Abdullah, P., 65
ABN Amro Bank, 89
Accenture, 52
Africa
  attractiveness as destination, 53–54
  costs and salaries, 55–57
  education, 58
  government incentives, 56
  market potential, 64
  North Africa, 53–54
  South Africa, 53, 77
  sub-Saharan, 53
  transportation, 61
AGS, 156
AIG, 3
Allery, P., 27
AmeriBank case study, 147–156
American Express, 3, 8, 93
Ante, S., 9
Apple, 2
Apte, S., 34
Aron, R., 8, 27, 31, 34, 35, 39, 205
Asia, 58, 60, 62, 65, 81. See also
  China
  captive centers, 77, 97–99
  costs and salaries, 56
  transportation, 61
A.T. Kearney, 47, 65, 66–67, 91, 104, 144
Athresh, N., 35
Atri, B., 25, 32, 201
Automotive industry, 75, 90–91
Aviva, 74
Axa, 3
Back office functions, 16
Banking
  AmeriBank case study, 147–156
  captive centers, 75, 88–90
  Bank of America, 94
  Barclays Bank, 74, 92
Basic captive center, 17, 37
  capabilities, 207–209
  challenges, 203–207
  establishing, 33–37, 81–84, 201–209
  evolving into divested, 147–148, 157–159, 221–224 (see also
  Divested captive center)
  evolving into hybrid, 107–109, 112–120, 209–211
  evolving into shared-divested, 131–132, 140–146
Beamish, P. W., 31
Belifere, P., 33
Bendor-Samuel, P., 27
Bhalla, A., 7, 14
BHP Billiton, 98
Bierce, A., 8
Bloch, M., 37, 39
BNP Paribas, 89
Brazil
  attractiveness as destination, 49, 53, 63
  automotive captive centers, 91
  pressure on wages, 51
BRIC (Brazil, Russia, India, China), 19, 50–53
British Airways, 2, 14
Build-operate-transfer (BOT) model, 17, 31
Business Process Offshoring (BPO), 17, 50

Call centers, 13, 50–51, 60
Canada, as nearshoring destination, 65
Canon, 82
Cap Gemini, 52
Capability Maturity Model Integration (CMMI), 9
Capita Group, 3
Captive centers, 1–7, 10–13, 32, 37–47. See also Offshoring activity analysis, 78–80
AmeriBank case study, 147–156
basic (see Basic captive center)
  choice of location, 73, 80–81
  (see also Offshoring, locations)
ConsumerGoods case study, 157–164
divested (see Divested captive center)
establishing, 33–37, 81–84, 201–209
four-phase life cycle, 35
future of, 15–16, 228–233
per geographic region, 76–78
GlobalAirline case study, 131–146
GlobalSoftware case study, 107–120
hybrid (see Hybrid captive center)
  industry distribution, 74–76, 77, 84–91
influencing factors, 33–36, 229–232
InfoTech case study, 165–199
ITConsulting case study, 121–130
migrated (see Migrated captive centers)
  profitability, 35
shared (see Shared captive center)
terminated, 6, 44–45
trends, 5, 15–16, 71–87
as a universal solution, 14–15
as a viable alternative, 26
Carmel, E., 11, 54, 65
Case studies
AmeriBank, 147–156
ConsumerGoods, 157–164
GlobalAirline, 131–146
GlobalSoftware, 107–120
InfoTech, 165–199
ITConsulting, 121–130
CEE (Central and Eastern Europe)
  attractiveness as destination, 53, 54–55, 56
  business environment, 60
  captive center development, 76–77, 78, 82–83
  captive centers, 99–101
costs and salaries, 55, 56
education systems, 58
government incentives, 56
infrastructure, 61–62
market potential, 64
as a nearshoring destination, 53, 68
piracy and intellectual property rights, 63–64
size of skilled labor pool, 58
Central and Eastern Europe. See CEE
Challenges, 4, 13–15, 35. See also Risk
basic captive center, 203–207
cultural, 124, 181–184, 206
divested captive center, 224–227
hybrid captive center, 211–214
integrating captive centers, 135–137
language problems, 50–51, 52, 58, 151–152
migrating captive centers, 176–199
offshoring, 29
pressure on wages, 51
shared captive center, 218–219
Chanchani, M. A., 3
Change
and employee morale, 192–194
resistance to, 124
Chevron, 98
Chile, 53, 63
China
attractiveness as destination, 49, 51–52
automotive captive centers, 91
captive center development, 78
captive centers, 95–97
information technology (IT), 8
infrastructure, 95
Citibank, 89, 100–101
Citicorp, 8
Citigroup, 2, 74, 81, 84, 89
Consumer Goods case study, 157–164
Costa Rica, 64
Cultural differences, 124, 206
migrating captive centers, 181–184
Daksh, 87
Dani, S., 3
Dell, 3, 10, 52, 74, 98, 103
Destinations (for captive centers)
73, 76–78, 80–81. See also
Offshoring, locations
emerging, 50–54
and market potential, 64–65
Deutsche Bank, 74
Deutsche Post World Net (DPWN), 101–102
DHL, 102
Dick-Neilsen, J., 9
Divested captive center, 17, 41–44
attracting investors, 223
capabilities, 227–228
challenges, 224–227
divesting through joint venture agreement, 162–164
divesting to BPO provider, 152–156
evolving from basic, 147, 152–159, 162–164, 221–224
evolving from shared, 131–132, 140–146
Domestic outsourcing. See Onshore outsourcing
Doshi, T., 154
Dubai, 50
East India Company, 7
Economic climate, 2, 50. See also Financial crisis; Recession
EDS, 52
Egypt, 50, 54, 56
free trade zone, 59
graduate skills, 58
perception of risk, 63
Electronics industry, 75, 85–87
Employee morale, 192–194
Erber, G., 11
Hybrid captive center, 17, 38–40
  capabilities, 214–215
  challenges, 211–214
  evolving from basic, 107–109,
  112–120, 209–211

