	
<b>PROVIDER SELECTION AND CONTRACTING</b>		
<p><b>Session 6</b> Feb 5</p> <p><b>Vendor Landscape</b></p> <p><i>Guest Speaker: Todd Hintz (Principal, Everest Group)</i></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Should a firm focus on choosing a country or a vendor first?</li> <li>2. Is it better to choose a local or a global provider?</li> <li>3. What are the key criteria for evaluating vendors?</li> <li>4. Does CMM-5 and ISO-2000 always mean you will get high quality services?</li> <li>5. What are the tradeoffs between generalist and niche providers?</li> <li>6. What are the vendor's strategies in providing services to clients?</li> </ol>	<p>Feeny et al, "Taking the Measure of Outsourcing Providers" <i>(Blackboard)</i></p> <p>Davenport "The Coming Commoditization of Processes" (Harvard Business Review) <i>(Blackboard)</i></p> <p>SKIM:  eSourcing Capability Model for Service Providers:  <a href="http://itsqc.cs.cmu.edu/default.aspx?currentDDState=escmForSP&amp;m=theModel">http://itsqc.cs.cmu.edu/default.aspx?currentDDState=escmForSP&amp;m=theModel</a></p>

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<p>Session 7 Feb 7</p> <p><b>Relationship Management</b></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Think about the prior cases we have discussed. What are the critical success factors in building and managing outsourced relationships?</li> <li>2. What is the role of trust in different types of outsourcing?</li> <li>3. How does trust change over the life of the relationship? How does the RFP and vendor selection process affect trust? How does the outsourcing business model affect trust in outsourcing relationships? What are the implications from performance measurement on trust? What kinds of governance structures help to foster versus erode trust?</li> <li>4. When do deep supplier relationships become a liability for the client and the provider?</li> </ol>	<p>Liker &amp; Choi, "Building Deep Supplier Relationships" <i>Harvard Business Review</i> (Blackboard)</p> <p>Kern, Willcocks &amp; van Heck, "The Winner's Curse in IT Outsourcing," California Management Review (Blackboard)</p>
<p>Session 8 Feb 12</p> <p><b>Developing the governance model</b></p>	<p><i>CIBC: Outsourcing the Human Resources Department (A) (Case Packet from Copycenter)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. How would you improve CIBC's decision processes so far?</li> <li>2. How should the CIBC-vendor relationship be structured and governed? Why?</li> <li>3. Assume that CIBC decided to outsource and adopted the governance proposal that you developed. You have now been hired by the outsourcing vendor to be the transition czar to help transition the employees of CIBC to the vendor organization. Develop a transition plan. Also develop a way to measure the success of the transition. Justify your recommendations.</li> </ol> <p><b><u>ASSIGNMENT: 2 PAGE CASE WRITE-UP DUE (12 point font, double spaced)</u></b></p>	<p>Mani, Barua, Whinston "Successfully Governing Business Outsourcing Relationships" (2006) (Blackboard)</p>
<p>Session 9 Feb 14</p> <p><b>Outsourcing Contracts and Other Legal Issues</b></p> <p><i>Guest Speaker: Henry W. (Hank) Jones, III (Law Office of Henry W. Jones, III -and- Intersect Technology Consulting)</i></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What are the critical legal dimensions of outsourcing and offshoring?</li> <li>2. What should be discussed in a contract or an SLA?</li> <li>3. What are the IP-related risks in using 3rd parties in a global context?</li> <li>4. What does Sarbanes-Oxley mean for global sourcing?</li> <li>5. Which contract structure is best suited for different types of BPO relationships, given vendors' and clients' capabilities and experiences?</li> </ol>	<p>Carmel and Tjia: Chapter 6 Offshore Legal Issues (Blackboard)</p> <p>Linder et al "Metrics and Incentives in Outsourcing – Driving Peak Performance" (Blackboard)</p> <p>SKIM: TPI, "Center Points for Essential Outsourcing Contracting Terms" (Blackboard)</p>

