

CONFERENCE ON

Offshoring & Outsourcing: The Organizational and Geographical Relocation of High-Value Company Functions



**Copenhagen
Business School**
HANDELSSHØJSKOLEN



*at SDA Bocconi School of Management
Milan, April 23 – 24, 2008*

Conference Paper (or Abstract) Submission Deadline: *November 30, 2007*

Most companies have traditionally performed the bulk of their high-value functions within their home nation in which the parent firm is located. It was believed that the competitive advantage of a firm resided in its “core” activities, and that these should be kept in-house in order to foster future capabilities and to protect key knowledge from leakage to competitors. Examples of core or “high value” functions include Research and Development (R&D), critical IT designs, and proprietary processes. However, several firms are now considering the relocation of even some high-value activities to (a) foreign locations (“Offshoring”) and/or (b) to external service providers or alliance partners (“Outsourcing”). In short, high-value activities are beginning to be both offshored and outsourced. The conference seeks to identify the factors that determine the mix, or spread, of global high-value operations over in-house versus external vendors -- and in geographical terms, the proportion of home nation high-value activities, versus high-value functions that the firm undertakes in foreign countries.

While IT services such as software writing were among the first to be offshored, the phenomenon is now spreading to other higher-value business processes under the rubric of Business Process Outsourcing (BPO). The worldwide market for BPO was estimated by the research firm IDC to be \$382.5 billion in 2004, with a 10.9% annual growth expected through 2009. With the rise in services offshoring, many countries are competing with each other to be considered an attractive location for service sector value added. In the ultimate analysis, any business process or task that can be (i) decomposed, (ii) codified, and (iii) digitized, is amenable to outsourcing. This potentially affects almost every department of a firm, from accounting, to human resource management, as well as complex tasks such as the mathematical modeling of derivatives and R&D. Only the most tacit and deeply-embedded knowledge functions, or those requiring local, culturally-sensitive, interactions with customers, are exempt from such concerns.

Types of Papers for the Conference

Empirical as well as theory-building papers will be considered. As this topic lies at the intersection of several scholarly domains, papers can draw from several fields, such as Organization Theory, Strategy, International Business, and Technology & Innovation Management. Aspects of the phenomenon can also encompass other areas such as Entrepreneurship, Operations Research and Organizational Behaviour.

Examples of Topics that May Be Included in the Conference (and JMS Special Issue – See Below)

This conference seeks to explore themes such as the ones shown below. The list below is not meant to be exhaustive, and authors are welcome to contribute papers with other perspectives as well.

- Why are companies considering the offshoring and/or outsourcing of core functions (for example R&D) that comprise the heart of a firm's competitive advantage?
- What management processes are being used in companies to formulate and evaluate such decisions? In short, how do companies strategize the decision making process that determines the organizational or geographical spread of value added activities
- What precautionary mechanisms are being put into place to protect proprietary knowledge and capabilities of the firm and prevent the loss of future competitiveness?
- What is the extent of (knowledge) spillover benefits that host-nations get from global outsourcing and offshoring activities?
- What role do emerging markets and/or emerging market firms play in global outsourcing/offshoring?
- How does intellectual property protection affect the offshoring decision?
- What implications do outsourcing/offshoring of activities of large multinationals have on entrepreneurship within the organization?
- What implications does the outsourcing/offshoring of activities have on international business theories and practices of firms worldwide?
- What is the role of intermediate organizational modes or quasi-integration such as alliance or cooperative relationships that lie in between internalization and arms-length outsourcing?
- Has codification of knowledge increased? Once codified, are even complex, high value functions are now amenable to outsourcing?

Guidelines and Timeline for the Conference

All manuscripts and or extended abstracts should be prepared according to *Journal of Management Studies* guidelines for authors at <http://www.blackwellpublishing.com/submit.asp?ref=0022-2380&site=1>.

Submit manuscripts in electronic form to E-mail Address

ConferenceApril2008@Business.Rutgers.edu

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| November 30, 2007 | Deadline for submitting papers (or 5 – 10 page abstract) for the conference |
| January 4, 2008 | Notification of acceptance of papers for the Milan conference
(Selected papers may receive partial travel support) |
| March 1, 2008 | Deadline for submitting finalized full-length paper for conference |
| April 23 - 24, 2008 | Conference at SDA Bocconi, Milan |

Conference Organizing Committee:

Farok J. Contractor (farok@andromeda.rutgers.edu) Rutgers Business School, Rutgers University
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Journal of Management Studies (JMS) Special Issue

As a parallel but independent activity, a Special Issue of JMS will be devoted to this topic

(NOTE: Papers may be submitted for the JMS Special Issue *independently* of the conference)

The JMS special issue will be guest-edited by the conference organizing committee members. (Please see the list above).

Attendance at the conference is neither required in order to submit papers for the Special Issue, nor will any additional consideration be given to conference participants.

Submissions to the JMS Special Issue will be treated *entirely independently*, in accordance with JMS guidelines and will be subject to the normal blind refereeing process.

For JMS guidelines see the URL
<http://www.blackwellpublishing.com/submit.asp?ref=0022-2380&site=1>

June 15, 2008 Deadline for papers for JMS Special Issue

August 15, 2009 Final decision on acceptances for JMS Special Issue