

Contents

<i>List of Tables</i>	vii
<i>List of Figures</i>	viii
<i>Foreword: Michael F. Corbett</i>	x
<i>Notes on Contributors</i>	xiv
Introduction <i>Peter Brudenall</i>	1
PART I A Framework for Successful Outsourcing	
Chapter 1: From Fixed Contracts to Dynamic Partnerships: Successful Outsourcing in a Changing World <i>Darren Dalcher</i>	9
PART II Strategies for Offshore Outsourcing	
Chapter 2: Strategic Offshoring: Decision Analysis, Best Practices, and Emerging Trends <i>Dan Bhide</i>	37
Chapter 3: The Politics of Offshoring: Trends, Risks and Strategies <i>Paul Morrison</i>	65
Chapter 4: Offshoring: Hidden Benefits and Hidden Costs <i>Paul Davies</i>	80
PART III Understanding Business Process Outsourcing	
Chapter 5: Business Process Outsourcing: A Manager's Guide to Understanding the Market Phenomenon <i>Ashok C. Devata, Rachna Kumar and Theophanis Stratopoulos</i>	97
Chapter 6: Offshore Business Process Outsourcing: Strategies to Minimise Failure <i>Jonathan Chevallier and Hilary Robertson</i>	116
PART IV Achieving Business Transformation Through Outsourcing	
Chapter 7: BPO as Enterprise Partnership: The BAE-Xchanging Transformation Strategy for HR Procurement <i>Mary Lacity, Leslie Willcocks and David Feeny</i>	133

Chapter 8: Sustainable Transformation. Where IT Outsourcing Falls Short and BPO Must Deliver <i>Mike Friend</i>	162
PART V Managing the Outsourcing Relationship	
Chapter 9: How to Manage the Outsourcing Relationship <i>Graham Beck</i>	177
Chapter 10: Designing Successful Outsourcing Relationships – Selected Techniques from a Lifecycle Perspective <i>Sara Cullen</i>	186
PART VI The Legal Foundations	
Chapter 11: The Outsourcing Contract: Structure and Tactics <i>Peter Brudenall</i>	211
Chapter 12: Systems Development Outsourcing: Lessons from Litigation <i>Mike Chiasson, Al Dexter and David Wotherspoon</i>	225
PART VII Looking Ahead – Issues for the Future	
Chapter 13: The Future of Offshore Outsourcing as a Strategic Management Tool <i>Mark Kobayashi-Hillary</i>	243
Chapter 14: Utility Computing: A Better Model for Outsourcing Success? <i>Jeff Kaplan</i>	259
<i>Index</i>	275

Introduction

Peter Brudenall

According to Meta Group, almost all global companies will have outsourced some of their information technology requirements by 2006. While this appears to be an amazing statistic, it is perhaps not surprising that outsourcing – both of IT and business processes – is becoming so prevalent given the apparent benefits. From the customer's perspective, a service provider agrees to take over part of their business and perform those services to the same or a higher standard for a lower cost. As more companies start doing this, it is simply not cost effective for a business to maintain specialist, non-core services in-house when the market can deliver such services to a level and for a price that cannot be matched internally.

However it is fair to say that customer expectations have often not been realised, and the rate of outsourcing 'failure' – where an outsourcing deal is either terminated or re-negotiated – has been consistently high. While this is due to reasons such as bad planning, bad advice, lack of a coherent strategy or simply choosing the wrong partner, there is no doubt that customers today (particularly those who have already had some experience of outsourcing) expect far more from their service providers.

Essentially, customers expect their outsourcing partners to do more than simply offer a service that meets the pre-contract standard for a slightly reduced cost. Customers are now looking to tap into the additional benefits they hear so much about: the increased agility to respond to short-term changes in the market, greater adaptability and flexibility to meet challenges from technology, variable pricing structures and alignment between the services being provided and the overall business objectives. There is often a disconnect between the service provider's sales pitch and the team providing and managing the services. The issue remains: how can customers start to fully realise the value of outsourcing, understand how outsourcing can be used to transform their business, and avoid costly renegotiations or deal failures?

