Business Process Offshoring (BPO) relationships have unique execution problems. A Gartner report in 2005 suggested that unexpected coordination overheads reduced the potential savings from offshoring by 15% if not more. Several recent surveys of senior executives regarding their offshoring experiences suggest that control and coordination issues are a significant barrier to effective offshoring strategies. Firms experience such problems in offshoring both simple processes such as processing stock trades, and maintaining payroll and benefits systems to complex processes such as processing insurance claims, performing equity research or cross selling activities in a call centre.

The three key issues involved in offshoring processes are:

- **Knowledge Transfer** - How to transfer Knowledge from your current employees onsite to the offshore employees, which is usually difficult, but crucial for offshoring success.
- **Coordination Without Co-location** - How to ensure seamless coordination between the offshore personnel and the onsite personnel that perform other related processes.
- **Control Without Ownership** - How to monitor the quality of the service, prevent leakage of proprietary knowledge to competitors and provide incentives to vendors to improve.

As the emphasis on offshoring moves toward more complex and high valued added processes, clear frameworks to resolve these issues are required. At London Business School we are working on identifying models for how processes can be efficiently offshored. The objectives of this research are to identify the management mechanisms that enable clients and vendors (or captive offshore units) to successfully manage the above problems, and to assess the relative efficacy of these mechanisms by surveying process managers. This study is expected to identify project level performance drivers that impact offshoring efficiency and effectiveness.
Requested Assistance
To identify the drivers of offshoring success we need help from experienced managers in the field. Based on a prior study we have developed a survey to be answered by process managers - i.e., managers who have responsibility for service delivery such as the manager that runs the offshore call centre or the manager responsible for processing insurance claims.

The survey requests information regarding a specific offshoring project. The survey is divided in two parts: Part A has questions regarding generic information about the process such as size, scope etc., initial knowledge conditions in the process, while Part B has questions regarding transition and steady state management. We would like to request your assistance in identifying process managers in your organization who would be interested in taking part in this research effort.

We expect several responses from one firm - this is useful because the results will allow executives not only to compare performance within the firm on a set of common indicators, but also compare a variety of processes with those of other firms. Part A will take approximately 30 minutes to complete and Part B 15 minutes. To ensure unbiased responses, we request that Parts A and B be completed by two different individuals.

Contributions
Our study will allow us to answer systematically questions regarding BPO management practices such as what worked/did not work in the past, what other firms are doing in the same space, and to highlight to senior management the type of resources and support that are essential for the success of alternative sourcing of processes. We will provide you with a customized scorecard that compares your organization’s project management practices in offshoring with respect to each other as well as benchmark them with best practice in the industry. Apart from the above benchmarking information, you will also receive a comprehensive summary of our findings from this study. We hope that the results of this study we will help improve your offshoring practices.

Questions
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