

## **DEVELOPING OFFSHORING CAPABILITIES FOR THE CONTEMPORARY OFFSHORING ORGANIZATION**

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**Deadline: May 1<sup>st</sup>, 2012**

***Submission to: jim.smg@cbs.dk***

### **1. Purpose of Special Issue**

Offshoring—or the international relocation of disaggregated firm value chain activities in captive, collaborative or outsourced governance modes—is increasingly gaining popularity among practitioners as a competitive practice and among academics as an attractive research phenomenon. Driven by an array of different motives, including costs, resources and markets, offshoring has indeed reached unprecedented levels in recent years. This has particularly been manifested in the surge in offshoring of knowledge intensive activities such as research and development to emerging economies in addition to the offshoring of more conventional manufacturing activities.

However, as firms increase the scale and scope of their offshoring activities, managers often find that their organizations are becoming growingly complex and subject to a new set of international management and organization challenges. For example, firms discover that their organizational activities and interdependences that originally were collocated in the home country are now becoming effectuated by cultural, institutional, political and geographical distances. By relocating and reconfiguring organizational activities on a global scale, firms also realize that the process of re-integrating the activities into an orchestrated organizational whole incurs substantial unexpected costs that eventually can undermine the initial rationale of the offshoring decision. Moreover, many firms engage in offshoring decisions and implementations as ‘trial-and-error’ practice without specific knowledge on the consequences of relocating collocated organizational activities.

The purpose of this Special Issue is to investigate the concept of the offshoring organization and how it can develop offshoring capabilities to cope with the challenges of managing an organization of disaggregated and relocated activities. Little international management and organizational research has investigated the offshoring organization in a systematic and dedicated way. Rather, most offshoring research is dedicated to themes relating to why firms choose to offshore, where they offshore to, and what outcomes they achieve. Yet, we posit that the offshoring organization is a promising research agenda to pursue. For example, many firms—particularly from smaller economies—are due to competitive pressures forced to relocate large portions of their value chain activities to foreign locations to reduce costs, access resources and gain market proximity. Some firms even undergo relocation processes where they end up with only headquarters and few other strategic activities in the home country. This might suggest that a key capability of the offshoring organization is to successfully integrate globally dispersed and disaggregated value chain activities into a concerted whole.

Some of the underlying issues highlighted in this Special Issue have been discussed in the international management and organization literature for a long time. Yet, as the offshoring phenomenon scrutinizes the actual relocation of organizational activities that originally were collocated instead of other, more market driven internationalization processes, we believe that it offers a highly fertile research grounds to test, challenge and extend assumptions underlying theories on international management and organization.

## **2. Examples of research themes and questions for the Special Issue**

We encourage researchers to investigate issues related to the contemporary offshoring organization and offshoring capabilities. Particularly, we welcome submissions drawing on and extending existing organizational design theories that will enhance our understanding of the offshoring organization. Both theoretical and empirical submissions are welcome, and the following list of themes and questions are meant to be illustrative, not exhaustive, and to provide an indication of topics we are interested in for this Special Issue.

1. How do we conceptualize the contemporary offshoring organization?
2. What are offshoring capabilities and how can firms develop them?
3. What are the organizational consequences of value chain fine-slicing and geographical dispersion?
4. How do firms organize the interfaces and interdependences between the geographically dispersed activities?
5. How do distances (cultural, geographical, institutional, etc.) affect the organizational interdependences within the firm?
6. What is the role of organizational learning in the offshoring process and how do we conceptualize this?
7. How does the organizational design of offshoring evolve over time?
8. What is the role and consequences of organizational complexity in offshoring and how do firms deal with this?
9. What are the (hidden) costs of offshoring and how can we measure these?
10. How do firms plan and implement different organizational forms (such as modularity) in the offshoring organization and what are the consequences of this?

## **3. Submission Instructions**

The deadline for submission of manuscripts is May 1<sup>st</sup>, 2012. Manuscripts should be prepared in accordance with *Journal of International Management's* Style Guide for Authors: <http://sbm.temple.edu/jim/authors.html>. Manuscripts should be electronically submitted to the Guest editors at [jim.smg@cbs.dk](mailto:jim.smg@cbs.dk). All submissions will be subject to the regular double-blind peer review process at JIM.

## **4. Contact details**

Please direct any questions regarding the Special Issue to one of the guest editors.

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