

Among the risks that Kraemer and Dedrick will analyze are:

- Security. "Do companies compromise their need for security of intellectual property when they outsource work to other countries?" Kraemer asks.
- Cost. "Would it be cheaper to set up your own shop in China or India as hiring a company in that country to do the work?"
- Workforce tradeoffs. "How can companies, if they plan to outsource, keep good workers to manage the outsourcing process?"
- Role of IT. "How does the use of the information and communications technology enable firms to relocate knowledge work offshore?"

### Outsource Business Processes

Numerous IT providers offer corporate clients a service called business process management, which transfers such activities as accounts payable/receivable from the company to the outside provider. Vendors charge much less than what corporations spend to conduct their own engineering design, human resources, software development and other business processes.

"What used to require substantial investment in fixed assets can now be bought on a variable-cost basis from a service provider, which often has offshore delivery capability," explains Vijay Gurbaxani, professor of information systems and director of the CRITO Industry/University Consortium. Gurbaxani is an internationally recognized expert on strategies for IT outsourcing. Earlier this year he won the Outsourcing World Achievement Award in the academic category from PricewaterhouseCoopers and Michael Corbett and Associates.

Gurbaxani and a colleague from Pepperdine University have embarked on a three-year study for CRITO on outsourcing business processes. Gurbaxani describes the relevance of their study to the business world: "Companies are looking for guidance to figure out what processes are the best candidates for outsourcing, and how contracts for these services should be specified."

The study will examine how companies, in order to operate efficiently and compete in the global marketplace, must coordinate outsourced business processes with internal processes and integrate and leverage information from



Vijay Gurbaxani

outsourced processes. "And with so much technology infrastructure in the hands of outsiders," Gurbaxani says, "they must build an appropriate IT infrastructure that can be integrated with external service providers."

### The Wired Home

High-speed Intranet service and gazillion-channel cable systems are becoming commonplace in new housing developments. A handful of communities across the country have

taken the extra step by installing an intranet in which residents can offer their opinions about local issues, join community and social groups, exchange medical information with nearby medical facilities and check out the latest events at schools and shopping areas.

Networked homes like this are the heart and soul of Alladi Venkatesh's research interests. Venkatesh, professor of marketing, is one of the world's leading authorities on networked homes. He has written several papers and hosted a worldwide conference on the subject at UCI's Beckman Center last spring.

Via interviews with families and other methods, he is studying whether a housing development in Southern California can blend the promise of new technology with its social utopian goal of being a successful planned community. Venkatesh and his assistants have interviewed 25 families to date and will add more in the coming months. Last July, he presented some of his initial findings at the annual Human-Computer Interaction Conference in Crete, Greece.

He found that several online "regulars" in the community he is studying tend to dominate the intranet's community discussions. "Other families complain that the dominators thwart an even-handed expression of views. And technology plays a key role in formation and expansion of community groups, such as the club that the wine connoisseur joined, when intranet users see them posted on the community bulletin board."

Venkatesh says technology is changing home life in other ways:

- Individuals can now maintain relationships with forms of communication that offer low and high intimacy.
- The intranet improves the scheduling of events and gives families more security measures.
- Wired networks enable people to choose a form of communication that suits their needs. 1