

Courses taught in English at the Faculty of Economic Sciences

Module No.: M.WIWI-BWL.0092	Credits:
Title: Global Sourcing of Business and IT Services	6
Course Content:	Course Type:
Advances in information and communication technologies enable firms to leverage expertise globally. Increasingly, sourcing and deploying expertise beyond the boundaries of the firm is considered an important part of business strategy. Firms are increasingly using digital technologies to create and extend relationships to execute business processes. As a result, global sourcing of information technology (IT) and IT enabled business process services are emerging as keys to increasing efficiency and competitiveness in the global economy. While global sourcing in manufacturing and logistics operations has been a part of business strategy for many years now, the trend in global product development and services delivery models enabled by IT is more recent. Firms are seeking not only cost savings (cost focus) from service providers, but also improvement in business processes (operational improvement focus), active engagement in co-creation of unique value (business performance focus), and access to the technical talent (new product development focus). In the high growth market for IT and business process outsourcing (BPO) services, firms that provide these services are facing a number of challenges including high attrition, lack of adequate talent, shrinking profit margins, and rising wages. For firms using the IT and business process services and creating an extended digital enterprise, they are well advised to also consider the risk factors and realistically estimate both short and long term benefits. Indeed, cultural and geographical distances between members of multi- national, globally distributed networks could also pose a myriad of risks. In this course we will study the drivers of the globalization of IT service delivery along with the managerial and technological issues related to managing the global sourcing of information technology and business process services.	lecture

Recommended Prerequisites:	Exam:
Basic knowledge about information management	 team project: case analysis and presentation 90 minute exam towards the end of the semester

Recommended Semester: 1 - 4	Cycle: once
Literature:	Lecturers:
1. CASE 1: Kanter, R. M. (2009): IBM in the 21st Century: The Coming of the Globally Integrated Enterprise. Harvard Business School Teaching Case No. 9-308-105	Prof. Balaji Rajagopalan, Ph.D. Dr. Robert W. Gregory
 Module 1 – Should a firm outsource an IT function or a Business Processes? Ross, J.W. (2003). Creating a strategic IT architecture competency: Learning in stages, MIS Quarterly Executive, 2, 1, 31-43. Ross, J.W. and Beath, C.M. (2006). Sustainable IT outsourcing success: Let enterprise architecture be your guide, MIS Quarterly Executive, 5,4 181-192. CASE 2: McFarlan, W.F., Young, F., & Lo, W.S. Cathay Pacific, Harvard Business School Case # 9-307-009 Module 2 – How to evaluate global sourcing models for carrying out IT functions/business processes? Aron, R. & Singh, J.V. (2005). Getting offshoring right. Harvard Business Review, 135-141. Shi, Y. (2007). Today's solution and Tomorrow's problem: The business process outsourcing risk management puzzle, California Management Review, 49, 3, 27-44. CASE 3: Sampler, J. (October 2004). Tecnovate: Creating competencies and business value through business process outsourcing, MIT Center for Information Systems Research, WP # 347. 	
 Module 3 – Selecting service providers 8. Feeny, D. Lacity, M. & Willcocks, L.P. (Spring 2005). Taking the measure of outsourcing providers. MIT Sloan Management Review, 46, 3, 41-48. 9. Poston, R. S., Kettinger, W. J. & Simon, J. C. (2009). Managing the Vendor Set: Achieving Best Pricing and Quality Service in IT Outsourcing. MIS Quarterly Executive, 8, 2, 45-58. 10. Case 4: Cross, J. (May-June 1995). IT outsourcing: British Petroleum's competitive approach, Harvard Business Review, 95-102. Module 4 – Managing sourcing engagements 11. Rottman, J.W. & Lacity, M. (Spring 2006). Proven practices for effectively offshoring IT work. MIT Sloan Management Review, 56-63. 	

 Mishra, A. K., Mishra, K. E. & Spreitzer, G. M. (Spring 2009). Downsizing the Company Without Downsizing Morale. MIT Sloan Management Review, 50, 3, 39-44. CASE 5: DeLong, T.J., Brackin, W., Cabanas, A. Shellhammer, P., & Ager, D.L. Proctor & Gamble: Global 	
Business Services, Harvard Business School Case 9-404-124.	
 Module 5 – Global delivery strategies 14. Ghemawat, P. (2007). Managing Differences: The Central Challenges of Global Strategy. Harvard Business Review, 85, 3, 59-68. 15. Whitley, E. A. & Willcocks, L. (2011). Achieving Step- Change in Outsourcing Maturity: Toward Collaborative Innovation. MIS Quarterly Executive, 10, 3, 95-107. 16. CASE 6: Eccles, Robert G. (2008) Cognizant Technology Solutions. Harvard Business School Case N9-408- 099. 	
 Module 6 – Emerging technologies and trends 17. Armbrust, M. et al. (2010). A View of Cloud Computing. Communications of the ACM, 53, 4, 50-58. 18. Iyer, B. & Henderson, J. C. (2010). Preparing for the Future: Understanding the Seven Capabilities of Cloud Computing. MIS Quarterly Executive, 9, 2, 117-131. 19. CASE 7: Manoharan, M. et al. (2009): Zuora Inc – Venturing Into Cloud Computing. Stanford Graduate School Case SM-182. 	