Foreword

“Welcome to the age of constant alarm bells where surprise is all and no one can predict what will happen tomorrow”. When Ridderstråle and Bordström wrote this back in 2002, little did they know that, less than a decade later, business managers would be wondering daily whether there would be a tomorrow, let alone how it would look. Nowadays, industry news bulletins sound like war dispatches. Many are scared to turn on the nightly news, just in case another company has hit the road. At times like this, businesses have to be prepared for anything that might happen. And, if you are dealing with Information Technology (IT) outsourcing, that is the best reason why you should read this book: *Measuring IT Outsourcing Performance* prepares you to proactively design and manage your IT outsourcing venture.

The book is packed with relevant notions, tips and knowledge which will increase your awareness of the typical risks and challenges and will enable you to avoid falling into the most dangerous pitfalls. Solli-Sæther and Gottschalk even devised a maturity model that, in itself, can be used instantaneously as a roadmap to success: a series of stages that you should follow to make your business evolve and grow hand-in-hand with your outsourcing partners.

I should probably say at this point that, in a true outsourcing spirit, at first I thought I should ask somebody else to write this foreword for me. Then I realised that was probably not what the authors had in mind when they invited me to do this! So, I sat down at the desk of my hotel room, turned on my computer, accessed my Software-As-A-Service provider’s platform, opened Microsoft Word, created a new “Foreword.docx” file and saved it to my quota on our IT supplier’s server situated in a remote office location somewhere in Scotland. And there I was, ready to go! How’s that for IT outsourcing?

As Editor-in-Chief of *Strategic Outsourcing, An International Journal (SOIJ)*, I have been fortunate to be at the heart of the outsourcing scientific community, working with some of the world’s most esteemed outsourcing experts. Over the past few years, I have seen this topic rise to the top of both scientists’ and executives’ agendas. In its first year alone, *SOIJ* generated over 7400 article downloads worldwide, clear evidence of the interest in this area. One of Volume 1’s closing articles identified the top 10 most urgent outsourcing research questions. One was the need to better address the challenges inherent with managing outsourcing performance. And then Solli-Sæther and Gottschalk’s book appeared. Timely, to say the least!

Working with executives from various sectors responsible for sourcing and outsourcing projects, I have seen firsthand the virtues and shortcomings of existing knowledge and theories, when applied in the real world. Traditional tools for performance measurement seem inadequate when applied to outsourcing projects and as a result, many scholar and practitioners question the real success rate of these initiatives. Today’s global financial crisis, however, is increasingly holding executives accountable for every decision, more than ever before. Consequently, all projects are scrutinised through the lenses of return on investment, cost/benefits and efficiency measures. There is no other way to put it: measuring and managing outsourcing performance is something we will need to become much better at in the future!
Managing IT Outsourcing Performance offers the nuts and bolts of managing outsourcing relationships while providing critically relevant insight from industrial case studies which demonstrate that what appears simple in theory may become extremely complex in reality. Whether you work with IT outsourcing or simply want to be “educated” on the subject, the balanced approach of presenting scientific theories side by side with practical experience makes the value of this book stand out shouting.

Solli-Sæther and Gottschalk start from the basics, offering a detailed yet easy to follow run-through of the seminal theories often used to explain how to answer the crucial “make or buy” question. Then, they build their argument all the way up to the complex stuff, providing several useful clues about how to manage global outsourcing relationships under the pressure of ever more demanding stakeholders. Their book looks at outsourcing from the perspective of the client-supplier relationship, suggesting how to measure and manage its performance to create a win-win environment.

Building and managing business today feels at times like playing the Hasbro’s Jenga game, the one where you play with a tower made up of layers of wooden bricks and you need to take as many bricks as possible apart and place them to the top of the tower trying to go as high as possible: your company will become stronger if you can recognise what processes you can let go; it will lose its equilibrium, falling into pieces at the slightest mistake or trembling, as you let these processes go; and it won’t be the ‘tallest tower’ in the market unless you have an idea of how to design and manage the structure of your network.

If IT is your Jenga’s Tower or simply one of its wooden bricks, and if you want to be Hasbro’ tallest, Darwin’s fittest or Ridderstråle’s and Bordström’s funkiest business in the industry, this book gives you the rules of the game.

Friedman once said: “It’s all about combining the best of what computers can do with the best of what humans can do, and the constantly reintegrating the new best practices the humans are innovating back into the system to make the whole – the machines and the people- that much more productive”.

Read this book and be prepared!

ENDNOTES


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