As a larger number of firms outsource their Information Systems (IS) services, the IS outsourcing landscape is getting more varied with the outsourcing alternatives becoming more numerous. Among these new trends, we observe an increasing reliance on offshore outsourcing. This is associated with debate on the political arena, as some jobs are displaced from one country to another. With the expansion of the outsourcing market, management concerns become more complex. This complexity is well reflected in the variety of the research contributions made by the six papers that constitute this year’s minitrack.

These papers first reflect the many theoretical foundations used to analyze outsourcing. Information systems, strategy, resource-based view and capability management, economics, game theory, and control theory. They also show a variety of methods: theoretical papers, measure development, grounded theory, simulation, and focus groups. With respect to the IS outsourcing issues they are addressing, the mintrack’s papers fall into two broad streams. The first stream consists of studies looking at the role various roles of capabilities in outsourcing arrangements. The second group looks at performance, weather it is success of a given contract or stability of outsourcing coalitions.

James Erickson and C. Ranganathan investigate the impact of project management capabilities on the effectiveness of offshore outsourcing arrangements. They look at several projects and find that project management capabilities are related to the effectiveness of offshore outsourcing projects.

Swinarski, Kishore, and Rao take a different view of a similar problem. They focus on the service provider capabilities to explain performance of the provider. Using a survey and a structural model, they find that several aspects of provider capabilities favour the organization performance. They look at both the internal performance of the organization (efficiency) and their competitive performance.

The third paper, written by Balaji, Ahuja, and Ranganathan, also looks at capabilities and offshore software projects. They investigate the effect of knowledge transfer requirements and client information system development capabilities on offshore projects. Using a grounded theory approach, they find that the characteristics of the project, in terms of knowledge transfer requirement and ISD capabilities, lead to different control mechanisms. Outcome, behaviour, and clan controls are used in different situations, depending on capabilities and project requirements.

The next paper, written by Beimborn, evaluates a model of cooperative sourcing in the banking industry using a simulation approach. Cooperative sourcing implies that several firms pool together similar processes to achieve economies of scale. The model captures drivers and inhibitors for cooperative process sourcing strategies. Using data obtained from a survey, the parameters of the model are defined to run the simulation.

Dahlbert and Nyrhinen develop and validate a measure to assess the success of IT outsourcing. Their instrument encompasses several dimensions of success: economic, technical, and social factors. The measure addresses the concerns of both researchers and practitioners looking at outsourcing from a managerial perspective.

Finally, Beimborn, Lamberti and Weitzel investigate the conditions under which cooperative arrangements can become stable coalitions. Using game theory, they analyze cost allocation and distribution of benefits, along with their impact on the stability of the coalition.