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<b>MANAGING TRANSITION AND TRANSFORMATION</b>		
<p><b>Session 10 Feb 19</b></p> <p><b>Building Business Process Change Capabilities via Outsourcing</b> (strategic intent, contract, governance)</p>	<p><i>Case: Transforming A Human Resource Function Through Outsourcing: The BAE Systems – Xchanging Enterprise Partnership (Blackboard)</i></p> <p>Questions for Case Analysis:</p> <ol style="list-style-type: none"> <li>1. Evaluate the Xchanging HR Services enterprise partnership as revealed in its operation up to end of 2002? Include comment on the generic competencies and the four phase implementation plan.</li> <li>2. Will the XHRS enterprise partnership continue into a successful Continuous Improvement phase, and meet the challenges as listed in Table 2 in the case. If so, how? 4. Can you foresee other challenges?</li> <li>3. Critically assess whether you think the Enterprise Partnership model will prove in the longer term to be a noticeably better way for organizations to leverage IT and business process outsourcing.</li> </ol> <p><b><u>ASSIGNMENT: 2 PAGE CASE WRITE-UP DUE</u></b> (12 point font, double spaced)</p>	
<p><b>Session 11 Feb 21</b></p> <p><b>Managing/Transitioning Offshore</b></p>	<p><i>Case: Evolution of Offshore Software Development: From Outsourcing to Cosourcing, Kaiser &amp; Hawk, MISQ Executive (Blackboard)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Evaluate the strengths and weaknesses of the alliance between FISC and “Offsource”</li> <li>2. What are the client and provider capability requirements for co-sourcing with an offshore partner?</li> <li>3. How critical to the alliance partners have been the dual project management hierarchy and career development/mentoring? Discuss implications to both FISC and “Offsource.” Do you think the benefits of dual hierarchy and development/mentoring are worth the costs for the client and for the provider?</li> <li>4. What “lessons learned” can you glean from this case?</li> </ol>	<p>Rottman &amp; Lacity, “Proven Practices for Effective Offshoring IT Work”(Blackboard)</p>
<p><b>Session 12 Feb 26</b></p> <p><b>Managing People Through Transitions and Steady States</b></p>	<p><i>Case: Clean Skin at Kinleith Mill (Blackboard)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Did the company outsource the right processes for the right reasons? Justify your answers</li> <li>2. What were the main people issues at Kinleith Mill?</li> </ol>	<p>Linder &amp; Wiley, “Business Process Outsourcing: The Critical First Year” (Blackboard)</p>

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	<p>How well were they managed? What could have been done differently and why?</p> <p>3. Develop recommendations for the key stakeholders.</p> <p><b>ASSIGNMENT: 2 PAGE CASE WRITE-UP DUE</b> (12 point font, double spaced)</p>	
<p><b>Session 13 Feb 28</b></p> <p><b>Country Selection</b></p> <p><i>Guest Speaker: John Christman (Global IT Finance, Dell Inc.)</i></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What are the comparative advantages of different countries?</li> <li>2. Why do certain countries dominate certain areas of service?</li> <li>3. What are the advantages of near shoring?</li> <li>4. Will China and Russia pose a serious threat to India in the next 5 or 10 years?</li> <li>5. What role do regulatory environments play in different type of sourcing work?</li> </ol>	<p>Farrell “Smarter Offshoring” (Blackboard)</p> <p>SKIM: Business Week Special Report Dec 11 2006 on Outsourcing Beyond Bangalore (series of articles) (Blackboard)</p> <p>SKIM: Consultants’ Global Sourcing Indices: AT Kearney “Building the Optimal Global Footprint “ (Blackboard)</p> <p>SKIM: "Mapping Offshore Markets Update 2005," neoIT (Blackboard)</p>
Email Slides of the Geography Presentation by March 1		
<p><b>Session 14 Mar 5</b></p>	<p>No class -- work on elance.com/rentacoder project (due April 11)</p>	
<p><b>Session 15 Mar 7</b></p>	<p>No class – work on Final Project proposal</p>	
SPRING BREAK		
<b>MANAGING AT STEADY STATE, ENDING AND RENEWAL</b>		
<p><b>Session 16 Mar 19</b></p> <p><b>Managing at Distance</b></p>	<p><i>GlobeSMART Distance Teaming Project (handout in class on Mar 19)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What have been your experiences working in virtual teams?</li> </ol>	<p>Brett et al “Managing Multicultural Team” (Blackboard)</p> <p>Kao et al’s Management and Cultural Values - Chapter 7: “Japanese and Indian Work Patterns” (Blackboard)</p>
<p><b>Session 17 Mar 21</b></p> <p><b>Managing Cultural Issues in Offshoring</b></p>	<p><i>Case: Shield: Product Development in a Distributed Team (Case Packet from Copycenter)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What do you think of Howard’s actions so far?</li> <li>2. What are the root causes of the problems?</li> <li>3. What should Howard do? Why?</li> <li>4. What should Sun Ho do? Why?</li> </ol>	<p>Lee et al “Ambidextrous Coping Strategies in Globally Distributed Software Development Projects”(Blackboard)</p>