This book is intended to answer these questions.

2 *Technology and Offshore Outsourcing Strategies*

As a response to the more strategic and sophisticated outsourcing deals that customers are now seeking to develop, and the need for customers to see their way through the hype associated with ‘offshore outsourcing’, ‘business process outsourcing’, ‘utility computing’ and so on, there was in my view a need to collect the views of some of outsourcing’s thought-leaders – the individuals who are dealing with outsourcing every day and understand the dynamics of what works, and what doesn’t, when embarking on an outsourcing partnership. The authors involved in this book collectively represent decades of experience, and many hundreds of outsourcing deals, and come from academia, suppliers, advisors and analysts. Offering practical and constructive advice and insights, anyone considering embarking on an outsourcing relationship, or currently in the middle of one, will be able to apply the best practice principles set out in the book and, at the same time, minimise the chances of failure.

The book focuses on seven key outsourcing themes:

- what is the framework for successful outsourcing?
- reviewing current thinking and strategies with respect to offshore outsourcing;
- examining the dynamics of business process outsourcing;
- understanding how outsourcing – particularly business process outsourcing – can ‘transform’ a business;
- how to successfully manage the relationship with the supplier;
- understanding and applying the legal aspects of the outsourcing relationship; and
- examining what outsourcing might look like in the future.

However, if there is one overarching theme that governs this book it is that anyone considering an outsourcing relationship must develop and then apply a clearly-thought out strategy. It is simply not enough to enter into an outsourcing deal because ‘everyone else is doing it’. If you do that, without careful planning, good advice, and structured management, there is no doubt you will find yourself in a costly mess that will be difficult to unravel.

A framework for successful outsourcing

Part I, and the chapter from Professor Dalcher, is very much an overview of many of the ideas touched on in this book. In explaining the benefits, opportunities and risks in outsourcing, Dalcher also uses a case study of a disastrous IT failure to highlight some of the risks in outsourcing which is followed by a set of recommendations and lessons for improved practice.

Strategies for offshore outsourcing

Part II is devoted to offshore outsourcing. Clearly, the difference between outsourcing today and outsourcing of 10 to 20 years ago is the ability of

companies to take advantage of offshore services. By using the vast pools of highly skilled, educated labour in Asia, Africa, Eastern Europe and parts of South America, companies are dramatically reducing their costs for outsourcing by up to 60 per cent. In this context, Dan Bhide's chapter highlights the important decision analysis process for evaluating offshore options, and the best practices for risk mitigation and value maximisation. However, in the current political climate, offshore outsourcing has a distinct political dimension with fears about job losses dominating discussions on the topic. This may lead to regulating authorities seeking to adjust laws to either make offshore outsourcing more difficult, or subject to a greater level of scrutiny. Paul Morrison's chapter aims to provide the political dimension to any best practice of global sourcing strategy. Finally, this section is completed with an examination by Paul Davies of the hidden benefits and costs associated with offshore outsourcing. If not thought through carefully, the benefits of offshoring will be reduced significantly once these costs are taken into account – often too late.

Issues in business process outsourcing

Part III looks at the huge increase in business process outsourcing. The chapter from Devata, Kumar and Stratopoulos reviews the factors driving and enabling the business process outsourcing market, the companies providing outsourcing services and what constitutes best practice when considering outsourcing business processes.

Secondly, the chapter from Chevallier and Robertson of leading outsourcing service provider Xansa highlights some major, but often hidden, hazards and issues to be addressed when developing a strategy for an offshore business process outsourcing.

