

Index

A

ABC 71, 80, 137, 149
ABC analysis 140
access control 119
activity based costing (ABC) 71, 80, 137
AHP (see analytical hierarchy process)
alliance 2, 13
analytical hierarchy process (AHP)
321, 323
application service provider (ASP) 32,
243
application SLA 102
architecture 117
architectures 109
Artemis 80
ASP (see application service provider)

B

B2B 46
balanced scorecard 99, 106, 107, 111
Balanced Scorecard Institute 107
benchmarking 103, 120
benchmarks 2
best-of-breed outsourcing 45
binomial model 304, 309
Black-Scholes formula (1973) 303
Black-Scholes model 309
boilerplate 102
bona fide tools 71
BPO (see business process outsourcing)
budgets 80, 141
business intelligence 138, 144, 147
business process 94

business process outsourcing (BPO)
3, 97, 148, 243
business strategies 47

C

CAGR (see compound annual growth
rate)
capability maturity model (CMM) 101
capacity 98
capital costs 136
causes 17
centralization 123, 124, 126
centralized contracting 130
centralized IT procurement 127
CFO 5
change control 99
change management 120
changing workforce 23
chic logistics 315
Chic Logistics Incorporated (CLI) 310
CIO 6
CLI (see Chic Logistics Incorporated)
client 269, 270, 271, 275
client organizations 270
client-vendor relationships 276
CMM (see capability maturity model)
CMMi (see integration capability maturity
model)
CMO (see contract manufacturing
organization)
COCs 285
commercial off the shelf (COTS) 79
competencies 176
competency-critical success factor 29

competition 23
 complexity 205, 209
 compound annual growth rate (CAGR)
 241
 Computer Sciences Corporation (CSC)
 136
 computer-supported collaborative work
 critical success factors 17, 27, 28, 47,
 58, 99, 107
 CRM 22
 CROs (see Contract Research Organiza-
 tions)
 CSC (see Computer Sciences Corpora-
 tion)
 CSCW (see computer-supported collabo-
 rative work)
 CSF 77, 107
 cultural attitudes 71
 cultural feasibility 141
 cultural norms 71
 cultural practices 109
 culture
 70, 111, 227, 237, 270, 273, 275
 culture, national 275
 customer focus 21, 22
 customer relationship management
 (CRM) 22
 customization 202, 209

D

data mining 132, 138, 144
 data warehouses 132, 138, 144
 DataMirror 143
 DCF (see discounted cash flow)
 dead weight loss 343, 345
 decentralization 125
 decentralized 124
 decision model 83, 136, 138, 140, 146
 decision model 62, 71, 79, 135, 138,
 145
 decision model criteria 135
 decision support system (DSS) 144, 233
 decision support tools 138
 degraded performance 121
 degree 245, 246
 Demand uncertainty 203
 demand uncertainty 203, 209
 descriptive decision model 145
 differentiated oligopoly 3
 disaster recovery 137
 disaster-recovery plan 103

discounted cash flow (DCF) 301
 DSS (see decision support system)

E

earned value analysis (EVA) 71, 137
 ED 242
 EDS (see Electronic Data System)
 EIS (see executive information system)
 Electronic Data System (EDS) 44, 97,
 242
 encrypted 102
 encryption 102, 121
 environmental uncertainty 205
 ethics 62, 74
 EVA (see earned value analysis)
 evaluating 58
 evaluation 141
 evolution of information system 44
 executive information system (EIS) 234
 external relationship 282
 extranet Web site 110

F

feasibility 114, 134, 141
 feasibility analysis 76, 140
 feasibility study 140
 First American 143
 fixed costs 134
 formalization 124
 functional aspect 48
 future of the IS department 48

G

GDSS (see group decision support
 systems)
 GE (see General Electric)
 General Electric (GE) 9
 global activity 20
 global competition 23
 global economy 22, 23
 global industry value chain 20
 global outsourcing 292
 global scale 283, 284, 291
 globalization 23, 74, 104
 goal programming (GP) 286, 321, 322
 goal programming software 286
 goals 47
 goals and strategies 47
 government 72, 97, 100, 133
 government decision-making 132

governmental agency 74
 GP (see goal programming)
 group decision support systems (GDSS)
 235

H

help desk 70, 73, 134, 144
 heuristic 142
 heuristical bias 142
 heuristical processes 132
 hierarchical business organization 5
 HIPAA 272
 historical perspective 19, 34, 42
 hosting SLA 102, 103
 human resource management 73