Date / Topics	Case Studies	Reading List
	<b>DUE: FINAL PROJECT PROPOSAL</b>	
<p>Session 18 Mar 26</p> <p><b>Supporting Offshored Work with Technology</b></p>	<p>Preparation Questions: To be announced</p> <p><b>NOTICE: MID SEMESTER TAKE HOME EXAM WILL BE DISTRIBUTED</b></p>	<p>Malhotra and Majchrzak “Virtual Workspaces” (Sloan Management Review) (<i>Blackboard</i>)</p> <p>Carmel “Building Your Information Systems from the Other Side of the World: How Infosys Manages Time Zone differences” MISQE (<i>Blackboard</i>)</p> <p>SKIM: Kruger et al “Egocentrism over e-mail: Can We Communicate as well as we Think” (<i>Blackboard</i>)</p>
<p>Session 19 Mar 28</p>	<i>MID TERM TAKE HOME EXAM</i>	<p>Due by Mar 30, 5 p.m. (Friday)</p>
<p>Session 20 Apr 2</p> <p><b>Ending and Renewal</b></p>	<p><i>Case: Cosiness and Cover-Up at Inland Revenue/EDS (Case Packet from Copycenter)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What relevance does the Government’s enthusiasm for public-private sector partnerships have for making sense of the pressures on Inland Revenue and EDS and for the failed implementation of the new tax credits?</li> <li>2. This case is just one of a number of failed public sector IT projects, many involving private sector. From EDS’ perspective, what are the risks involved in working with a public sector client?</li> <li>3. The termination of the Inland Revenue-EDS contract was unexpected, even after the tax-credit fiasco. What made it unlikely that Inland Revenue would choose a new supplier and why did the unexpected happen?</li> <li>4. What might EDS or Inland Revenue have done, independently or jointly, to avoid the problems that were aired before the Public Accounts Committee?</li> <li>5. What lessons might the parties – Inland Revenue, EDS, politicians, media commentators, etc – draw from the history of the Revenue-EDS relationship?</li> </ol>	<p>CIO Magazine “Backsourcing Pain” (<i>Blackboard</i>)</p>
<p>Session 21 Apr 4</p>	<p><i>Case: ExlService- Business Process Outsourcing in</i></p>	<p>Carmel and Tjia,</p>

Date / Topics	Case Studies	Reading List
<p><b>Vendor Perspective of Offshore Business</b></p> <p><i>Guest Speaker: Nagi Rao (SysInformation, Inc.)</i></p>	<p><i>India (Case Packet from Copycenter)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Should ExlService move down-market and undertake call center outsourcing for Dell? Why or why not?</li> <li>2. Should the company proceed with the Sarbanes-Oxley business?               <ol style="list-style-type: none"> <li>a. If so, how should the company acquire the required expertise?</li> <li>b. If not, what other lines of business would be strategically appealing?</li> <li>c. What are the risks of the strategy you select?</li> </ol> </li> <li>3. What will be the most significant operational difficulties in establishing a sales organization?</li> <li>4. How should ExlService reduce its attribution rates in short-term and long-term?</li> </ol>	<p>“Offshoring Information Technology: Chapter 11: The Provider Perspective” (<i>Blackboard</i>)</p> <p>Visit the website of SysInformation at <a href="http://sysinformation.com/">http://sysinformation.com/</a></p>
<p><b>Session 22 Apr 9</b></p> <p><b>Outsourcing in the Public Sector</b></p> <p><i>Guest Speaker: Sherri Greenberg (LBJ School, UT)</i></p>	<p>Preparation Questions: To be announced</p>	<p>Beyond the Bid: an evaluation of state and local government procurement practices, Chapter 3, Contracts (<i>Blackboard</i>)</p> <p>To be announced</p>
<b>GLOBALIZATION OF SERVICES: CURRENT AND FUTURE TRENDS</b>		
<p><b>Session 23 Apr 11</b></p> <p><b>Emerging Global Labor Market: Supply and Demand</b></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What is going on and why?</li> <li>2. Does US economy benefit from offshoring?</li> <li>3. Should politicians do something about this phenomenon and, if so, what?</li> <li>4. What role do political and regulatory climates play in different type of sourcing work?</li> </ol> <p><b>DUE: SOURCING IN ONLINE MARKETPLACE REPORT (ELANCE.COM OR RENTACODER PROJECT)</b></p>	<p>Harrison and McMillan “Dispelling Some Myths about Offshoring” (<i>Blackboard</i>)</p> <p>Farrell et al “Sizing the Emerging Global Labor Market” (<i>Blackboard</i>)</p> <p>SKIM: Dossani and Kenney “Reflections upon “Sizing the Emerging Global Labor Market” (<i>Blackboard</i>)</p> <p>Reich, “Plenty of Knowledge Work to Go Around,” Harvard Business Review (<i>Blackboard</i>)</p>
<p><b>Session 24 Apr 16</b></p> <p><b>Dynamic Sourcing Models</b></p>	<p>Case: eSourcing Strategy at Sun Microsystems (<i>Case Packet from Copycenter</i>)</p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Given your knowledge of the Sun Microsystems supplier management organization, which of the SRM software applications would you pursue?</li> </ol>	