Achieving business transformation through outsourcing

Part IV of the book examines how outsourcing can be used to transform a business. The chapter from Willcocks, Lacity and Feeny describes, by way of a case study involving BAE Systems and business process outsourcing supplier Xchanging, an innovative and strategic approach to outsourcing involving risk-reward contracting and the enterprise partnership model. Secondly, the chapter from Mike Friend of analysts IDC looks at how service providers are engaging with their customers to achieve sustainable transformation through BPO and how they are measuring these cost and service delivery gains.

Managing the relationship

Part V deals directly with the one of the key reasons for outsourcing failure – the inability of both suppliers and customers to successfully *manage* the

outsourcing relationship. This is consistently recognised as being an area of outsourcing practice that needs improvement if success rates are to increase. Sara Cullen's chapter addresses the nature of outsourcing relationships and highlights select practices that have been applied to design successful relationships. Graeme Beck from PA Consulting describes in his chapter the need for customers, as well as suppliers, to play a key role in the relationship and the need for customers, in particular, to adopt and foster the appropriate mentality when constructing the outsourcing contract.

The legal foundations

Part VI deals with another outsourcing fundamental that is often badly handled – the legal and contractual aspects of outsourcing. Too often, lawyers unfamiliar with the complexities of an outsourcing transaction assume that it is just another supplier agreement. A badly drafted or negotiated contract will not only significantly increase the likelihood of a contract renegotiation within a short time of the contract commencing, but may also impact on the ability of the parties to successfully manage the contract and resolve issues as they arise. This can lead to costs increasing, and ultimately can cause deal failure. My chapter is aimed at providing a plain-English account of the major considerations for any outsourcing contract. It is well understood that an outsourcing contract is one of the more complex commercial agreements that an in-house lawyer or manager will come across. It is also likely to be one of the more time-consuming as the process from start to finish can take several months. My hope is that my chapter will make this process somewhat easier, and enable those tasked with managing the outsourcing process to have a meaningful discussion with lawyers, advisors and, most importantly, the supplier. To complement this, the chapter from Chiasson, Dexter and Wotherspoon takes the outsourcing of systems development and examines the processes that inhibit or promote vendor-client agreement on the changes that inevitably occur during the relationship. Alternative approaches to resolving outsourcing conflict are also discussed.

The future

The Final Section of the book takes a look at the future of outsourcing. There seems little doubt that what is now called 'utility computing' or 'on-demand computing', will be the basis for outsourcing services in the near future, and for those unfamiliar with the topic, or considering offers from one of the increasing number of utility computing service providers, should read Kaplan's chapter carefully. Secondly, the future of offshore outsourcing as a management tool is examined by Mark Kobayashi-Hillary. In particular, Mark focuses on the future drivers and inhibitors of offshoring,

and makes some educated guesses as to what the key issues will be over the next few years.

This book has been more than 18 months in the making, and my thanks and appreciation go to the publisher, Palgrave, for having invited me to produce the book, to the authors for their diligent hard work in developing their ideas, to my colleagues David Barrett, Michael Sinclair and Claire Bodiam for their assistance, and finally I would like to thank my wife, Kylie and my two children Jack and Oscar for their support and patience.