IBM, 52, 74, 84, 87, 102–103
India
  and AmeriBank, 149–152
  attractiveness as destination,
  49–51, 63
  automotive captive centers, 90
  captive center development, 76,
  78
  as a center of excellence, 51
  cheap labor, 28
demographic profile, 94
  as dominant location, 9–11,
  91–95
  and GlobalAirline, 132–137
  and GlobalSoftware, 108–111
government incentives, 134
history of offshoring, 7
number of captive centers, 32
pressure on wages, 51
as primary destination for
banking captives, 89–90
programming resources, 9
IndiaIT, 153–154
Information technology (IT). See IT
  (Information Technology)
Infosys, 32, 52
InfoTech case study, 165–199
Infrastructure, 81
costs, 55–56
quality, 60–62
ING, 84
Intel, 84, 85
Intelenet Global Services, 92
Intellectual property, 30, 33, 36, 52,
  63–64
Israel, 8

Farrell, D., 11, 54, 68–69
Filkins, D., 139
Financial crisis, 152–153. See also
  Economic Climate; Recession
Ford, 91
Friedman, T., 8
Gasco, J., 29
Genco Supply Chain Solutions, 3
General Electric Capital
  International Services, 32
General Motors (GM), 84, 90
Genpact, 52, 215
Ghosh, B., 34, 35, 36
Gibson, S., 35
GlobalAirline case study,
  131–146
GlobalSoftware case study,
  107–120
Gold, T., 39
Gonzalez, R., 29
Goolsby, K., 3, 4
Government
corruption, 59
incentives for offshoring, 28–29,
  53, 56–57, 59–60, 134
policy, 81
Graf, M., 73
Griffiths, C., 28

Hanson, A., 41
Hewlett Packard, 2, 52, 84, 87
Hitachi Data Systems, 97
Hoch, D., 100
Honda, 91
Honeywell, 100
HSBC, 74, 84, 89, 94
Hungary, 63. See also CEE (Central
  and Eastern Europe)
  and ITConsulting, 123–130
Hunter, I., 29, 33
Hutchens, T., 3
IT (Information Technology)
  contributing to offshoring, 8
  exported from Africa, 53–54
  problems, 8–9
  software maintenance and
development, 8
IT Consulting case study, 121–130
Iyer, S., 34, 35, 36

Jester, R., 39
Joint venture, 17, 30–31, 162–164
J.P. Morgan Chase, 74, 89, 98

Kaka, N., 39
Karamouzis, F., 33
Khan, I., 68, 69
Killing, J.P., 31
Kleinfeld, K., 10
Kotlarsky, J., 12, 25, 26, 28, 31, 34,
  51, 72, 80, 206
Kwiecinski, M., 100

Labor. See also Skills
  availability, 11, 57–59
  costs, 28, 55–57
  programming staff, 9, 11
Lacity, M., 49, 50, 52, 53
Lampel, J., 7, 14
Language problems, 50–51, 52, 58,
  151–152
Lehman Brothers, 89
Levina, N., 26
Lewin, A.Y., 13
Llopis, J., 29
Locations. See Destinations (captive
centers)
Lottefier, V., 92