Date / Topics	Case Studies	Reading List
	<p>What are the pros and cons of starting with dynamic bidding?</p> <ol style="list-style-type: none"> <li>2. If you were to move ahead with implementing dynamic bidding, how, if at all, would you change the offering to suppliers? What would you do to work out the concerns about the Global Commodity Directors?</li> <li>3. What would be your recommendations to Scott McNealy on the implementation of dynamic bidding at Sun?</li> </ol>	
<p>Session 25 Apr 18</p> <p><b>Multivendor Management</b></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Why is governance so important in multisourcing?</li> <li>2. What are the additional client and supplier investments and capabilities needed in multisourcing?</li> <li>4. How is innovation and change managed in multisourcing environments?</li> <li>5. Multisourcing promises to move beyond strategic outsourcing to achieve growth and Agility. What is necessary for this promise to be fulfilled?</li> </ol>	<p>Cohen and Young, Chapter 4 “Govern and Manage Multisourcing” <i>(Blackboard)</i></p>
<p>Session 26 Apr 23</p> <p><b>Innovating through Global Sourcing Strategies</b></p>	<p><i>Case: Feed R&amp;D – or Farm It Out (Blackboard)</i></p> <p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. Should Lars Outsource R&amp;D? Why or why not?</li> <li>2. What capabilities are needed to produce innovative products and services through global sourcing?</li> </ol>	<p>Huston &amp; Sakkab “Connect and Develop – Inside P&amp;G’s New Model for Innovation” <i>(Blackboard)</i></p> <p>Engardio &amp; Einhorn, “Outsourcing innovation” <i>(Blackboard)</i></p> <p>SKIM: Linder, Jarvenpaa, &amp; Davenport, “Toward an Innovation Sourcing Strategy.” <i>MIT Sloan Management Review (Blackboard)</i></p>
<p>Session 27 Apr 25</p> <p><b>Future Markets of Outsourcing: Identifying the Major Vendors, Recent Trends in Outsourcing Agreements, Discussing Current Issues and Possible Future Developments</b></p>	<p>Preparation Questions:</p> <ol style="list-style-type: none"> <li>1. What are the major trends of outsourcing/offshoring in near and long-term?</li> <li>2. How will those trends affect you?</li> <li>3. Will China and Russia pose a serious threat to India?</li> <li>4. How can you best prepare for future developments of outsourcing/offshoring?</li> </ol>	<p>Booz/NASSCOM executive report “Globalization of Engineering Services - The next frontier for India” <i>(Blackboard)</i></p> <p>Booz Allen Hamilton “Globalization of White collar work” 2006 <i>(Blackboard)</i></p>

Date / Topics	Case Studies	Reading List
		Aspray et al "Globalization and Offshoring of Software - A Report of the ACM Job Migration Task Force" ( <i>Blackboard</i> )
Session 28 April 30 <i>Presentation Day</i>	Final project presentations	
Session 29 May 2 <i>Presentation Day</i>	Final project presentations	

**The complete report on the FINAL PROJECT is due on Friday, May 11, 5 pm.**