Peter Brudenall, Editor

Index

- Aalders, Rob 255, 257
Accenture 77, 99, 110, 111, 125,
169–70
Acquired Rights Directive (ARD)
214–15
Aggarwal, Alo 67
Agrawal, V. 116
Airbus 173
Albert, G. 103, 107
Alborz, S. 186
Alliance & Leicester (UK) 72
American Express 74, 99, 102, 265
Amicus 71
Analytic Hierarchy Process (AHP) 53
Ang 187
AOL 99
arbitration 235–6
AT&T 248
automation 61
- back-office transactions outsourcing
100
BAE Systems 4, 100, 133
contract labour 147–8
enterprise partnership with
Xchanging 139–41, 142, 143,
144, 158
procurement 135–6
recruitment 148, 150
Bahli, B. 225, 226
Bank of America 71, 100
Barclays Bank 9, 71, 77
baselining 146
Beath, C.M. 29, 186, 187
Beck, Graham 4
benchmarking 31–2, 218
Bhide, Dan 3
Black Coffee Software (New Zealand)
246, 247
Blount 107
Bluerock Consulting 67–8
Boeing 173
BP Amoco 100
Brazil 112
break charge 222
Britannia Operator 170
British Aerospace 134, 135
British Airways 39, 65, 74
British Petroleum (BP) 98, 169–70, 250
British Telecom (BT) 71, 77, 100
Brooks, F. 228
Brudenall, Peter 1
Build Operate Transfer (BOT) 251
Businessland Inc. 98
business process outsourcing (BPO) 3,
60, 90, 97–8, 112–14, 133, 162,
164–5, 173–4
aerospace industry 172–3
benefits 167–8
commonly outsourced processes
98–101
comparative data 105
drivers 101–4
enablers 104, 106–8
finance and accounting 169–70
global market 99
India 99–100, 102–3, 110
insurance industry 170–2
oil and gas industry 169–70
organisational structures 109–12
strategy development 108–9
sustainable transformation through
165–6, 169
business process outsourcing (BPO),
offshore 116–17, 129
risks 121–4
strategy 119–21
business transformation through
outsourcing 3–4, 47, 133–4
- call centre industry 67, 77, 99–100
Campbell, D. 187
Capability Maturity Model (CMM) 12,
48, 104, 254
captive centres 19, 120
car leasing 148, 149
Carr, Nicholas G. 247, 259
Carroll, Tim 170
Castells, Manuel 245
chargebacks 118–19, 129

- Chevallier, Jonathan 3, 67, 68, 129
 Chiasson, Mike 4
 China 41, 48, 69, 97, 103, 104, 112, 123
 Citibank 39
 Clarke, Aaron 254, 257
 Clinton, Hillary 256
 CNN 66
 Collins, H. 187
 communication 27, 30, 126
 Communication Workers Union (CWU) (UK) 71, 77
 Communication Workers Union of America 71
 Computer Associates 112
 conflicts 225, 227, 237–8
 resolution processes 235–7
 Conoco UK 170
 consortium exchanges 138
 ContactBabel 252
 contract enactment models 150
 mid-level model 151
 thick model 151–2
 transactional model 150–1
 contractual processes 226
 Co-operative Group (UK) 11
 core competencies 249, 250
 corporate governance 182–3, 219
 Xchanging Procurement Services (XPS) 141
 corporate inertia 92
 corporate social responsibility (CSR) 69, 76
 corporate strategy 248–50
 Costa, C. 189
 costs
 operating 117
 procurement 133–4
 recruitment 85–6
 search 250–1
 transition 125–6
 travel 83–4
 creative destruction 243
 Cullen, Sara 4, 187, 189, 197, 199
 customer relationship management (CRM) outsourcing 99–100, 227–8, 229

 Daksh eServices 110
 Dalcher, Darren 2
 Davies, Paul 3

 Deakin, S. 187
 decision making 24
 offshore outsourcing process flow 42–3, 45–7
 Dell 67
 Devata, Ashok C. 3, 97
 Dexter, Al 4
 Digital Equipment Corp. 98
 DiMaggio, P. 192
 displacement management 75
 dispute management 217
 Doherty, John 138, 139, 141, 144, 148, 157
 do it yourself (DIY) procurement 137, 138, 139
 Domberger, S. 187

 Eastman 192
 Eastern Europe 3, 48, 257
 Electronic Data Systems (EDS) 108, 110, 249, 262, 263, 267
 EMC 265
 employees transfer 214–15
 enterprise partnership 135, 138–9, 157–61
 e-procurement suppliers 138, 139
 Evalueserve 67, 251, 257
 Evans, Dick 134
 external providers/vendors
 see third party service providers (TPSP)