Maheshwari, A., 36
Market potential, of offshoring
destinations, 64–65
Martin, R., 43
Maskell, P, 9
Matsushita Electric Industrial, 85
McCue, A., 94
McDougall, P, 9
Menezes, J. P., 33
Mexico, 8, 59, 63
Microsoft, 82, 96
Migrated captive centers, 17, 45–47,
  94–95, 101–104
  challenges, 176–199
  InfoTech case study, 165–199
Mishra, P, 32
Moreira, P., 153
Morocco
  attractiveness as destination,
    50–51, 54
  government incentives, 59
  labor costs, 55–56
  market potential, 64
  telecommunications, 61
Motorola, 74, 81, 84, 85, 100, 104
Mudambi, S. M., 73
Mukherjee, A., 35, 36
Murali, D., 35
Nair, P, 206
Narayanan, S., 37, 39
Nearshoring, 15, 53, 65, 68–69
NEC, 96
North Africa, 53–54

Offshore outsourcing, 28–30. See
  also Offshoring; Outsourcing
Offshoring, 7–10, 18, 27–28. See also
  Captive centers
  challenges, 29
  and cheap labor, 28
  costs, 29, 55–57
  demand for, 28
  economies of, 11–13
  environment issues, 59–60 (see also
  Infrastructure)
Index

Offshoring (cont.)
  joint ventures, 30–31
  and language problems, 50–51, 52, 58, 151–152
  locations, 49–69
  outsourcing options, 9–11
  strategic approaches, 29
  and time zone differences, 53, 60, 81
  web-enabled, 8
Onshore outsourcing, 26–27
Oshri, I., 10, 12, 13, 14, 25, 26, 28, 31, 34, 51, 72, 80, 206
Outsourcing
  challenges, 205
  definition, 18
  disadvantages of, 27
Overby, S., 3, 39, 97, 232

Palmisano, S. J., 7
Panama, 8, 65
Pedersen, T., 9
Peeters, C., 13
Peters, P., 100
Petersen, B., 9
Philippines, 8, 50, 64, 98
  cheap labor, 28
  graduate skills, 58
Piracy, 63–64
Preston, S., 31, 33, 34, 45

Rajeevan, M., 33
Recession, 3. See also Economic climate; Financial crisis
Reinhardt, A., 51
Resources. See Labor; Skills
Risk, 81
  and country attractiveness, 62–64
  of information and knowledge loss, 33
  and joint ventures, 30–31
  perception of, 63
  Robert Bosch, 95, 100

Ross, D., 41
Rottman, J. W., 25, 31
Royal Bank of Scotland, 89
Royal Philips Electronics, 84
Russia, 49, 50, 51, 78
Rutchik, D., 3
Santander, 74
SAP Hosting Services, 1
SAP, 74
Satyam, 52
Sayed-Ahmed, A., 11
Service level agreements (SLAs), 117, 127, 225
Seth, I., 37, 39
Sethi, A., 144
Shah, R., 8
 Shared captive center, 18, 40–41
  capabilities, 220–221
  challenges, 218–219
  evolving from basic, 121–122, 126–130, 138–140, 215–218
Shared service center (SSC), 18, 85–87
Shell, 97
Shivapriya, N., 10
Siemens, 10, 74, 84, 85
Singapore, 8, 50, 98–99
Six Sigma, 9
Skills. See also Labor
  graduate supply, 57–9
  management, 59
  skill gaps, 57
Sourcing models, 25–36
South Africa, 53, 77
Spohr, S., 8
Standard Chartered, 2
Steele, J., 30
Stream Global Services, 3
Subramanian, M., 25, 32, 33, 201

Tata Consultancy Services (TCS), 31, 52, 89
Tejaswi, M., 42
Teknosoft (TKS), 31
Teleperformance, 3
Tija, P., 11
Time zone differences, 53, 60, 81
Transportation systems, 61–62
Tunisia, 64
Tyco International, 96–97

UBS, 3
Underdeveloped markets, 230–231
Unilever, 74
Unions, 136
Uruguay, 53

Van Acker, W., 30
Vashistha, A., 28, 68, 69, 203
Vedala, S., 33
Vendor relationships, 212–213
Vendor selection, 115–119
Venezuela, 64
Vietnam, 64
Volkswagen, 91

Wale, K., 91
Walmart, 92
Willcocks, L., 25, 28, 49, 50, 52, 53
Williams, R., 33
Wipro, 3
WNS, 14