I

improvement 58, 67, 97, 100, 133
 in-house sourcing 199, 201
 information systems outsourcing 44
 information security 109, 117
 information systems processes 47
 information technology (IT) 46, 124, 269,
 282
 infrastructure 70, 71, 82, 94, 101, 141
 infrastructure weaknesses 118
 inseparability 209
 insource 71
 insourcing 69, 70, 245
 intangibility 201, 209
 Integrated Systems Solution Corporation
 (ISSC) 243
 integration capability maturity model
 (CMMi) 101
 intercultural teamwork 114
 International Organization for Standardiza-
 tion 101
 International Trade Agreement (ITO) 31
 international transactions 84
 Internet 135, 142
 Internet service provider 78
 Internet software application 73
 interorganizational relationships 282
 intranet Web sites 110
 IR 97
 IS outsourcing 152
 ISO 9000 101
 ISSC (see Integrated Systems Solution
 Corporation)
 IT (see information technology)
 IT processes 46

IT-based business processes 46
 ITO (see International Trade Agreement)

J

JIT (see just-in-time management)
 job loss 23
 just-in-time management (JIT) 14

K

knowledge base 96, 138
 knowledge management 192
 knowledge transfer 137, 141
 knowledge-based model 146

L

likelihood 225
 local government 95
 Logitech 105
 long-term strategic alliance 2
 LotusNotes 110

M

maintenance contracts 134
 make-or-buy 200, 205, 212
 Malcolm Baldrige 100
 Malcolm Baldrige National Quality Award
 100
 management heuristics 138
 management-by-objectives (MBO) 14
 managing outsourcing 53
 matrix organizations 13
 maturity 99, 140
 MBO (see management-by-objectives)
 MCDM (see multicriteria decision making)
 measurement 80, 107
 medium category of service 139
 metaphor, the family 231
 metaphor, the game 229
 metaphor, the journey 229
 metaphor, the jungle 231
 metaphor, the machine 230
 metaphor, the organism 230
 metaphor, the society 231
 metaphor, the war 230
 metaphor, the zoo 231
 metaphors 224
 metaphors, business 229
 metaphors, organizational 228
 metrics 74, 82, 93, 99, 102, 103, 139,
 149

MIS 62, 296
 MiTAK-SYNNEX Group 31
 MLS 71
 mode 246
 modification 97
 monitoring 58
 monitoring dashboard 242
 monitoring performance and controlling 102
 motivation 123, 126, 128
 multicriteria decision making (MCDM) 321, 322
 multisourcing 243, 244

N

NAFTA (see North American Free Trade Agreement)
 Nash solution 344
 National Ignition Facility (NIF) 308, 315, 316
 National Institute of Standards in Technology (NIST) 100
 near-shore outsourcing 18
 near-shoring 69
 net present value (NPV) 301
 net-sourcing 243, 244
 network infrastructure 102
 network SLA 102
 NIF (see National Ignition Facility)
 NIST (see National Institute of Standards in Technology)
 noncore activity 203
 noncore competitive business activity 6
 noncore service activity 209
 norms 112, 189
 North American Free Trade Agreement (NAFTA) 29
 NPV (see net present value)

O

obsolescence 24
 off-shore outsourcing 18
 off-shoring 18, 69
 online (video) meetings 114
 operational feasibility 141
 opportunism 123, 126, 127
 option analysis 317
 organization structure 27
 organizational culture 274
 outsource partner 83, 99
 outsource service provider 83

outsource vendor 84
 outsourced project 58
 outsourcee 199
 outsourcer 199, 201
 outsourcer, selecting an 100
 outsourcing 70, 94, 175, 176, 178, 199, 201, 296
 outsourcing as a natural evolutionary step 43
 outsourcing contract 42, 52, 56, 58
 outsourcing contracts model (pay-later) 339
 outsourcing, critical factors 285
 outsourcing failures 152
 outsourcing finance and accounting (F&A) functions 33
 outsourcing level 154, 161, 162
 outsourcing MIS 62, 73, 83, 104, 135
 outsourcing of customer care functions 33
 outsourcing of human resource (HR) functions 33
 outsourcing of information technology functions 31
 outsourcing of pharmaceutical functions 32
 outsourcing outcomes 152
 outsourcing partner 85, 224, 225, 236
 outsourcing partner selection 291
 outsourcing partner selection model 283
 outsourcing partners, selecting 136
 outsourcing, project risk 271
 outsourcing, R&D 298
 outsourcing risks 237, 273
 outsourcing, selection of services 138
 outsourcing software development 104
 outsourcing, sources of 271
 outsourcing, strategic 322
 outsourcing success 152, 156, 167
 outsourcing-insourcing alliance network 2, 5, 13
 ownership 246