 Farrell, D. 116
 fee-for-service outsourcing 171
 Feeny, David 3
 finance and accounting outsourcing 98–9, 165, 169–70
 Finn, Richard 250, 254
 Fitzgerald, G. 10
 Flanagan, Kevin 71
 Flour Corporation 268–9, 274
 force field analysis 243–4
 Ford 99, 249
 Friend, Mike 3

 Gartner Group Inc. 9, 60, 251, 255, 256
 GATX 265
 GEC 135
 General Electric (GE) 39, 65, 74, 102, 112

- General Electric (GE) Capital Services 99
- General Motors (GM) 101, 108
- Gleick, James 248
- Global E-Business Pvt Ltd 99
- globalisation 65, 245–6
- Goles, T. 186, 187
- Good Migrations* (White paper) 77
- Google 101
- Gregory Mankiw's Economic Report* (2004) 72
- Guardian Life Insurance Company (US) 111–12
- Hamel, Gary 249
- Handy, Charles 249
- HCL Technologies (India) 110
- Heimer, C. 187
- Hewlett Packard (HP) 62, 264, 265, 267
- Hewlett Packard (HP) Compaq 99
- Hirschheim, R. 225
- Hoch, J. 117
- HSBC 71, 100, 112
- Hui, P. 29, 186
- human resources (HR) outsourcing 100, 165
- human resources (HR) procurement 135
- buying power 155–6
 - governance 158–9
 - obtaining category expertise 144–5
 - sourcing excellence methods 145
 - operational method 150–2
 - strategic method 145–6
 - tactical method 146–50
 - sourcing excellence tools 153–5
 - supplier relationships 156–7
- Hurley, M. 189
- hybrid models of business process outsourcing 112, 120
- IBM 62, 98, 102, 108, 110, 111, 125, 170, 266, 267, 268
- and Sonaca relationship 172–3
 - utility computing investment 264–5
- ICL (UK) 11
- IDC 163
- India 124–5, 126–7, 243, 244, 250
- business process outsourcing (BPO) 99–100, 102–3, 110
 - offshore outsourcing 3, 80–1, 92–3, 123
 - technical infrastructure 106–7
 - indirect spend 135–6, 141, 145, 146
 - categories 147–50
 - transforming 137–9
 - information technology enabled services (ITES)
 - see business process outsourcing
 - information technology outsourcing (ITO) 1, 60, 98, 162, 166, 173–4, 186, 225, 237
 - evolution 163–4
 - Infosys Technologies Ltd (India) 69, 110, 247
 - Inland Revenue (UK) 28
 - institutional isomorphism 192
 - International Underwriting Association (IUA) 170–2
 - Internet 107, 247
 - Ireland 48, 97, 102, 106, 112
 - Jasdic Park 112
 - Jones, David Rich 138, 140, 143, 144, 145, 153, 157, 158
 - Jones, W.O. 189
 - J.P. Morgan Chase & Co 101
 - J.P. Morgan Chase Investment Bank 268
 - Kalakota, R. 107
 - Kaplan, Jeff 5
 - Kennedy, R. 98
 - Kern, T. 186, 187, 189, 193, 225
 - Kerry, John, 72
 - Khindria, Tony 244
 - Klepper, R. 189
 - knowledge economy 247
 - Kobayashi-Hillary, Mark 5, 246
 - Kodak 98, 108, 192
 - labour 124–5
 - arbitrage 117, 118
 - contract 147–8
 - globalisation 245–6
 - Lacity, Mary 3, 103, 186, 189, 225
 - lean manufacturing principles 59–60
 - legislation and regulation 68, 217, 244–5
 - restrictive 61
 - United States 72–3, 73–4, 245, 251–2

- Lewin, K. 244
 Lexindia 244
 liability 123, 219
 litigation 233–5
 Lloyds (London) 170–2
 Lloyd, Tim 76
 Loh, L. 192
- Macaulay, S. 187
 McFarlan, W. 225
 McKinsey 67, 251
 Macneil, I. 187
 Malhotra, D. 226
 management consultancy 171
 Marburger, R. 237
 Marcolin, L. 226
 Mastercard 118
 mediation 235
 Messner 3
 Meta Group 1, 9, 26
 Metropolitan Ambulance Service (MAS)
 (Melbourne) 16–17
 outsourcing 17–18, 19–20
 audit 20–1
 contract 18–19
 recommendations 21–2
 mid-market offshoring 60–1
 monitoring 31
 Morgan, R. 117
 Morgan, Terry 135
 Morrison, Paul 3
 Morris, P. 117
 Morris, Rod 21
 Morstead 107
 Mukherjee, Marco 246, 248, 249,
 255
 Multi Criteria Decision Analysis
 (MCDA) 53
 Murnighan, K. 226
- NASSCOM (India) 68, 244
 National Outsourcing Association (UK)
 31
 Nationwide (UK) 72
 Net Present Value (NPV) 55
 New Zealand 245, 247
 Nolan, R.L. 225
 Nordström, Kjell 246
- Office Tiger 110
 offshore insourcing 46
 offshore outsourcing 2–3, 117–18,
 256–8
 benefits 44–5
 cultural difficulties 252–3
 decision making process 42–3, 45–7
 government policy 244, 251–2
 India 3, 78, 80–1, 92–3
 location analysis 47–8
 natural limits 255–6
 New Zealand 245, 247
 public opinion 251–2
 risks 44–5
 specification 88
 speed gains 88–9
 strategy development 90
 United States 72–3, 73–4, 245,
 251–2, 256
see also business process outsourcing
 (BPO), offshore
 offshore procurement 81–2, 138
 offshore sourcing
see offshoring
 offshoring 37, 39–41, 63
 assessing impact 71–4
 benefits 89–92
 best practices 55, 58–60
 business case 75–6
 controversies 65–6, 69–70
 economic impact 66–7
 evaluation criteria 49–52
 qualitative analysis 52–3, 54
 quantitative analysis 53, 55,
 56–7
 evolution 37–9
 government services 62–3
 pilot projects 86
 regulatory compliance 68
 risks 70–1
 trends 60–3
 Ohmae, Kenichi 248
 operating costs 117
 Oracle 263, 266
 organisational change 253–5
 outsourcing 1–2, 9–12, 32, 117, 177,
 183–4
 and business transformation 3–4,
 133–4
 and technology 90–1, 247–8
 benefits 12–13
 business case 29
 future 4–5

- issues and controversies 226–7
- lifecycle 189–91
- opportunities 13–14
- process 28–31
- risks 14–15, 25–6
- strategy 192–4
- target services 195–7
- transition period 201–2
- outsourcing conflicts
 - see* conflicts
- outsourcing contracts 4, 18–19, 26, 30–1, 127, 211, 223
 - adversarial approach 178–80
 - deal structure 211–12
 - first-generation 178
 - salient features 215–19
 - termination 219–20, 222
- outsourcing relationships 4, 27, 118, 124, 126–7, 177, 184–5, 186–7, 206
 - and conflicts 217, 227, 237–8
 - and legal representatives 181–2
 - managing 202–4, 217–19
 - nature 187–8
 - strength, weakness, opportunities, threats (SWOT) analysis 204–6
 - techniques 191
- PA Consulting Group 177
- parallel transformation 47
- participative management 22–3
- Patel, Alpesh 72
- PeopleSoft 263, 266
- performance management indicators (PMIs) 165
- Philippines 41, 48, 116, 243
- Poppo, L. 226
- portfolio management 145–6
- Powell, W. 192
- Prahalad, C.K. 249
- Prettejohn, Nick 170
- PricewaterhouseCoopers 170, 265
- Prisk, Ian 245, 246, 247
- Proctor & Gamble 265
- procurement costs 133–4
- Progeon 78, 110
- programme governance 255
- project management 22–5
 - and contracts 230–3
- purchasing consultants 137, 138, 139
- quality certification 67–8, 76
 - standards 48
- Rachna Kumar 3
- Rational Software Corporation 265
- recruitment costs 85–6
- relational processes 226
- relationship values charter 197–9
- Remes, J.K. 116
- request-for-proposals (RFPs) 221, 227
 - development 227–9
- return on investment (ROI) 88–9
- Rhodia (France) 99
- Ridderstråle, Jonas 246
- risk management 22, 23–4
- risks 14–15, 25–6
 - business process outsourcing (BPO) 121–4
 - offshoring 44–5, 70–1
- Rivard, S. 225, 226
- Robertson, Hilary 3, 129
- Robinson, Jim 150, 160
- Robinson, M. 107
- Rowden, Julie 67
- Sabherwal, R. 225
- Sambamurthy, V. 186
- SAP 263, 266
- Sarbanes-Oxley Act 68, 74, 256
- Satyam Computer Services (India) 110, 112
- SBC (UK) 71
- Scholl, R. 113
- Schrage, M. 229
- Schumpeter, Joseph 243
- scope creep 215–16
- search costs 250–1
- security and data protection 59, 68, 73–4
- servbots 61
- service credits 216
- service level agreements (SLAs) 31, 125, 162
- shared service models 262–3
- Siebel 263, 266
- Simple Multi Attribute Rating Technique (SMART) 53
- software licences 214
- Sonaca SA (Belgium) 172–3
- Stinchcombe, A. 187
- Stratopoulos, Theophanis 3, 97