P

partner selection model 283
 pay-later 341, 342
 pay-now 339, 342
 payroll 73
 PDA (see personal digital assistant) 114
 Peregrine 97
 performance 79, 82, 93, 99, 144

performance criteria and metrics 94
 performance levels 102
 performance measurement 70
 performance metrics 93, 137
 performance specifications 94
 personal digital assistant (PDA) 114
 PMIS (see project management information system)
 Primavera 80
 productivity 69, 71, 99, 110, 135, 136
 productivity levels 75
 productivity paradox 282
 profitability 82
 project 178
 project evaluation 77
 project feasibility 138
 project management 154, 170
 project management and monitoring 167
 project management information system (PMIS) 111
 project management, success 168
 project management tool 114
 project proposal 140
 project renewal 155, 169
 project risk 271
 project selection 140
 project termination 155, 169
 project 175
 proposal 82
 psychological contract 242, 249, 253

Q

quality 71, 94, 99, 100, 133, 134, 136
 quality model 100
 quality process 101

R

R&D 4, 297
 R&D outsourcing 298
 real option 297, 302
 real option analysis (ROA) 302, 311, 314
 reasons 47
 recovery 94, 142, 143
 remedy 97
 remote control and virtual management 119
 renewing 58
 request for proposal (RFP) 55
 response times 94, 103
 return on investment 81
 RFP 55

risk 4, 84, 98, 99
 risk factors 116
 risk management 107, 118, 249
 risks 4, 10, 141, 225
 risks of outsourcing 27
 critical success factors (CSFs) 77
 ROA (see real option analysis)
 ROA, not 301
 rural sourcing 69

S

SCM (see supply chain management)
 SCMIS (see supply chain management information system)
 security 80, 93, 102, 104, 137
 security architecture 120
 security breaches 117
 security consultants 118
 security framework 120
 security procedures 120
 security staff 137
 security systems 70
 SEI (see Software Engineering Institute)
 select specific projects 67
 select the projects 80
 select the right candidate 77
 selected outsourcing partnerships 112
 selecting a provider 99
 selecting an outsourcer 100, 101
 selecting viable projects 139
 selection of outsource partners 99
 selection of services to be outsourced 138
 service activity 201
 service level agreement (SLA) 94, 99, 103, 138
 service life cycles 22
 services 203
 services, additional 340
 services, essential 203
 shrinkage in product 22
 single, multiprocess outsource provider 7
 SLA 54, 94, 95, 102, 105, 107, 138, 149
 SLA model 138
 social capital 190, 192
 social norms 190
 societal, political, and ethical factors 25
 software 178
 software development 70, 83, 84, 114
 software development toolset 77

Software Engineering Institute (SEI) 101
 software tool 119, 144
 spillover risk 9
 spot checks 97
 strategic intent 153, 159, 160, 162, 167
 strategic outsourcing 321
 strategic planning 63, 65, 69, 71, 73, 80
 strategic vision 63
 strategy 62, 63, 74, 107, 136, 175
 subcultures 224
 success 160
 success factors 271, 273
 successful contract negotiations 166
 successful project management 168
 supplier source selection 101
 supply chain 321
 supply chain management (SCM) 308, 324
 supply chain management information system (SCMIS) 310
 support costs 136
 systems life cycle 22

T

TCA (see transaction cost analysis)
 team 66, 73, 79, 94, 107, 111, 140
 technical feasibility 140
 technological innovations 24
 technological uncertainty 204, 209
 technology transfer 116
 technology transfer block exemption (TTBE) 116
 telecommunications 70, 71, 74, 84, 104, 136
 telecommunications network 70, 84
 telephone answering service 78
 third party logistics (3PL) 30
 timeframe 246, 248
 tools 69, 97, 120, 147
 transaction cost 204
 transaction cost analysis (TCA) 198, 200, 203, 212
 transference of the contract 115

trust 189, 190
 TTBE (see technology transfer block exemption)
 type of service provider 83

U

U.S. Congress 100
 U.S. Department of Defense 117
 U.S. Government 101
 UCTA (see Unfair Contract Trams Act 1977)
 uncertainty 203
 uncertainty, demand 203
 uncertainty, environmental 205
 uncertainty, technological 204
 Unfair Contract Trams Act 1977 (UCTA) 115
 unforeseen costs 69, 71
 unpredictability 203
 users 175, 178

V

value chain 20
 various alliances 13
 vendor 170, 269, 270, 271, 342
 vendor evaluation 105
 vendor quality 299
 vendor selection 154, 163, 165, 299
 vendor selection criteria 54
 vendor selection, two-stage 300
 vendors 270
 virtual teams 109, 110

W

Web site hosting 78
 why, when, and what to outsource 17, 27
 work ethic 71, 72

X

Xerox Corporation 159

Y

Y2K 29