- Straub, W. 187
 Sun Microsystems 265
 suppliers
 see vendors
 sustainable transformation 162–3
 through business process outsourcing
 (BPO) 165–6, 169
 Sutton, Brian 255
- Talisman UK 170
 Tata Consultancy Services (TCS) (India)
 69, 73, 104, 110
 tendering process 30, 212–13
 Texas Instruments 102
 Think Dynamics 265
 third party contracts 214
 third party service providers (TPSP)
 109–12, 120, 121, 162
 Thomas-Voinovich amendment, 2004
 (US) 72
 Thondavadi, N. 103, 107
 tight contracts 226, 227
 Timms, Stephen 245
 training 25, 85
 transfer of service provision 222–3
 transition costs 125–6
 travel costs 83–4
 Trigo Technologies Inc. 265
 TRW (US) 112
- UNIFI 71, 77
 Union Network International 69
 Unisys Corp 100, 265, 266
 utility computing 4–5, 259–60, 266–7,
 274
 benefits 260
 enabling technologies 260–2
 market adoption patterns 268–70
 origin 263–4
 potential problems 271–2
 process 273–4
 software vendors 266
 system vendors 264–6
 technology standards 270
- Vashistha, Atul 249–50, 253, 256
 vendors 117, 178
 liability for risk 123, 219
 offshore outsourcing 48
 selection 22, 82–3, 124–5, 199–200
 software 266
 system 264–6
 transfer 222
 see also outsourcing relationship;
 tendering process; third party
 service providers (TPSP)
- Venkatraman, N. 192
 Vertex 125
 Vijayan 104
 Vincent-Jones, P. 187
 VISA 118
 Vollenweider, Marc 70
- wages
 India vs United States 103
 Webster, Colin 142, 148, 150, 159, 161
 Whinston, A. 97
 Willcocks, Leslie 3, 10, 103, 186, 187,
 189, 193, 225
 Williamson, Phil 72
 Wilkinson, F. 187
 Wipro (India) 104, 110, 125
 WNS (India) 125
 Wotherspoon, David 4
- Xansa 116, 118–19, 121, 125, 127–8, 129
 Xchanging 134, 138, 150, 170–1
 Xchanging HR Services 135, 137
 Xchanging Ins-sure Services (XIS) 170,
 171–2
 Xchanging Procurement Services (XPS)
 134
 contract 139–41
 implementation 141–4
 organisation 144
 organisational chart 143
 Xerox 108
- Zenger, T. 226